
\$16,300,000

City of Waukesha, Wisconsin
Waukesha Water Utility
Return Flow Utility Revenue Bond Anticipation Note, Series 2018
2018 Fixed Rate BAN

Sources & Uses

Dated 03/01/2018 | Delivered 03/01/2018

Sources Of Funds

Par Amount of Bonds.....	\$16,300,000.00
Reoffering Premium.....	233,579.00

Total Sources..... \$16,533,579.00

Uses Of Funds

Deposit to Project Construction Fund.....	16,378,400.00
Costs of Issuance.....	101,350.00
Total Underwriter's Discount (0.300%).....	48,900.00
Rounding Amount.....	4,929.00

Total Uses..... \$16,533,579.00

\$16,300,000

City of Waukesha, Wisconsin

Waukesha Water Utility

Return Flow Utility Revenue Bond Anticipation Note, Series 2018

2018 Fixed Rate BAN

Operation Of Project Construction Fund

Date	Principal	Rate	Interest	-Transfers	Receipts	Disbursements	Cash Balance
03/01/2018	2,660,344.00	1.2500000%	-	-	2,660,344.00	2,660,344.00	-
06/01/2018	2,660,344.00	1.2500000%	42,802.15	(42,802.15)	2,660,344.00	2,660,344.00	-
09/01/2018	2,660,344.00	1.2500000%	34,501.53	(34,501.53)	2,660,344.00	2,660,344.00	-
12/01/2018	2,660,344.00	1.2500000%	26,200.90	(26,200.90)	2,660,344.00	2,660,344.00	-
03/01/2019	1,434,256.00	1.2500000%	17,900.27	(17,900.27)	1,434,256.00	1,434,256.00	-
06/01/2019	1,434,256.00	1.2500000%	13,425.21	(13,425.21)	1,434,256.00	1,434,256.00	-
09/01/2019	1,434,256.00	1.2500000%	8,950.14	(8,950.14)	1,434,256.00	1,434,256.00	-
12/01/2019	1,434,256.00	1.2500000%	4,475.07	(4,475.07)	1,434,256.00	1,434,256.00	-
Total	\$16,378,400.00	-	\$148,255.27	(148,255.27)	\$16,378,400.00	\$16,378,400.00	-

Investment Parameters

Investment Model [PV, GIC, or Securities].....	GIC
Default investment yield target.....	Unrestricted
Cost of Investments Purchased with Bond Proceeds.....	16,378,400.00
Total Cost of Investments.....	\$16,378,400.00
Target Cost of Investments at bond yield.....	\$16,196,562.51
Yield to Receipt.....	1.2500001%
Yield for Arbitrage Purposes.....	1.5503165%

\$16,300,000

City of Waukesha, Wisconsin

Waukesha Water Utility

Return Flow Utility Revenue Bond Anticipation Note, Series 2018

2018 Fixed Rate BAN

NET DEBT SERVICE SCHEDULE

Date	Principal	Coupon	Interest	Total P+I	Interest	Net New D/S
03/01/2018	-	-	-	-	-	-
09/01/2018	-	-	244,500.00	244,500.00	(77,303.68)	167,196.32
03/01/2019	-	-	244,500.00	244,500.00	(44,101.17)	200,398.83
09/01/2019	-	-	244,500.00	244,500.00	(22,375.35)	222,124.65
03/01/2020	-	-	244,500.00	244,500.00	(4,475.07)	240,024.93
09/01/2020	-	-	244,500.00	244,500.00	-	244,500.00
03/01/2021	16,300,000.00	3.000%	244,500.00	16,544,500.00	-	16,544,500.00
Total	\$16,300,000.00	-	\$1,467,000.00	\$17,767,000.00	(148,255.27)	\$17,618,744.73

SIGNIFICANT DATES

Dated Date.....	3/01/2018
Delivery Date.....	3/01/2018
First Coupon Date.....	9/01/2018

Yield Statistics

Bond Year Dollars.....	\$48,900.00
Average Life.....	3.000 Years
Average Coupon.....	3.0000000%
Net Interest Cost (NIC).....	2.6223333%
True Interest Cost (TIC).....	2.6049313%
Bond Yield for Arbitrage Purposes.....	1.5503165%
All Inclusive Cost (AIC).....	2.8210821%

