



# City Council Agenda Bill

# 20101

Bill Number

**Subject:** An Ordinance increasing revenue and expenditures in the Wastewater Fund from the issuance of Revenue Bonds to pay for improvements to the wastewater system.

**Summary Statement:** On August 13, 2013, the City of Bellingham issued Water and Sewer Revenue Bonds through a competitive bid process. There were six bids received with William Blair & Company, LLC. being the low bidder. The funds were deposited into our account August 27, 2013 and will be used to improve the wastewater treatment plant.

**Previous Council Action:** Ordinance 2013-08-059 authorizing the issuance of Water and Sewer Revenue Bonds.

**Fiscal Impact:** The debt service for these bonds will be paid from the wastewater utility fund until 2043.

**Funding Source:**

**Attachments:** Ordinance  
Bid Results  
Aggregate Debt Service Schedule

Meeting Activity	Meeting Date	Staff Recommendation	Presented By	Time
Committee Briefing Council Vote Requested	16-Sep-2013	Vote to Approve	Brian Henshaw	5 min

**Council Committee:**

Finance and Personnel  
Michael Lilliquist, Chair  
Gene Knutson; Stan Snapp

**Committee Actions:**

**Agenda Bill Contact:**

Brian Henshaw

Reviewed By	Initials	Date
Brian Henshaw, Finance	<i>BH</i>	8/27/13
Ted Carlson, Public Works	<i>TC</i>	8/27/13
Legal	<i>pmr</i>	9/27/13
Mayor	<i>KL</i>	8.27.13

**Council Action:**

ORDINANCE NO. \_\_\_\_\_

**AN ORDINANCE RELATING TO THE 2013 BUDGET INCREASING REVENUE IN THE WASTEWATER FUND FROM THE ISSUANCE OF REVENUE BONDS TO PAY FOR THE EXPANSION OF IMPROVEMENTS TO THE WASTEWATER SYSTEM AND APPROPRIATING \$16,039,500.45 IN RELATED EXPENDITURES.**

**WHEREAS**, the City of Bellingham owns, operates, and maintains a combined water supply and distribution system and sewage collection and disposal system; and

**WHEREAS**, the system is in need of additions, betterments, and improvements; and

**WHEREAS**, the city is authorized pursuant to chapters 35.92 and 39.46 RCW to issue revenue bonds payable from operating revenues of the system for the purpose of financing costs of the project; and

**WHEREAS**, the Bonds were sold on August 13, 2013 by competitive bid.

**NOW, THEREFORE, THE CITY OF BELLINGHAM DOES ORDAIN:**

Revenue in the Wastewater Fund is hereby increased by \$16,039,500.45 as a result of issuing revenue bonds. The amount of \$16,039,500.45 is hereby appropriated to provide for the issuance costs associated with the bonds and construction of the system improvements. The source of funding will be credited from:

<u>420</u>		<u>WASTEWATER FUND FUND</u>	
	3 663	<u>REVENUES</u>	
420-3663000912100		REVENUE BOND PROCEEDS	\$ 15,785,000.00
420-3663000920000		REVENUE BOND PROCEEDS	\$ 254,500.45
			<u>\$ 16,039,500.45</u>

To be debited as follows:

<u>420</u>		<u>WASTEWATER FUND FUND</u>	
	5 643	<u>PW FINANCIAL MANAGEMENT</u>	
	932	<u>BOND ISSUE EXPENSES</u>	
420-56439328401		DEBT ISSUE COSTS	\$ 97,835.00
420-56439328402		DISCOUNT COSTS	\$ 55,247.50
420-56636196545		CONSTRUCTION - WWTP FACILITY	\$ 15,886,417.95
			<u>\$ 16,039,500.45</u>

