

SUBJECT

BOARD RESOLUTION NO. 16-1570

Requesting the City of Saint Paul, Minnesota issue and sell a \$7,500,000 water revenue note, series 2016 to the Minnesota Public Facilities authority for various drinking water improvement projects.

BACKGROUND INFORMATION

This resolution requests the City of Saint Paul to issue and sell approximately \$7,500,000 Water Revenue Note, 2016 to the Minnesota Public Facilities Authority (MNPFA) for drinking water improvement projects. Board Resolution 16-649, adopted on April 12, 2016, authorized staff to make an application with the MNPFA to finance (i) the purchase and installation of the McCarron's switchgear and electrical replacement improvements and (ii) the West Saint Paul pump station generator and electrical improvements. The interest rate for these loans is currently between 1.0% and 1.5%, which is considerably lower than traditional water revenue bonds.

The form of the resolution is as required by the Minnesota Public Facilities Authority and has been approved by the city attorney's office.

RECOMMENDATION

Approval is recommended.