

## **AGENDA MEMORANDUM**

### **SUBJECT**

Motion to authorize the Chief Executive Officer to conduct a competitive sale of bonds and require additional Board approval for a negotiated sale.

### **BACKGROUND**

Cascade has issued water system revenue bonds in 2006 and 2009, in each case through a negotiated sale with an underwriter selected through an RFP process. For its 2012 Bond sale, Cascade proposes to conduct a competitive sale rather than a negotiated sale.

Recent legislation permits the Board to delegate to the Chief Executive Officer the authority to conduct the sale within parameters established by the Board in the bond resolution.

This motion directs the Chief Executive Officer to provide for a competitive sale of the bonds. In the case of a competitive sale, no further Board action would be required. If the Chief Executive Officer determines that a negotiated sale would be more advantageous to Cascade, Board approval by motion or resolution would be required. While scheduling further action by the Board on the manner of sale prior to the Board's approval of a Bond Resolution in September 2012 will be tight, such action can be accommodated.

### **FISCAL IMPACT**

None

### **OPTIONS**

1. Authorize the Chief Executive Officer to conduct a competitive sale of the bonds and require additional Board approval for a negotiated sale (this motion).
2. Authorize the Chief Executive Officer to conduct either a competitive sale or a negotiated sale without further Board approval.
3. Require future Board approval of either a competitive sale or a negotiated sale.

### **RECOMMENDED ACTION**

Authorize the Chief Executive Officer to conduct a competitive sale of the bonds and require additional Board approval for a negotiated sale.

### **ATTACHMENTS**

1. Proposed Edits to Bond Resolution Scheduled for Board Action in September 2012
2. [http://www.cascadewater.org/pdf/about/cascade\\_2012\\_bonds\\_bond\\_resolution\\_draft\\_edits\\_shown.pdf](http://www.cascadewater.org/pdf/about/cascade_2012_bonds_bond_resolution_draft_edits_shown.pdf)  
Draft bond resolution for passage in September 2012, edit mark-up version
3. [http://www.cascadewater.org/pdf/about/cascade\\_2012\\_bonds\\_bond\\_resolution\\_draft\\_clean\\_version.pdf](http://www.cascadewater.org/pdf/about/cascade_2012_bonds_bond_resolution_draft_clean_version.pdf)  
Draft bond resolution for passage in September 2012, clean version