



## Legislation Details (With Text)

**File #:** 2025-106      **Version:** 1      **Name:**

**Type:** Resolution      **Status:** Passed

**File created:** 3/21/2025      **In control:** Board of Directors

**On agenda:** 4/23/2025      **Final action:** 4/23/2025

**Title:** Resolution Regarding Approval of Series Ordinance Authorizing Issuance and Sale of Water Supply System Revenue and Revenue Refunding Bonds in a Principal Amount Not to Exceed \$900,000,000 (Ordinance 2025-01)

**Sponsors:** Nicolette Bateson

**Indexes:** Finance

**Code sections:**

**Attachments:** 1. 7C1 Audit Committee Memo- Water Revenue and Revenue Refunding Series Ordinance.pdf, 2. 7C3 Series Ordinance 2025 Water Refunding with Tender.pdf, 3. 7C4 Resolution Approving 2025 Water Series Ordinance (Refunding with Tender).pdf

Date	Ver.	Action By	Action	Result
4/23/2025	1	Board of Directors	Approved	Pass
3/28/2025	1	Audit Committee	Recommended for Approval	Pass

### **Resolution Regarding Approval of Series Ordinance Authorizing Issuance and Sale of Water Supply System Revenue and Revenue Refunding Bonds in a Principal Amount Not to Exceed \$900,000,000 (Ordinance 2025-01)**

Agenda of: April 23, 2025  
Item No.: **2025-106**  
Amount: Not to Exceed \$900,000,000

**TO:** The Honorable  
Board of Directors  
Great Lakes Water Authority

**FROM:** Suzanne R. Coffey, P.E.  
Chief Executive Officer  
Great Lakes Water Authority

**DATE:** April 23, 2025

### **RE: Resolution Regarding Approval of Series Ordinance Authorizing Issuance and Sale of Water Supply System Revenue and Revenue Refunding Bonds in a Principal Amount Not to Exceed \$900,000,000 (Ordinance 2025-01)**

### MOTION

Upon recommendation of Nicolette N. Bateson, Chief Financial Officer\Treasurer, the Board of Directors (Board) of the Great Lakes Water Authority (GLWA), **approves the resolution for the Series Ordinance Authorizing Issuance and Sale of Water Supply System Revenue and Revenue Refunding Bonds in a Principal Amount Not to Exceed \$900,000,000 (Ordinance 2025-01) as presented**, and authorizes the CEO to take such other action as may be necessary to accomplish the intent of this vote.

### BACKGROUND

In order for the Great Lakes Water Authority ("GLWA") to proceed with the issuance of new money bonds to support regional capital plan improvements and refunding of various outstanding water supply system bonds for the purpose of achieving annual debt service savings, potentially including by effecting the tender and/or exchange of certain outstanding bonds, the GLWA Board must approve the included resolution approving the Series Ordinance.

The Series Ordinance sets forth the guidelines for the New Money and Refunding Bonds and authorizes the Chief Executive Officer of the Chief Financial Officer to execute the final terms of the Bonds, paying issuance costs and signing of the Bond Purchase Agreement, within the parameters set forth in the Series Ordinance.

### JUSTIFICATION

New Money Portion: The authorized amount for the New Money Bonds is for an aggregate principal amount not to exceed \$230,000,000 for the regional water system.

Refunding Portion: The authorized amount for the Refunding Bonds is presented for an aggregate principal amount of not to exceed \$670,000,000. The final par amount of the Refunding Bonds will be determined at the time of pricing and is based on current bond market pricing levels, tender pricing levels and investor participation in any tender offer, issuance costs and the par amount of the bonds to be refunded or solicited for tender by GLWA as determined by the savings level achieved.

#### Key Provisions:

- Not to Exceed Par Amount: \$900 million (\$230 million for new money, \$670 million for refunding)
- Maximum Coupon Rate: 6.00%
- Minimum Purchase Price: 98% of principal amount of bonds
- Maximum Underwriter Discount: 0.40% of principal amount of bonds
- Present Value Savings: Greater than 2.50% of principal amount of bonds to be refunded

### BUDGET IMPACT

Savings resulting from the potential Water Refunding Bonds are not included in the FY 2025 budget or ten-year financial plan. When savings are achieved, the financial plan will be revised if necessary.

### COMMITTEE REVIEW

This matter was reviewed by the GLWA Audit Committee at its meeting on March 28, 2025. The Audit Committee unanimously recommended the resolution for the Series Ordinance Authorizing Issuance and Sale of Water Supply System Revenue and Revenue Refunding Bonds in a Principal Amount Not to Exceed \$900,000,000 as presented.

**SHARED SERVICES IMPACT**

This item does not impact the shared services agreement between GLWA and DWSD.