IRS Form 8038

Net Interest Cost.....	2.4866989%
Weighted Average Maturity.....	3.000 Years

\$16,540,000

City of Waukesha, Wisconsin

Waukesha Water Utility

Return Flow Utility Revenue Bond Anticipation Note, Series 2018

2018 Line of Credit (Draw Bond) BAN

Sources & Uses

Dated 03/01/2018 | Delivered 03/01/2018

Sources Of Funds

Par Amount of Bonds..... \$16,540,000.00

Total Sources..... \$16,540,000.00

Uses Of Funds

Deposit to Project Construction Fund..... 16,378,400.00

Costs of Issuance..... 160,000.00

Rounding Amount..... 1,600.00

Total Uses..... \$16,540,000.00



\$16,540,000

City of Waukesha, Wisconsin

Waukesha Water Utility

Return Flow Utility Revenue Bond Anticipation Note, Series 2018

2018 Line of Credit (Draw Bond) BAN

Operation Of Project Construction Fund

Date	Principal	Rate	Receipts	Disbursements	Cash Balance
03/01/2018	2,660,344.00	-	2,660,344.00	2,660,344.00	-
06/01/2018	2,660,344.00	-	2,660,344.00	2,660,344.00	-
09/01/2018	2,660,344.00	-	2,660,344.00	2,660,344.00	-
12/01/2018	2,660,344.00	-	2,660,344.00	2,660,344.00	-
03/01/2019	1,434,256.00	-	1,434,256.00	1,434,256.00	-
06/01/2019	1,434,256.00	-	1,434,256.00	1,434,256.00	-
09/01/2019	1,434,256.00	-	1,434,256.00	1,434,256.00	-
12/01/2019	1,434,256.00	-	1,434,256.00	1,434,256.00	-
Total	\$16,378,400.00	-	\$16,378,400.00	\$16,378,400.00	-

Investment Parameters

Investment Model [PV, GIC, or Securities].....	GIC
Default investment yield target.....	Unrestricted
Cost of Investments Purchased with Bond Proceeds.....	16,378,400.00
Total Cost of Investments.....	\$16,378,400.00
Target Cost of Investments at bond yield.....	\$16,237,599.63
Yield to Receipt.....	-
Yield for Arbitrage Purposes.....	1.1969866%

\$16,540,000

City of Waukesha, Wisconsin

Waukesha Water Utility

Return Flow Utility Revenue Bond Anticipation Note, Series 2018

2018 Line of Credit (Draw Bond) BAN

NET DEBT SERVICE SCHEDULE

Date	Principal	Coupon	Interest	Total P+I	Expenses	Net New D/S
03/01/2018	-	1.281%	-	-	-	-
09/01/2018	-	1.281%	26,812.89	26,812.89	15,485.00	42,297.89
03/01/2019	-	1.281%	60,127.94	60,127.94	8,834.00	68,961.94
09/01/2019	-	1.781%	116,306.73	116,306.73	4,482.00	120,788.73
03/01/2020	-	1.781%	140,132.72	140,132.72	896.00	141,028.72
09/01/2020	-	1.530%	127,222.43	127,222.43	-	127,222.43
03/01/2021	16,540,000.00	1.530%	125,491.02	16,665,491.02	-	16,665,491.02
Total	\$16,540,000.00	-	\$596,093.73	\$17,136,093.73	\$29,697.00	\$17,165,790.73

SIGNIFICANT DATES

Dated Date.....	3/01/2018
Delivery Date.....	3/01/2018
First Coupon Date.....	9/01/2018

Yield Statistics

Bond Year Dollars.....	\$49,620.00
Average Life.....	3.000 Years
Average Coupon.....	1.2013175%
Net Interest Cost (NIC).....	1.2013175%
True Interest Cost (TIC).....	1.1969866%
Bond Yield for Arbitrage Purposes.....	1.1969866%
All Inclusive Cost (AIC).....	1.5878916%

IRS Form 8038

Net Interest Cost.....	1.2013175%
Weighted Average Maturity.....	3.000 Years

City of Waukesha, Wisconsin
Waukesha Water Utility
Return Flow Utility Revenue Bond Anticipation Note, Series 2018
\$16,540,000 Line of Credit (Draw Bond) BAN
\$16,300,000 Fixed Rate BAN

Cash Flow Comparison @ 1.550000%

DATE	Line of Credit BAN	Fixed Rate BAN	Savings	PV Factor	PV Savings
03/01/2018	-	-	-	1.0000000x	-
09/01/2018	42,297.89	167,196.32	124,898.43	0.9923096x	123,740.74
03/01/2019	68,961.94	200,398.83	131,436.89	0.9846783x	129,303.29
09/01/2019	120,788.73	222,124.65	101,335.92	0.9771058x	98,955.02
03/01/2020	141,028.72	240,024.93	98,996.21	0.9695914x	95,965.74
09/01/2020	127,222.43	244,500.00	117,277.57	0.9621349x	112,836.84
03/01/2021	16,665,491.02	16,544,500.00	(120,991.02)	0.9547357x	(115,514.45)
Total	\$17,165,790.73	\$17,618,744.73	\$452,954.00	-	\$445,287.18

