



CITY AND COUNTY OF DENVER

DEPARTMENT OF FINANCE

201 W. COLFAX AVE.

DEPT. 1010

DENVER, COLORADO 80202

BRENDAN J. HANLON
MANAGER OF FINANCE

Michael B. Hancock
Mayor

January 8, 2018

Honorable Albus Brooks
Denver City Council President
City and County Building, Room 451
Denver, CO 80202

Dear Council President:

In keeping with the provisions of Section 20-93 of the Denver Revised Municipal Code (the "DRMC"), I am hereby notifying you of the Department of Finance's intent to issue City and County of Denver, for and on behalf of the Wastewater Management Division of its Department of Public Works, Wastewater Enterprise Revenue Bonds, Series 2018 in a par amount not to exceed \$107,000,000 for the purpose of funding storm drainage and sanitary sewerage projects and to pay associated costs of issuance.

The Bonds will be issued as tax-exempt, fixed-rate obligations with a term not to exceed 30 years.

The City has by ordinance designated the Wastewater Management Division of its Department of Public Works as an Enterprise within the meaning of the TABOR Amendment to the Colorado State Constitution. The Bonds are special and limited obligations of the City payable solely from and secured by a pledge of the Net Revenues of the City's Wastewater system. The Bonds are not general obligations of the City, nor are they payable in whole or in part from the proceeds of general property taxes, nor is the full faith and credit of the City pledged to pay the Bonds.

The accompanying *Attachment A* contains a more detailed description of the financing as required by Section 20-93(b) of the DRMC.

Sincerely,

A handwritten signature in blue ink, appearing to read "B. Hanlon".

Brendan J. Hanlon
Manager of Finance

Attachment

C: Honorable Tim O'Brien, Auditor
Debra Johnson, Clerk and Recorder
Shelley Smith, City Council Liaison

Attachment A
**DESCRIPTION OF THE SERIES 2018 WASTEWATER REVENUE BONDS
IN A PAR AMOUNT NOT TO EXCEED \$107 MILLION**

I. The Proposed Financing

The Department of Finance intends to issue City and County of Denver, for and on behalf of the Wastewater Management Division of its Department of Public Works, Wastewater Enterprise Revenue Bonds, in a par amount not to exceed \$107,000,000, for the purpose of funding \$30 million of citywide storm drainage and sanitary sewerage capital projects identified as part of Wastewater's 2016-2021 Capital Program, \$77 million toward the Platte to Park Hill project, and associated costs of issuance.

The Bonds will be issued as tax-exempt, fixed-rate obligations with an interest rate not to exceed 4.5% and a term not to exceed 30 years. The final interest rate and par amount will be determined on the day of pricing and is dependent on market conditions.

Security for the Bonds

The City has by ordinance designated the Wastewater Management Division of its Department of Public Works as an Enterprise within the meaning of the TABOR Amendment to the Colorado State Constitution. The Bonds are special and limited obligations of the City, issued for and on behalf of the Wastewater Management Division of its Department of Public Works. The Bonds are payable solely from and secured by a pledge of the Net Revenues of the City's Wastewater system. The Bonds are not general obligations of the City, nor are they payable in whole or in part from the proceeds of general property taxes, nor is the full faith and credit of the City pledged to pay the Bonds.

II. The Sale Process

The Bonds will be sold in a competitive sale process. The City uses the financial advisory services of Hilltop Securities for City financings.

III. The Proposed Timetable of Events

Major events are contained in the tentative transaction timetable below:

<i>Date</i>	<i>Event</i>
January 8, 2018	Reading of the 20-93 Notice at Council
January 9, 2018	Finance & Governance Committee
January 16, 2018	Mayor Council
January 22, 2018	First Council reading of the Ordinance
January 29, 2018	Second Council reading of the Ordinance
February 7, 2018	Price Transaction (Tentative)
February 22, 2018	Close Transaction (Tentative)

IV. Counsel

Kutak Rock and Kline Alvarado Veio serve as co-Bond Counsel on the Bonds. Firms were selected through a competitive process conducted through the City Attorney's Office.

V. Other Information

I know of no event at this time that will affect the financing as described herein. In keeping with the intent of the 20-93 of the DRMC, the President of Council will be notified promptly of any material change to the financing. I do not anticipate formally communicating technical changes of an immaterial nature or minor changes in the timetable.