



GRAND RAPIDS PUBLIC UTILITIES COMMISSION AGENDA ITEM

AGENDA DATE: August 28, 2024

AGENDA ITEM: Consider a motion to adopt resolution 08-28-24-04 authorizing the acceptance of the interfund loan from City of Grand Rapids.

PREPARED BY: Jean Lane, Business Services Manager

BACKGROUND:

The Grand Rapids Public Utilities Commission (GRPUC) approved Resolution 07-24-24-03, authorizing the City's issuance of Equipment Certificates, Series 2024B, in the amount of \$1,055,000. GRPUC will use utility revenues to repay the interfund loan.

On August 12th, the City adopted its authorizing resolution, approving an interfund loan and agreeing to loan \$658,000 of the Equipment Certificates, Series 2024B proceeds to GRPUC.

Attached is a resolution that:

1. Approves the sale of the bonds by the City;
2. Establishes an interfund loan not to exceed \$685,000;
3. Specifies that loan payments will be made from GRPUC revenue according to the Exhibit A Payment Schedule;
4. Allows the City to amend the terms of the interfund loan with GRPUC approval;
5. States that the interfund loan is not prepayable;
6. Ensures that GRPUC will comply with all bond covenants.

The City bond sale is scheduled for August 26th, with the closing on September 18th, at which time the Exhibit A Payment Schedule will be completed and attached.

RECOMMENDATION:

Consider a motion to adopt resolution 08-28-24-04 authorizing the acceptance of the interfund loan from City of Grand Rapids.