



Agenda Date: 11/18/2020

Agenda Placement: 8C

Napa Sanitation District Board Agenda Letter

TO: Honorable Board of Directors

FROM: Timothy Healy - General Manager
NS-Administration

REPORT BY: Cyndi Bolden, Senior Accountant - 258-6001

SUBJECT: Approve Financing Team and Authorize Certain Other Actions in Connection with Issuance and Sale of Certificates for 66-inch Trunk Main Rehabilitation Project

RECOMMENDATION

Adopt resolution to approve financing team and authorize certain other actions in connection with the issuance and sale of revenue certificates of participation for 66-inch trunk main rehabilitation project.

EXECUTIVE SUMMARY

In May 2019, the Board adopted a resolution of NapaSan's intention to issue tax-exempt obligations, more specifically, revenue certificates of participation (COPs), to finance the rehabilitation and repair of the 66-inch sewer trunk main (CIP #19701). Preliminary engineering and design services are in progress or have been completed. The resolution allows NapaSan to be reimbursed for these costs from the proceeds of the COPs once they have been issued.

Staff asked the Board to authorize the general manager to issue notice inviting bids for the construction of the 66-inch sewer trunk main in a separate item in this board agenda. In this agenda item, staff is recommending the Board to adopt a resolution to authorize the financing team for the issuance of the COPs which includes Stradling Yocca Carlson & Rauth as Bond Counsel and KNN Public Finance, LLC as Municipal Advisor. The resolution also instructs staff to work with Bond Counsel and Municipal Advisor to prepare legal and disclosure documents for the COPs and to determine whether the COPs will be sold at competitive sale, by negotiated underwriting or through a private placement.

Award of the construction contract is anticipated to be in February 2021. If the contract is awarded, staff will also recommend to the Board to adopt a resolution to issue the COPs to finance the project.

KNN is here to give a brief presentation to provide an overview of the financing process and timeline.

