



# STAFF REPORT

**Report To:** Board of Supervisors

**Meeting Date:** 9/6/18

**Staff Contact:** Sheri Russell, Chief Financial Officer

**Agenda Title:** For Possible Action: To adopt a resolution of intent, proposing the issuance of, and authorizing the publication of notices relating to general obligation (limited tax) water bonds (additionally secured by pledged revenues), in the aggregate principal amount not to exceed \$7,000,000, for the purpose of financing water projects for the City; providing the manner, form and contents of the notices; authorizing the City Manager or the City's Chief Financial Officer to arrange for the sale of the Bonds; and providing the effective date.

**Staff Summary:** Staff is recommending the Board of Supervisors approve a resolution of intent to issue general obligation (limited tax) water bonds (additionally secured by pledged revenues) and authorize the City Manager or the City's Chief Financial Officer to arrange for the sale of the bonds.

Pursuant to NRS 350.087, this Resolution must be adopted by a two-thirds vote of the Board of Supervisors.

**Agenda Action:** Resolution

**Time Requested:** 10 minutes

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## **Proposed Motion**

I move to adopt Resolution #\_\_\_\_\_, a Resolution of Intent, proposing the issuance of, and authorizing the publication of notices relating to general obligation (limited tax) water bonds (additionally secured by pledged revenues), in the aggregate principal amount not to exceed \$7,000,000, for the purpose of financing water projects for the City; providing the manner, form and contents of the notices; authorizing the City Manager or the City's Chief Financial Officer to arrange for the sale of the Bonds; and providing the effective date.

## **Board's Strategic Goal**

Sustainable Infrastructure

## **Previous Action**

8/14/18 Debt Management Commission approved.

7/19/18 Board Approved Resolution #2018-R25 a resolution directing staff to notify the debt management commission of the City's intent to issue water general obligation bonds, in an amount not to exceed \$7,000,000.

6/7/18 Board approved a proposal to refinance the series 2010A Water Bonds and issue up to \$7,000,000 in new bonds for construction of the East West Transmission Line Project looking at all bonding options available.

## **Background/Issues & Analysis**

In spring 2016, City staff requested the Nevada Division of Environmental Protection through the SRF, refinance the 2010A Water Bonds (Bonds). The Bonds were issued to finance the acquisition of water rights from the Town of Minden. The SRF initially declined the request, pending the City obtain a waiver from the United States Environmental Protection Agency (EPA), allowing the Bonds to be refinanced. The Bonds were financed through the Build America Bonds (BAB) federal subsidy program which had various restrictions.

In spring 2017, City staff requested a waiver from the EPA to refinance the Bonds. In February 2018, the EPA granted the waiver. However, as a condition of the waiver, the savings from the refinancing of the Bonds must be reinvested into a new water improvement project.

The Bonds were refunded as of August 15, 2018, Staff proposes that the \$3.4 million savings from the refinance be used to partially offset the cost of issuing up to \$7 million in new bonds for the East/West Transmission Line project, thereby fulfilling the EPA's requirement.

**Applicable Statute, Code, Policy, Rule or Regulation**

NRS Chapters 350 and 244A

**Financial Information**

Is there a fiscal impact?  Yes  No

If yes, account name/number: Estimated annual debt service payments ranging from \$295,788 to \$1,077,419 in principal and interest for 20 years from the Water Fund.

Is it currently budgeted?  Yes  No

Explanation of Fiscal Impact: Final amounts of bond proceeds, issuance costs, debt service and capital projects will be added to the Water Fund Budget through a budget augmentation in FY 2019.

**Alternatives**

Elect to pursue other financing options for the water capital program.

**Board Action Taken:**

Motion: \_\_\_\_\_

1) \_\_\_\_\_

2) \_\_\_\_\_

Aye/Nay

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_  
(Vote Recorded By)

Summary - a resolution of intent to issue general obligation (limited tax) water bonds (additionally secured by pledged revenues).