**PASSED** by the Council this \_\_\_\_\_ day of \_\_\_\_\_, 2013.

\_\_\_\_\_  
Council President

**APPROVED** by me this \_\_\_\_\_ day of \_\_\_\_\_, 2013.

\_\_\_\_\_  
Mayor

**ATTEST:** \_\_\_\_\_  
Finance Director

**APPROVED AS TO FORM:**

\_\_\_\_\_  
Office of the City Attorney

Published:  
  
\_\_\_\_\_

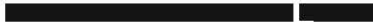
**Bid Results**

**Bellingham  
\$15,770,000 Water and Sewer Revenue Bonds, 2013**

The following bids were submitted using *PARITY*<sup>®</sup> and displayed ranked by lowest TIC.  
Click on the name of each bidder to see the respective bids.

Bid Award*	Bidder Name	TIC
<input type="checkbox"/>	<a href="#">William Blair &amp; Company, LLC</a>	4.703478
<input type="checkbox"/>	<a href="#">Robert W. Baird &amp; Co., Inc.</a>	4.709078
<input type="checkbox"/>	<a href="#">J.P. Morgan Securities LLC</a>	4.787411
<input type="checkbox"/>	<a href="#">Mesirow Financial, Inc.</a>	4.887982
<input type="checkbox"/>	<a href="#">Morgan Stanley &amp; Co. LLC</a>	4.908931
<input type="checkbox"/>	<a href="#">Jefferies LLC</a>	4.965439

\*Awarding the Bonds to a specific bidder will provide you with the Reoffering Prices and Yields.



AGGREGATE DEBT SERVICE

City of Bellingham  
Water and Sewer Revenue Bonds, 2013  
FINAL NUMBERS

Period Ending	Water and Sewer Revenue Bonds, 2013	Parity Debt Service	Aggregate Debt Service
12/31/2013	-	4,473,225.00	4,473,225.00
12/31/2014	702,152.66	4,470,875.00	5,173,027.66
12/31/2015	756,811.26	4,474,006.26	5,230,817.52
12/31/2016	756,811.26	4,474,706.26	5,231,517.52
12/31/2017	756,811.26	4,472,506.26	5,229,317.52
12/31/2018	756,811.26	4,469,206.26	5,226,017.52
12/31/2019	971,811.26	3,198,206.26	4,170,017.52
12/31/2020	966,061.26	3,205,981.26	4,172,042.52
12/31/2021	970,061.26	3,201,543.76	4,171,605.02
12/31/2022	973,311.26	3,202,033.76	4,175,345.02
12/31/2023	965,811.26	3,205,478.76	4,171,290.02
12/31/2024	968,061.26	3,206,360.00	4,174,421.26
12/31/2025	944,561.26	3,229,485.00	4,174,046.26
12/31/2026	946,561.26	3,225,125.00	4,171,686.26
12/31/2027	947,811.26	3,227,175.00	4,174,986.26
12/31/2028	948,311.26	3,228,175.00	4,176,486.26
12/31/2029	945,348.76	3,225,175.00	4,170,523.76
12/31/2030	946,567.50	3,228,175.00	4,174,742.50
12/31/2031	946,717.50	3,226,675.00	4,173,392.50
12/31/2032	946,192.50	3,229,875.00	4,176,067.50
12/31/2033	944,992.50	3,229,875.00	4,174,867.50
12/31/2034	943,117.50	3,229,875.00	4,172,992.50
12/31/2035	944,787.50	3,229,625.00	4,174,412.50
12/31/2036	945,312.50	3,228,875.00	4,174,187.50
12/31/2037	944,887.50	3,227,375.00	4,172,262.50
12/31/2038	943,512.50	3,229,875.00	4,173,387.50
12/31/2039	946,187.50	3,225,875.00	4,172,062.50
12/31/2040	947,675.00	3,225,375.00	4,173,050.00
12/31/2041	947,975.00	3,227,875.00	4,175,850.00
12/31/2042	4,172,087.50	-	4,172,087.50
12/31/2043	4,173,030.00	-	4,173,030.00
	33,970,151.56	100,928,613.84	134,898,765.40