

# DENVER BOARD OF WATER COMMISSIONERS

Meeting Date: February 8, 2012

Board Item: V-D-1

## Resolution of intent to issue tax-exempt securities for future capital expenditures

Action by Consent

Action

Information

Denver Water expects to spend approximately \$200 million for expansion (Part I) capital projects during 2012-2014. Most of this is anticipated to be financed with the proceeds of revenue bonds. Denver Water will soon begin construction on a portion of these projects, but may not issue bonds for their permanent financing until the middle of second quarter of 2012.

IRS regulations require that the Board declare its intent to use tax-exempt bond proceeds to reimburse itself for eligible project expenditures incurred no more than 60 days prior to the adoption of this resolution. Adoption of this resolution will enable the Board to preserve its ability to finance these capital expenditures with proceeds from the revenue bonds.

This resolution does not authorize the issuance of securities nor does it irrevocably commit the Board to issue the securities. All actions needed to issue securities or to otherwise commit the Board to any action will be brought to the Board in a more detailed form at a later date.

### Recommendation:

It is recommended that the Board adopt the attached reimbursement resolution to preserve its future ability to finance expansion projects such as Elizabeth Pump Station, replacement of conduits 16 and 22 and Howe Haller Interconnect.

### **Approvals:**

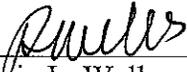
Respectfully submitted,



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