

# DENVER BOARD OF WATER COMMISSIONERS

Meeting Date: August 13, 2014

Board Item: II-B-I

## Series 2014A Master Resolution Bonds

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Action by Consent

Action

Information

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The Board adopted a Reimbursement Resolution on February 8, 2012 in the amount of \$200 million, authorizing the financing of certain capital improvements and preserving the Board's ability to finance these improvements in 2012 and future years. To date, \$46.6 million in capital improvements have been reimbursed through the sale of revenue bonds and the 2013 Line of Credit draws.

In accordance with the Reimbursement Resolution and the Debt Management Policy approved by the Board on July 24, 2013, the Director of Finance is recommending the issuance of approximately \$50 million of revenue bonds between September and October 2014 of which \$35 million is new money for 2014 capital improvements, \$10 million is to refund the outstanding balance under the 2013 Line of Credit and approximately \$5 million is to advance refund a portion of the Series 2005 Revenue Bonds. The Series 2005 Bonds are being refunded for net present value savings. Staff is now in the process of preparing for the Series 2014A Bond sale.

Attached to this Board item are three documents related to the issuance of the Series 2014A Master Resolution Bonds. These documents and their primary purpose are as follows:

### Action item:

- *Seventh Supplemental Bond Resolution*, authorizing the sale of the fixed rate water revenue bonds in the maximum amount of \$35 million for new capital projects and \$15 million to refund a portion of the Series 2005 Bonds and the outstanding balance on the 2013 Line of Credit. The resolution delegates to the Director of Finance or the Treasurer the authority needed to complete the sale and delivery of the Series 2014A Master Resolution Revenue Bonds. The provisions outlining the extent of the delegation appear in Section 1.05 of the Seventh Supplemental Resolution.

### Information Items:

- *The Series 2014A Notice of Sale* advises potential bidders of a competitive sale of the Series 2014A Bonds, currently planned for 10.00 a.m. on September 16, 2014, with a form of Purchaser's Certificate attached.
- *The Preliminary Official Statement* contains a description of the Series 2014A Bonds and a description of Denver Water, its operations and its financial status.
- *A Preliminary 5 Year Capital Plan*

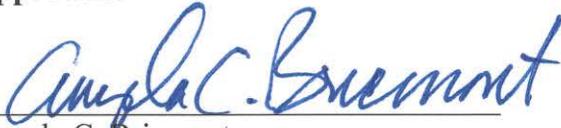
In preparing for this sale, staff worked with Piper Jaffray & Co., Financial Advisor, Becker Stowe Partners LLC, Bond Counsel and Kutak Rock LLP, Special (Disclosure) Counsel. Representatives from these firms will be present at the meeting to answer questions, as necessary.

Recommendation:

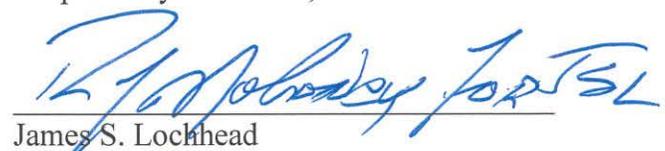
It is recommended that the Board adopt the attached Seventh Supplemental Resolution so the Director of Finance and/or the Treasurer may continue and complete the planned sale of up to \$50 million of Master Resolution Water Revenue Bonds Series 2014A.

**Approvals:**

Respectfully submitted,



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Angela C. Bricmont  
Director of Finance



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James S. Lockhead  
CEO/Manager



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Patricia L. Wells  
General Counsel



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Terri Bryant  
Controller