

City Council – Action Request Form

Date: November 8, 2021

To: Mayor, Mayor Pro Tempore, and Members of the City Council

From: Lisa M. Saunders, Chief Financial Officer

Council Action Requested:

Bond Order Authorizing the Issuance, Directing the Application to the Local Government Commission, and Requesting Local Government Commission Approval of Water and Sewer System Revenue and Revenue Refunding Bonds, Series 2022 of the City of Winston-Salem, North Carolina

Strategic Focus Area: Service Excellence

Strategic Objective: Maintain City’s Financial Strength

Strategic Plan Action Item: No

Key Work Item: Yes



Summary of Information:

The attached bond order authorizes the City to request the Local Government Commission approval of the issuance of Water and Sewer System Revenue and Revenue Refunding Bonds, Series 2022.

The Bond Order establishes the not-to-exceed amount of Water and Sewer System Revenue and Revenue Refunding Bonds, Series 2022 at \$80,000,000. The projects have been approved and appropriated by City Council in the Project Budget Ordinance. Descriptions are included in Exhibit A. If market conditions are favorable and certain tax law changes become effective, the bond order also authorizes the refunding of a portion of the Series 2017 Water and Sewer Revenue Bonds.

The City intends to sell the 2022 Bonds in the public market via negotiated sale on January 12, 2022. Robert W. Baird and Co. is the Underwriter.

The Bond Order makes certain findings of fact, directs application to the North Carolina Local Government Commission, authorizes engaging the Financing Team (as defined in therein), establishes the not-to-exceed amount of Water and Sewer System Revenue and Revenue Refunding Bonds, Series 2022 at \$80,000,000 and approves the form and execution of certain documents.

Committee Action:

Committee	<u>Finance 11/8/2021</u>	Action	<u>Approval</u>
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For	<u>Unanimous</u>	Against	<u></u>
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Remarks:

The Bonds are special obligations of the City and will be paid from the pledged revenue of the Water and Sewer System. The Bond Order approves the form and authorizes the execution of the following documents, which have been made available and are on file with the City Clerk:

1. the Series Indenture;
2. the Purchase Agreement;
3. the Escrow Agreement;
4. the Preliminary Official Statement; and
5. Authorizes, directs, and designates the Mayor, City Manager, Chief Financial Officer, and City Clerk of the City, and their designees, to do any and all acts to execute any and all documents, which they, in their discretion, deem appropriate and necessary to consummate the transactions contemplated by the Bond Order, and other documents mentioned above.

We recommend approval of the Bond Order.