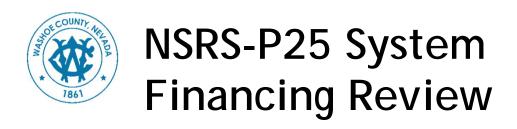


Nevada Shared Radio System (NSRS)-P25 System Financing Review

Joint Operating Committee Meeting Lori Cooke, Washoe County Budget Manager October 16, 2020



Today's Agenda:

- Timeline Review
- Financing Results
- Questions



NSRS-P25 Timeline

- ▶ July 14, 2015 BCC approved a Memorandum of Understanding (MOU) confirming the intent of the State of Nevada, Washoe County Regional Communications System (WCRCS) and NV Energy to move forward as a cohesive communications system to obtain a replacement public safety Project 25 Phase II system
- May 9, 2017 BCC approved the NSRS contract between the State of Nevada (DOT), NV Energy & Washoe County as recommended by the Joint Operating Committee (JOC) of the WCRCS
- ➤ September 25, 2018 BCC approved the NSRS Purchase Agreement between Washoe County and Harris Corporation, to construct system infrastructure
- ► FY 2019 Washoe County funded 1st year's project costs of \$750,000
- ► FY 2020 Project costs funded by Washoe County \$500,000 and JOCapproved \$750,000 from Regional Communications Infrastructure Fund



NSRS-P25 Timeline - Cont.

- ▶ January 21, 2020 BCC adopted resolution to direct the Clerk to notify the Debt Management Commission (DMC) of the County's proposal to issue up to \$15M general obligation bonds to construct the system
- ► February 28, 2020 Washoe County DMC adopted resolution approving the County's proposal to issue up to \$15M general obligation bonds to construct the system
- ► March 10, 2020 BCC adopted Resolution of Intent to Issue up to \$15M of general obligation bonds
- ► May 19, 2020 BCC held Public Hearing on the Intent to Issue up to \$15M of general obligation bonds
- June 23, 2020 BCC adopted ordinance authorizing issuance of up to \$15M of general obligation bonds



NSRS-P25 Timeline - Cont.

- June 18, 2020 Credit Presentations to rating agencies (Moody's and Standard and Poor's)
- June 30, 2020 Updated Interlocal Agreements executed by all agencies
- July 22, 2020 Postponement of July 23, 2020 Bond Sale due to disclosure based on potential Incline Village Settlement Agreement
- August 4, 2020 BCC approved Incline Village Settlement Agreement
- August 11 and 20, 2020 Follow-up meetings with rating agencies
- September 2, 2020 Bond Sale
 - Proceeds for remaining project costs FY 2021 through completion
- September 16, 2020 Bond Closing



NSRS-P25 Financing Results

- Both Moody's and Standard and Poor's affirmed Washoe County's ratings:
 - Moody's
 - ▶ Aa2 Stable: High quality and are subject to very low credit risk
 - ► S&P
 - AA <u>Stable</u>; The obligor's capacity to meet its financial commitments on the obligation is very strong
- Issued Par Amount of \$9.135 million
 - ▶ Interest (TIC) = 1.38%; 58% less than February 2020 TIC estimate of 3.26%
 - Pre-paying agencies were not included in the financing
 - ▶ Pre-paying agencies paid their respective shares totaling \$3.2 million
- Each agency will pay a pro-rated portion of Principal, Interest, and a 10% Reserve based on LID count percentage
 - Average total Debt Service Payments are \$860k/year FYs 2021 thru 2030 (includes 10% reserve)
 - Payments average \$775k/year for FYs 2031 through 2035 (no reserve)
- ► Fiscal Year 2021 Payments will be billed to agencies participating in the financing as part of regular monthly billings, beginning November 2020



Questions?