\$16,540,000

City of Waukesha, Wisconsin

Waukesha Water Utility

Return Flow Utility Revenue Bond Anticipation Note, Series 2018

2018 Line of Credit (Draw Bond) BAN

SENSITIVITY

NET DEBT SERVICE SCHEDULE

Date	Principal	Coupon	Interest	Total P+I	Expenses	Net New D/S
03/01/2018	-	1.281%	-	-	-	-
09/01/2018	-	1.281%	26,812.89	26,812.89	15,485.00	42,297.89
03/01/2019	-	2.900%	136,121.02	136,121.02	8,834.00	144,955.02
09/01/2019	-	2.900%	189,382.10	189,382.10	4,482.00	193,864.10
03/01/2020	-	2.900%	228,177.92	228,177.92	896.00	229,073.92
09/01/2020	-	2.900%	241,140.55	241,140.55	-	241,140.55
03/01/2021	16,540,000.00	2.900%	237,858.79	16,777,858.79	-	16,777,858.79
Total	\$16,540,000.00	-	\$1,059,493.27	\$17,599,493.27	\$29,697.00	\$17,629,190.27

SIGNIFICANT DATES

Dated Date.....	3/01/2018
Delivery Date.....	3/01/2018
First Coupon Date.....	9/01/2018

Yield Statistics

Bond Year Dollars.....	\$49,620.00
Average Life.....	3.000 Years
Average Coupon.....	2.1352142%
Net Interest Cost (NIC).....	2.1352142%
True Interest Cost (TIC).....	2.1201883%
Bond Yield for Arbitrage Purposes.....	2.1201883%
All Inclusive Cost (AIC).....	2.5156183%

IRS Form 8038

Net Interest Cost.....	2.1352142%
Weighted Average Maturity.....	3.000 Years

City of Waukesha, Wisconsin
 Waukesha Water Utility
 Return Flow Utility Revenue Bond Anticipation Note, Series 2018
 \$16,540,000 Line of Credit (Draw Bond) BAN
 \$16,300,000 Fixed Rate BAN

Cash Flow Comparison @ 1.550000%

DATE	Line of Credit BAN	Fixed Rate BAN	Savings	PV Factor	PV Savings
03/01/2018	-	-	-	1.0000000x	-
09/01/2018	42,297.89	167,196.32	124,898.43	0.9923096x	123,740.74
03/01/2019	144,955.02	200,398.83	55,443.81	0.9846783x	54,474.55
09/01/2019	193,864.10	222,124.65	28,260.55	0.9771058x	27,552.65
03/01/2020	229,073.92	240,024.93	10,951.01	0.9695914x	10,597.87
09/01/2020	241,140.55	244,500.00	3,359.45	0.9621349x	3,232.24
03/01/2021	16,777,858.79	16,544,500.00	(233,358.79)	0.9547357x	(222,795.97)
Total	\$17,629,190.27	\$17,618,744.73	(10,445.54)	-	(3,197.92)

**City of Waukesha, Wisconsin
Waukesha Water Utility**

**REQUEST FOR PROPOSALS
FOR DIRECT PRIVATE PLACEMENT FOR
\$16,540,000 (approx.) Sewer Utility Revenue Bond Anticipation Note, Series 2018**

DATE OF RFP: December 20, 2017

RESPONSES DUE: January 8, 2018, 4:00PM CT

INTRODUCTION AND OBJECTIVES

Springsted Incorporated on behalf of the Waukesha Water Utility (the "Utility") and the City of Waukesha, Wisconsin (the "City" or the "Issuer") is requesting proposals for the financing of approximately \$16,540,000 through the issuance of this Sewer Utility Revenue Bond Anticipation Note, Series 2018 (the "Note"). The proposed financing is to be in the form of this line of credit or revolving draw facility (the "Loan") or similar financing instrument not to exceed \$17 million for a term of three years, whereby the City will make draws on the Loan to fund expenses as they arise. The terms "Note" and "Loan" are interchangeable.