**RESOLUTION NO. \_\_\_\_\_**

**A RESOLUTION OF INTENT, PROPOSING THE ISSUANCE OF, AND AUTHORIZING THE PUBLICATION OF NOTICES RELATING TO GENERAL OBLIGATION (LIMITED TAX) WATER BONDS (ADDITIONALLY SECURED BY PLEDGED REVENUES) FOR THE PURPOSE OF FINANCING WATER PROJECTS FOR THE CITY; PROVIDING THE MANNER, FORM AND CONTENTS OF THE NOTICES; AUTHORIZING THE CITY MANAGER OR THE CITY’S CHIEF FINANCIAL OFFICER TO ARRANGE FOR THE SALE OF THE BONDS; PROVIDING OTHER MATTERS PROPERLY RELATED THERETO; AND PROVIDING THE EFFECTIVE DATE HEREOF.**

**WHEREAS**, the Board of Supervisors of Carson City (the “Board”) proposes to issue up to \$7,000,000 of general obligation water bonds (additionally secured by pledged water revenues) (respectively, the “Pledged Revenues” and the “Bonds”); and

**WHEREAS**, the Board proposes to incur these Bonds without an election unless a petition signed by the requisite number of registered voters of the City is presented to the Board requiring the Board to submit to the qualified electors of the City for their approval or disapproval the following proposal:

**GENERAL OBLIGATION WATER BONDS (ADDITIONALLY SECURED BY PLEDGED REVENUES) PROPOSAL:**

**Shall the Board of Supervisors of Carson City, Nevada, be authorized to incur a general obligation indebtedness (additionally secured by pledged revenues) on behalf of the City by the issuance at one time, or from time to time, of the City’s general obligation water bonds, in one series or more, in the aggregate principal amount of not exceeding \$7,000,000 for the purpose of acquiring, constructing, improving and equipping City water projects as defined in NRS 244A.056, such bonds to mature not later than thirty (30) years from the date or respective dates of the bonds, payable from general (ad valorem) taxes (except to the extent pledged revenues and other monies are available therefor), and to be issued and sold at, above, or below**

**par at an effective interest rate (including any sale discount) not exceeding the statutory maximum rate, if any, as shall be determined at the time of the sale thereof, and otherwise to be issued in such manner, upon such terms and conditions, with such covenants and agreements, and with such other detail as the Board may determine, including at its option but not necessarily limited to provisions for the redemption of bonds prior to maturity without or with the payment of a premium?**

(the “Proposal”); and

**WHEREAS**, pursuant to Nevada Revised Statutes (“NRS”) 350.011 to 350.0165, inclusive, the Board has submitted the Proposal to the Debt Management Commission of Carson City (the “Commission”); and

**WHEREAS**, the Commission has heretofore approved the Proposal; and

**WHEREAS**, the Board has determined and hereby determines that the Pledged Revenues will at least equal the amount required in each year for the payment of interest and principal on the Bonds and an ad valorem tax is not expected to be necessary to pay the principal of and interest on such Bonds during the term thereof; and

**WHEREAS**, subsection 3 of NRS 350.020 in effect provides that if the payment of a general obligation of the City is additionally secured by a pledge of the revenues of a project to be financed by its issue, and the governing body (i.e., the Board) determines that the pledged revenues will at least equal the amount required in each year for the payment of interest and principal, the City may incur the general obligations without an election, unless a petition requesting an election signed by 5% of the registered voters of the City is presented to the Board within 90 days after the publication of a notice of the adoption of this resolution of intent; and

**WHEREAS**, subsection 3 of NRS 350.020 also requires that a public hearing be held before the Bonds are issued.

**NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF SUPERVISORS OF CARSON CITY, NEVADA:**

Section 1. This resolution shall be known as and may be cited by the short title “2018 Resolution of Intent to Issue Water Bonds” (this “Resolution”).

Section 2. The officers of the City be, and they hereby are, authorized and directed to publish a notice of the adoption of the resolution of intent relating to the Board's Proposal to issue the Bonds in a newspaper of general circulation in the City, at least once, such notice to be published in substantially the following form:

(Form of Notice of Intent for Publication)

**NOTICE OF THE INTENT OF THE BOARD OF SUPERVISORS OF CARSON CITY, NEVADA, TO ISSUE GENERAL OBLIGATION (LIMITED TAX) WATER BONDS OF THE CITY ADDITIONALLY SECURED BY PLEDGED REVENUES**

