



**City of Missoula, Montana
City Council Committee Agenda Item**

Committee: Budget and Finance

Item: Resolution Relating to \$[6,897,000] Water System Revenue Bonds, Series 2022B; Authorizing the Issuance and Fixing the Terms and Conditions Thereof

Date: June 16, 2022

Sponsor(s): Leigh Griffing, Finance Director

Prepared by: Leigh Griffing, Finance Director

Ward(s) Affected:

- | | |
|---|---------------------------------|
| <input type="checkbox"/> Ward 1 | <input type="checkbox"/> Ward 4 |
| <input type="checkbox"/> Ward 2 | <input type="checkbox"/> Ward 5 |
| <input type="checkbox"/> Ward 3 | <input type="checkbox"/> Ward 6 |
| <input checked="" type="checkbox"/> All Wards | <input type="checkbox"/> N/A |

Action Required:

Approve bond resolution.

Recommended Motion(s):

I move the City Council: Adopt the Resolution Relating to \$[6,897,000] Water System Revenue Bonds, Series 2022B; Authorizing the Issuance and Fixing the Terms and Conditions Thereof

Timeline:

Committee discussion:	June 29, 2022
Council action (or sets hearing):	July 11, 2022
Public Hearing (if required):	Click or tap here to enter text.
Final Consideration	Click or tap here to enter text.
Deadline:	Click or tap here to enter text.

Background and Alternatives Explored:

The City has entered into a Global Settlement Agreement and Release pursuant to which the City agreed to pay \$4,130,000 to Carlyle in settlement of the last remaining litigation arising in connection with the acquisition of the Water System. In addition, the City has determined to undertake certain improvements to the Water System, including extending service to the area west of Reserve Street and north of Mullan Road in conjunction with the BUILD Project, and related improvements (the "2022B Project"), at an aggregate estimated cost of \$2,700,000. As required by Section 6.08 of the Original Resolution, the City hereby determines that the 2022B Project is economically sound and will properly and advantageously contribute to the conduct of the business of the Water System in an efficient manner. The City expects to reimburse itself for costs of the Settlement Agreement, pay costs of the 2022B Project, and pay costs of issuance from proceeds of the City's Water System Revenue Bonds, Series 2022B (as more particularly described herein, the "Series 2022B Bonds")

Financial Implications:

Operating implications will be annual debt service payable on each January 1 and July 1, beginning on January 1, 2023 and concluding on July 1, 2042.