The financing is being undertaken to (i) fund expenses related to the City's Sewer Utility (the "Sewer Utility") including various improvements to the Sewer Utility (the "Project") as further described below under "Project and Financing Description". The Loan is expected to be repaid from the proceeds of a long-term bond issue to be issued near the completion of the Project.

The City is distributing this request for proposals (the "RFP") to a limited group of financial institutions (the "Respondents").

PROJECT AND FINANCING DESCRIPTION

Issuer: City of Waukesha, Wisconsin, on behalf of the Waukesha Water Utility.

Plan of Finance: This short-term financing is to pay for planning, engineering, deposits, site preparation and infrastructure related to the future construction of the return flow pump station, pipeline and outfall as detailed. The proposed financing is as follows:

Planning and Engineering costs: \$16,450,000

Principal Amount: Not to exceed \$17,000,000.

Term: Three-year term.

Authority and Security: The Loan is being issued pursuant to Wisconsin Statutes, Section 66.0621 and a resolution to be adopted by the City.

The Loan will be a special obligation of the City, payable from net revenues of the City's Sewer Utility and by the issuance of a long-term bond issue.

The Loan will be subordinate to the City's _____

Although the City does not have any current plans to issue additional bonds other than the issuance of bonds to repay the Loan, the City reserves the right to issue additional bonds either on a parity with its _____ or as subordinate debt with the same pledge of revenues as the Loan.

Source of Payment: Net revenues of the City's Sewer Utility and the issuance of bonds to provide long-term financing are pledged to the repayment of the Loan.

Repayment Term and Interest Payment Dates: The Loan will have a three-year term with a final maturity no later than March 1, 2021. Principal will be due upon maturity. Interest will be paid semi-annually each March 1 and September 1, commencing September 1, 2018 (based on a proposed settlement date of March 1, 2018). Interest will be calculated on the basis of a 360-day year consisting of twelve 30 day months.

Bank Qualification: The Loan will not be deemed bank qualified.

Tax Status: Tax-exempt.

Optional Redemption: The City seeks to have an optional one-year prepayment provision, in whole or in part. Any prepayment will be at a price of par plus accrued interest.

Credit Rating: The Loan will not be rated. The City's outstanding water revenue debt is currently rated _____ by Moody's Investors Service.

Primary and Continuing Disclosure: The City would prefer not to provide a primary disclosure document, but will provide one if advantageous to the transaction.

The Respondents should include in their proposals if they will require additional continuing disclosure besides that currently provided for the water system revenue debt, and if so, in what form.

Construction Draw Schedule:

The table below is a projected construction cash flow based on a cashflow worksheet provided by the Utility. **These figures are projections only and are subject to change.** The Utility seeks flexibility in the Loan in regard to the amounts and timing of the draws.

Date	Estimated	
	Draw	Balance
3/1/2018	2,660,344	13,718,054
6/1/2018	2,660,344	11,057,710
9/1/2018	2,660,344	8,397,366
12/1/2018	2,660,344	5,737,022
3/1/2019	1,434,256	4,302,766
6/1/2019	1,434,256	2,868,511
9/1/2019	1,434,256	1,434,255
12/1/2019	1,434,256	(0)

Consultants

Respondents should be aware the Issuer has retained other professional advisors to assist in the completion of the financing. These advisors and their general areas of responsibility are as follows:

Municipal Advisor

Springsted Incorporated
Mr. David MacGillivray, Chairman
380 Jackson Street, Suite 300
Saint Paul, MN 55101

Bond Counsel

Quarles & Brady, LLP
Mr. Brian Lanser, Attorney
411 East Wisconsin Avenue, Suite 2040
Milwaukee, WI 53202-5775

Legal Documents

Issuance and delivery of the Loan is subject to, among other things: (i) approval by resolution of the Common Council of the terms and conditions of the Loan, (ii) negotiation, execution and delivery of any applicable agreements with respect to the Loan and of customary closing papers, including a no-litigation certificate; and (iii) receipt of an approving legal opinion of Quarles & Brady, LLP, Milwaukee, Wisconsin.

FORM OF PROPOSAL AND RELATED INFORMATION

Response Design and Content

The City/Utility request that the Respondent address the following items in their proposal (not to exceed 12 pages plus exhibits). No extraneous promotional material should be provided.