**NOTICE IS HEREBY GIVEN** that the Board of Supervisors of Carson City (the “Board” and the “City”) Nevada, by a resolution, passed, adopted and approved on September 6, 2018, and designated in Section 1 thereof by the short title “2018 Resolution of Intent to Issue Water Bonds” has proposed the issuance of the City’s general obligation (limited tax) water bonds (additionally secured by pledged revenues) (the “Bonds”) designated below, as follows:

**GENERAL OBLIGATION WATER BONDS (ADDITIONALLY SECURED BY PLEDGED REVENUES) PROPOSAL:**

**Shall the Board of Supervisors of Carson City, Nevada, be authorized to incur a general obligation indebtedness (additionally secured by pledged revenues) on behalf of the City by the issuance at one time, or from time to time, of the City’s general obligation water bonds, in one series or more, in the aggregate principal amount of not exceeding \$7,000,000 for the purpose of acquiring, constructing, improving and equipping City water projects as defined in NRS 244A.056, such bonds to mature not later than thirty (30) years from the date or respective dates of the bonds, payable from general (ad valorem) taxes (except to the extent pledged revenues and other monies are available therefor), and to be issued and sold at, above, or below par at an effective interest rate (including any sale discount) not exceeding the statutory maximum rate, if any, as shall be determined at the time of the sale thereof, and otherwise to be issued in such manner, upon such terms and conditions, with such covenants and agreements, and with such other detail as the Board may determine, including at its option but not necessarily limited to provisions for the redemption of bonds prior to maturity without or with the payment of a premium?**

(the “Proposal”); and

The above Proposal was approved by the Debt Management Commission of Carson City, Nevada.

The Board has determined that the Bonds to be issued for the purpose of financing water projects for the City (as further described in the above Proposal) will be additionally secured by a pledge of the “pledged revenues”. The Board has, in addition, determined, based upon a revenue study, that the pledged revenues will at least equal the amount required in each year for the payment of the interest on and the principal of the Bonds.

Based upon these determinations, the Board intends to incur these general obligations as set forth above without an election as provided in subsection 3 of Nevada Revised Statutes (“NRS”) 350.020, unless within ninety (90) days after the publication of this notice a petition requesting an election is presented to the City Clerk on behalf of the Board signed by not fewer than five percent (5%) of the registered voters of the City. The number of registered voters is to be determined as of the close of registration for the last preceding general election.

At a meeting or meetings of the Board, the Board shall proceed to adopt an ordinance or ordinances authorizing the issuance of the Bonds. Such ordinance or ordinances authorizing the issuance of the Bonds will be effective unless prior to 5:00 p.m. on December 11, 2018, a petition is presented to the City Clerk on behalf of the Board asking for the Board to hold an election upon the question of whether or not the proposed Bonds, shall be incurred. The petition for an election herein referred to may be filed with the City Clerk on behalf of the Board no later than 5:00 p.m. on December 11, 2018, at the City Clerk’s Office, 885 East Musser Street, Suite 1028, Carson City, Nevada, during regular office hours of the City Clerk. In the event such petition is presented, no such ordinance or ordinances shall be effective except pursuant to an election called and held for such purpose and carried by a majority of the votes cast. In the event no such petition is presented, the Bonds will be authorized as described above. The ordinance or ordinances authorizing the Bonds will, in addition, contain provisions for additionally securing the payment of the general obligations by pledging the pledged revenues designated above and in the Proposal to the payment of the Bonds.

The authority to issue the Bonds if conferred at an election or if conferred by the fact no petition is presented to the City Clerk requesting such an election within ninety (90) days of the date of publication hereof shall be deemed to be a continuing authority and the Board shall be authorized to sell the Bonds at such time or times and upon such terms and conditions as it deems proper in accordance with the provisions of the Proposal and the laws of the State of Nevada.

All persons interested are hereby advised that further information regarding the projects to be financed by the Bonds, the Bonds and the revenues to be pledged to the Bonds, and all proceedings in the premises, are on file in the office of the City Clerk, 885 East Musser Street, Suite 1028, Carson City, Nevada, and can be seen and examined by interested persons during the regular office hours of the City Clerk. All persons interested may also obtain additional information regarding the contents of and filing requirements for the petition herein referred to at the office of the City Clerk, 885 East Musser Street, Suite 1028, Carson City, Nevada, during the regular office hours of the City Clerk.

