## CITY OF SANTA FE, NEW MEXICO 1 **RESOLUTION NO. 2016-26** 2 INTRODUCED BY: 3 4 Councilor Joseph M. Maestas 5 6 7 8 9 A RESOLUTION 10 DIRECTING THE CITY MANAGER TO USE THE WATER ENTERPRISE FUND TO 11 REPAY AND/OR REFINANCE THE BALANCE OF THE 2009 SERIES A AND B 12 WATER CAPITAL OUTLAY BONDS, AND NMFA DRINKING WATER LOANS 2 13 14 AND 4. 15 WHEREAS, the City of Santa Fe issued Water Capital Outlay Bonds in 2009 to finance 16 the construction of the Buckman Direct Diversion, in cooperation with Santa Fe County; and 17 WHEREAS, the City of Santa Fe has two loans from the New Mexico Finance 18 19 Authority, known as Drinking Water Loans 2 and 4; and WHEREAS, early repayment of this debt will save the Water Division nearly \$7.9 20 million in interest payments and allow the Water Division to be one step closer to being a truly 21 self-sustaining enterprise fund that will not require dedicated gross receipts tax funding; and 22 WHEREAS, early repayment will allow the Water Division to use the approximately 23 \$4.4 million in annual principal and interest payments towards operations, maintenance, other 24

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debt service and capital improvements; and

WHEREAS, the water enterprise fund receives sufficient revenue to pay the outstanding principle outright, or alternatively, sustain a refinancing of certain portions of the debt and in turn, release the Capital Outlay Gross Receipts Tax that was implemented to back the debt; and NOW, THEREFORE, BE IT RESOLVED BY THE GOVERNING BODY OF THE CITY OF SANTA FE that the City Manager is hereby authorized and directed to take all necessary measures to repay and/or refinance the balance of the 2009 Water Capital Outlay Bonds Series A and B, and NMFA Drinking Water Loans 2 and 4. PASSED, APPROVED AND ADOPTED this 30<sup>th</sup> day of March, 2016. JAVIER M. GONZALES, MAYOR ATTEST: YOLANDA Y. WGIL, CITY CLERK APPROVED AS TO FORM: KELLEY A/BRENNAN, CITY ATTORNEY 

M/Legislation/Resolutions 2016/2016-26Water Bond 2009 Payoff