

August 11, 2011

**STORMWATER UTILITY ENTERPRISE**

A regular meeting of Stormwater Utility Enterprise Board of Directors was held on Thursday, August 11, 2011, at 8:55 p.m. in the Council Chambers of the City of Fort Collins City Hall. Roll call was answered by the following Boardmembers: Weitkumat, Manvel, Ohlson, Poppaw, Horak, and Troxell.

Boardmembers absent: Kottwitz

Staff Members Present: Atteberry, Krajicek, Roy.

**Items Relating to Issuance of Series 2011A, Storm  
Drainage Revenue Refunding Bonds, Adopted on First Reading**

The following is staff's memorandum for this item.

***“EXECUTIVE SUMMARY***

- A. *First Reading of Ordinance No. 009, Authorizing the Issuance of City of Fort Collins, Colorado, Stormwater Utility Enterprise, Stormwater Revenue Refunding Bonds, Series 2011A.*
- B. *First Reading of Ordinance No. 010, Amending Ordinance No. 008, Relating to the Stormwater Utility Enterprise, Stormwater Utility Revenue Refunding Bonds, Series 2007A and Series 2007B; Ratifying Action Heretofore Taken Relating to Such Bonds; and Providing Other Matters Relating Thereto.*

*In 2002, the City issued \$12.3 million in bonds to provide funding for capital improvements in various stormwater basins within the city. The outstanding balance is currently \$8,630,000. Market conditions are such that they can be refinanced at lower interest rates resulting in an estimated savings of \$500,000 on a net present value basis.*

*The amending ordinance authorizes the City to contract with US Bank to be the registrar, paying agent, and escrow agent on the 2002, 2007 and 2011 Storm Drainage bonds. Additionally, it eliminates the bond reserve requirement that might otherwise be required for the Series 2011A Bonds.*

August 11, 2011

**BACKGROUND / DISCUSSION**

*In 2002, the Storm Drainage Fund issued \$12.3 million of revenue bonds. The bonds have interest rates that range from 3% to 5% and the final payment is due December 1, 2022. The proceeds were used for improvements to the Dry Creek Basin and the Canal Importation, Ponds, and Outfall project.*

**FINANCIAL / ECONOMIC IMPACTS**

*The remaining 2002 Bonds to be refunded carry interest rates that range from 4.25% to 5%. The proposed refunding, at current market rates, will be below 3% and will result in a savings estimated to be approximately \$500,000 in present value terms. However, the actual savings and final rate will be a function of the market and are subject to change."*

Boardmember Horak made a motion, seconded by Boardmember Troxell, to adopt Ordinance No. 009, on First Reading. Yeas: Weitkunat, Manvel, Ohlson, Poppaw, Horak and Troxell. Nays: none.

THE MOTION CARRIED.

Boardmember Troxell made a motion, seconded by Boardmember Poppaw, to adopt Ordinance No. 010, on First Reading. Yeas: Weitkunat, Manvel, Ohlson, Poppaw, Horak and Troxell. Nays: none.

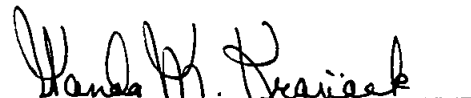
THE MOTION CARRIED.

**Adjournment**

The meeting adjourned at 9:00 p.m.

  
\_\_\_\_\_  
Mayor, Ex Officio President

ATTEST:

  
\_\_\_\_\_  
City Clerk, Ex Officio Secretary