The determination by the Board that the pledged revenues will at least equal the amount required in each year for the payment of interest and principal on the Bonds becomes conclusive on the last day for filing the petition, i.e., on December 11, 2018, at 5:00 p.m.

**BY ORDER** of the Board of Supervisors of Carson City, Nevada.

**DATED** this September 6, 2018.

**PUBLICATION DATE:** September 12, 2018

/s/ Susan Merriwether  
City Clerk

(End of Form of Notice of Intent)



Section 3. The City Clerk is authorized and directed to publish a notice of public hearing three times, once each week for three consecutive weeks, the third publication to be made at least 10 days before the date of the public hearing described in the following notice, in a newspaper of general circulation in the City, at least as large as 5 inches high by 4 inches wide, in substantially the following form:

(Form of Notice of Public Hearing)

**NOTICE OF PUBLIC HEARING ON THE INTENT OF CARSON CITY, NEVADA, TO ISSUE GENERAL OBLIGATION (LIMITED TAX) WATER BONDS (ADDITIONALLY SECURED BY PLEDGED REVENUES).**

**NOTICE IS HEREBY GIVEN** that the Board of Supervisors (the “Board”) of Carson City (the “City”), Nevada, by a resolution, passed, adopted, signed and approved on September 6, 2018, and designated in Section 1 thereof by the short title “2018 Resolution of Intent to Issue Water Bonds” has proposed the issuance of the City’s general obligation (limited tax) water bonds (additionally secured by pledged revenues) (the “Bonds”) designated below, as follows:

**GENERAL OBLIGATION WATER BONDS (ADDITIONALLY SECURED BY PLEDGED REVENUES) PROPOSAL:**

**Shall the Board of Supervisors of Carson City, Nevada, be authorized to incur a general obligation indebtedness (additionally secured by pledged revenues) on behalf of the City by the issuance at one time, or from time to time, of the City’s general obligation water bonds, in one series or more, in the aggregate principal amount of not exceeding \$7,000,000 for the purpose of acquiring, constructing, improving and equipping City water projects as defined in NRS 244A.056, such bonds to mature not later than thirty (30) years from the date or respective dates of the bonds, payable from general (ad valorem) taxes (except to the extent pledged revenues and other monies are available therefor), and to be issued and sold at, above, or below par at an effective interest rate (including any sale discount) not exceeding the statutory maximum rate, if any, as shall be determined at the time of the sale thereof, and otherwise to be issued in such manner, upon such terms and conditions, with such covenants and agreements, and with such other detail as the Board may determine, including at its option but not necessarily limited to provisions for the redemption of bonds prior to maturity without or with the payment of a premium?**

(the “Proposal”); and

The above Proposal was previously approved by the Debt Management Commission of Carson City, Nevada.

The Board has determined that the Bonds to be issued for the purpose of financing water projects for the City (as further described in the above Proposal) will be additionally secured

by a pledge of the “pledged revenues.” The Board has, in addition, determined, based upon a revenue study, that the pledged revenues will at least equal the amount required in each year for the payment of the interest on and the principal of the Bonds.

All persons interested are hereby advised that the Board will hold a public hearing on the Proposal at a regular meeting to be held on October 18, 2018 at the hour of 8:30 a.m. at the Community Center, 851 East William, Carson City, Nevada. All persons are invited to attend and to be heard regarding the Proposal. Further information regarding the Proposal, the Project to be financed by the Bonds, the Bonds and the revenues to be pledged to the Bonds, and all proceedings, are on file in the office of the City Clerk, 885 East Musser Street, Suite 1028, Carson City, Nevada, and can be seen and examined by interested persons during the regular office hours of the City Clerk.

BY ORDER of the Board of Supervisors, Carson City, Nevada.

DATED this September 6, 2018.

PUBLICATION DATES: September 19, 2018; September 26, 2018; and October 3, 2018.

/s/ Susan Merriwether  
City Clerk  
Carson City, Nevada

(End of Form of Notice of Public Hearing)

Section 4. A public hearing on the Bonds is hereby ordered to be held before the Board at the time, date and place specified in the notice set forth in Section 3 hereof, or at such date designated by the City Manager or the Chief Financial Officer.

Section 5. The Bonds, in the event no petition is filed during the period allowed by NRS 350.020(3), shall be authorized by an ordinance or ordinances to be effective after the expiration of the 90-day petition period.

