



Detroit Water and Sewerage Department

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Legislation Text

File #: 20-0038, Version: 1

The Board of Water Commissioners for the City of Detroit, Water and Sewerage Department **recommends adoption of the “Resolution Relating To Issuance By The Great Lakes Water Authority Of Water Supply System Revenue Bonds For The Benefit Of The Detroit Local Water Supply System,”** and also authorizes the Chief Financial Officer and the Director to take such other action as may be necessary to accomplish the intent of this vote. The resolution also contains language necessary to permit DWSD to use bond proceeds to reimburse itself for capital expenses incurred up to 60 days prior to the adoption of the resolution.

Agenda of February 19, 2020

Item No. 20-0038

Resolution Relating to the Issuance by Great Lakes Water Authority of Water Supply System Revenue Bonds for the Benefit of the Detroit Local Water Supply System

TO: The Honorable
Board of Water Commissioners
City of Detroit, Michigan

FROM: Thomas Naughton, Chief Financial Officer
Water and Sewerage Department

RE: **Adoption of Resolution Relating to the Issuance by the Great Lakes Water Authority of Water Supply System Revenue Bonds for the Benefit of the Detroit Local Water Supply System**

MOTION

Upon recommendation of Thomas Naughton, Chief Financial Officer, the Board of Water Commissioners for the City of Detroit, Water and Sewerage Department **recommends adoption of the “Resolution Relating To Issuance By The Great Lakes Water Authority Of Water Supply System Revenue Bonds For The Benefit Of The Detroit Local Water Supply System,”** and also authorizes the Chief Financial Officer and the Director to take such other action as may be necessary to accomplish the intent of this vote. The resolution also contains language necessary to permit DWSD to use bond proceeds to reimburse itself for capital expenses incurred up to 60 days prior to the adoption of the resolution.

JUSTIFICATION

The Detroit Water and Sewerage Department will utilize the proceeds of the Bonds to finance improvements to the City’s Local Water Supply System in accordance with the Capital Improvement Plan. Anticipated borrowings are not to exceed \$100 million dollars.

BACKGROUND

The Detroit Water and Sewerage Department has requested the Great Lakes Water Authority to authorize the issuance and sale of its Water Supply System Revenue Bonds. DWSD will use these borrowings to fund

anticipated water capital expenditures in Fiscal Year 2021 and 2022.

The proposed resolution was presented to the Finance Committee on February 5, 2020.