



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

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



NSRS-P25 System Financing Review

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 JOC-approved \$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 Stable; 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?