Section 6. The authority to issue the Bonds shall be deemed and considered a continuing authority to issue and deliver the Bonds designated in such Proposal at one time or from time to time, in one series or in more than one series, all as ordered by the Board. Neither the partial exercise of the authority so conferred nor the lapse of time shall be considered as exhausting or limiting the full authority so conferred.

Section 7. The City Manager or the Chief Financial Officer or a designee is hereby authorized to arrange for the issuance and sale of the Bonds in one or more series not to exceed the aggregate principal amount of \$7,000,000, in accordance with the City's debt management policy, the Project Act and the Bond Act.

Section 8. The City Manager or the Chief Financial Officer shall, after arranging for the sale of the Bonds, present the terms of the Bonds to the Board for its approval by adoption of the ordinance or ordinances authorizing the issuance of the Bonds.

Section 9. The officers of the City be, and they hereby are, authorized and directed to take all action necessary or appropriate to effectuate the provisions of this Resolution, including without limitation, requesting the State to purchase the Bonds pursuant to one or more of its programs, assembling of financial and other information concerning the City, the Pledged Revenues and the Bonds, and, if applicable, circulating a preliminary official statement, a notice of bond sale for the Bonds, or both, in the forms specified by the City Manager, the Chief Financial Officer or such officer's designee. If applicable, the City Manager, the Chief Financial Officer or such officer's designee is authorized to deem the preliminary official statement to be a "final" official statement on behalf of the City for the purposes of Rule 15(c)2-12 of the Securities and Exchange Commission.

Section 10. All resolutions, or parts thereof, in conflict with the provisions of this Resolution, are hereby repealed to the extent only of such inconsistency. This repealer shall not be constructed to revive any resolution, or part thereof, heretofore repealed.

Section 11. If any section, paragraph, clause or other provision of this Resolution shall for any reason be held to be invalid or unenforceable, the invalidity or unenforceability of such section, paragraph, clause or other provision shall not affect any of the remaining provisions of this Resolution.

Section 12. This Resolution shall become effective and be in force immediately upon its adoption.

PASSED AND APPROVED BY AT LEAST A TWO-THIRDS MAJORITY OF THE BOARD OF SUPERVISORS OF CARSON CITY, NEVADA, THIS SEPTEMBER 6, 2018.

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Mayor

Attest:

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City Clerk

STATE OF NEVADA       )  
                                   ) ss.  
 CARSON CITY            )

I am the duly chosen, qualified and acting Clerk of Carson City (the “City”), in the State of Nevada, and do hereby certify:

1.       The foregoing pages constitute a true, correct, complete and compared copy of a resolution passed and adopted by the Board of Supervisors of the City (the “Board”) at a meeting of the Board held on September 6, 2018, a copy of which is set forth therein.

2.       The original of the resolution has been approved and authenticated by the signatures of the Mayor of the City and myself as City Clerk and has been recorded in the journal of the Board kept for that purpose in my office, which record has been duly signed by the officers and properly sealed.

3.       The members of the Board voted on the passage of the resolution as set forth below:

Those Voting Aye: \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_

Those Voting Nay: \_\_\_\_\_

Those Absent: \_\_\_\_\_

4.       All members of the Board were given due and proper notice of such meeting. Pursuant to NRS 241.020, Nevada Revised Statutes, written notice of the meeting including the time, place, location, and agenda of the meeting was given:

(a)     By delivering a copy of the notice to each member of the Board;

(b)     By posting a copy of the notice on the City’s website, the State of Nevada’s official website, at the principal office of the Board, or if there is not principal office, at the building in which the

meeting is to be held, and at least three other separate, prominent places within the jurisdiction of the Board, to-wit:

- (i) Community Center  
851 East William  
Carson City, Nevada
- (ii) Public Safety Complex  
885 East Musser Street  
Carson City, Nevada
- (iii) City Hall  
201 North Carson Street  
Carson City, Nevada
- (iv) Carson City Library  
900 North Roop Street  
Carson City, Nevada
- (v) Business Resource & Innovation Center (BRIC)  
108 East Proctor Street  
Carson City, Nevada

and

(c) By delivering a copy of the notice to each person, if any, who has requested notice of the meetings of the Board in the accordance with the provisions of Chapter 241 of NRS.

5. A copy of such notice as posted and delivered is attached hereto as Exhibit A. A copy of a proof and statement of publication of the notice of resolution of intent is attached hereto as Exhibit B, and a copy of a proof and statement of publication of the notice of public hearing is attached hereto as Exhibit C.

**IN WITNESS WHEREOF**, I have hereunto set my hand this September 6, 2018.

\_\_\_\_\_  
Clerk

EXHIBIT "A"

(Attach Copy of Notice of Meeting)



EXHIBIT "B"

(Attach Proof and Statement of Publication of Notice of Resolution of Intent)

EXHIBIT "C"

(Attach Proof and Statement of Publication of Notice of Hearing)

**Carson City, Nevada**  
**General Obligation (Limited Tax)**  
**Water Bonds, Series 2019**  
**Revenue Sufficiency Analysis**

FY Ending June 30	Pledged Revenues 1/	Existing Debt Service 2/	Debt Service Offsets 3/	Proposed Bonds			Net Comb. Debt Service	Excess/ (Deficiency)
				Principal	Interest 4/	Total		
2017	\$7,309,839							
2018	7,551,357	\$5,164,809	\$0	\$0	\$0	\$0	\$5,164,809	\$2,386,548
2019	7,940,136	5,278,299	(116,093)	0	74,769	74,769	5,236,974	2,703,162
2020	7,940,136	5,471,204	(307,306)	0	295,788	295,788	5,459,685	2,480,451
2021	7,940,136	5,497,592	(437,360)	0	295,788	295,788	5,356,019	2,584,117
2022	7,940,136	5,497,366	(437,360)	0	295,788	295,788	5,355,793	2,584,343
2023	7,940,136	5,497,477	(437,360)	0	295,788	295,788	5,355,904	2,584,232
2024	7,940,136	5,497,416	(437,360)	0	295,788	295,788	5,355,844	2,584,292
2025	7,940,136	5,434,687	(437,360)	0	295,788	295,788	5,293,114	2,647,022
2026	7,940,136	5,232,030	(437,360)	210,000	291,588	501,588	5,296,257	2,643,879
2027	7,940,136	5,236,344	(437,360)	215,000	283,088	498,088	5,297,072	2,643,064
2028	7,940,136	3,360,426	(437,360)	300,000	272,788	572,788	3,495,853	4,444,283
2029	7,940,136	3,361,787	(437,360)	310,000	260,588	570,588	3,495,014	4,445,122
2030	7,940,136	3,264,822	(437,360)	425,000	243,763	668,763	3,496,225	4,443,911
2031	7,940,136	3,774,859	(1,156,446)	665,000	216,513	881,513	3,499,925	4,440,211
2032	7,940,136	2,999,635	(1,173,536)	480,000	190,288	670,288	2,496,386	5,443,750
2033	7,940,136	2,744,243	(1,193,352)	780,000	165,088	945,088	2,495,978	5,444,158
2034	7,940,136	2,766,192	(1,215,679)	815,000	133,188	948,188	2,498,701	5,441,435
2035	7,940,136	2,350,799	(1,235,407)	410,000	108,688	518,688	1,634,079	6,306,057
2036	7,940,136	2,373,294	(1,257,429)	425,000	91,722	516,722	1,632,587	6,307,549
2037	7,940,136	2,397,273	(1,281,528)	445,000	73,778	518,778	1,634,524	6,305,612
2038	7,940,136	2,422,496	(1,307,487)	465,000	54,719	519,719	1,634,728	6,305,408
2039	7,940,136	1,892,757	(1,335,090)	1,055,000	22,419	1,077,419	1,635,086	6,305,050
2040	7,940,136	1,369,013	(1,369,013)	0	0	0	0	7,940,136
		\$88,884,820	(\$17,321,971)	\$7,000,000	\$4,257,706	\$11,257,706	\$82,820,555	

1/ From the City's final 2018-19 budget.

2/ Includes debt service and receipt of BAB subsidy on the 2010A Bonds. Includes pro-forma debt service on the 2018B Bond.

3/ Includes pro-forma receipts from the 2018B Bond escrow account and the impact of refinancing the 2010A Bonds.

4/ Interest rate estimated at 4.21%.