The RFP response should include the following information:

1. **Brief description of the Bank and Representatives that will be working with the City/Utility on this financing**
2. **Indications and/or Credit rating(s) of the Bank**
3. **Relative experience in similar financings**
4. **Description of the Loan Program - including but not limited to the following:**
 - a. overall mechanics of the program
 - b. repayment structure
 - c. basis for establishing the interest rate
 - d. variable rate or fixed rate. **If a variable rate is proposed, please provide a maximum rate.**
 - e. description of any other major mechanics of the loan program; i.e. how frequently can draws be made? Are there minimum draw amounts? What rate will be applied to the used amount and the unused portion? Any other noteworthy proposed terms or mechanics.
5. **Fees and/or Expenses not included in the interest rate above, if applicable. If 'all-in interest' rate, please so state.**
6. **Will your firm be represented by legal counsel? If so, name of firm and fee.**
7. **Draft Legal Documents: if you have "typical" legal documents required for this type of transaction, please submit draft documents as an exhibit.**

Potential Conflicts of Interest

Describe any current or historical engagement or relationship with any public or private party that could potentially create a conflict of interest with the Issuer or related entities and how those would be mitigated.

SELECTION PROCESS AND RELATED INFORMATION

Approach and Criteria for Selection

The City/Utility will use the following criteria in evaluating the responses and making its subsequent selection:

- Applicability to best accomplish the City's/Utility's primary objectives
- Respondent's experience with similar programs to public entities, and
- Total overall cost

Selection and Financing Calendar

The following timeline is anticipated for the selection and financing process:

Date	Event
	Water Commission approves 2018 Interim Financing Plan.
	Finance Committee recommends Financing Plan to Common Council.
	City Council approves set sale resolution.
	Distribution of Request for Proposal
	Last day for respondents to submit written questions
	Responses to questions distributed to all parties
	Written proposals are due before 4:00 p.m. CT
No later than	Bank selected
TBD	Financing terms finalized with bank
No later than	Settlement of Loan

Delivery of Proposal

Your proposal must be executed by an officer of the Respondent authorized to commit the firm. The Proposal must be **delivered by email not later than:**

Day, Date and Time Proposal is due: January 8, 2018, no later than 4:00 PM, Central Time

Send Proposal to: dmacgillivray@springsted.com

Questions on the RFP

All questions regarding this RFP should be **in writing and sent via email no later than January 4, 2018 at 4:00 PM CST to:**

David MacGillivray, Chairman
Springsted Incorporated
dmacgillivray@springsted.com

Prohibition Against Contact

No City staff person, elected official or professional advisors should be contacted during the solicitation process unless you are specifically directed to do so. The City reserves the right to reject the response of any respondent failing to comply with this provision, and the risk of receipt of misinformation that could result will be borne solely by such respondent. All questions received and their answers will be provided in writing to each firm known to be in receipt of this RFP in accordance with the calendar stated below.

Representatives of any firm contacting Issuer officials without prior approval may be excluded from any further consideration for selection.

Public Process

Please be aware the Issuer is committed to full public disclosure of information upon proper request. Public disclosure of the information requested in this response may be disseminated to the general public if requested.

Additional Information

The following documents will be provided along with this RFP:

- Most recent rating report from Moody's
- Utility's 2015/2016 Annual Report

DRAFT

Resolution No. _____

RESOLUTION PROVIDING FOR THE ISSUANCE OF A
SEWER SYSTEM REVENUE BOND ANTICIPATION NOTE, SERIES 2018,
IN THE AMOUNT OF APPROXIMATELY \$16,540,000

WHEREAS the City of Waukesha, Waukesha County, Wisconsin (the "City") is presently in need of approximately \$16,540,000 for the public purpose of paying the costs of sewer utility projects, consisting of construction of return flow system improvements;

WHEREAS the City intends to issue Sewer System Revenue Bonds for such purpose pursuant to Section 66.0621 of the Wisconsin Statutes;

WHEREAS it is desirable to anticipate the issuance of such bonds through the issuance of a revenue bond anticipation note pursuant to Section 66.0621(4)(L), Wis. Stats.; and

WHEREAS it is in the best interest of the City to structure the bond anticipation note financing in the form of a line of credit, revolving draw facility or similar financing instrument.

NOW, THEREFORE, BE IT RESOLVED that:

1. The City shall issue a Sewer System Revenue Bond Anticipation Note, Series 2018, in the amount of approximately \$16,540,000 (the "Note") for the purpose above specified.
2. The Common Council hereby authorizes and directs the officers of the City to take all actions necessary to request proposals from financial institutions for the purchase of the Note in accordance with the terms of a Request for Proposals in substantially the form attached to this Resolution. At a subsequent meeting, the Common Council shall take further action to approve the details of the Note and authorize the issuance and sale of the Note.

Passed this 19th day of December, 2017.

Approved this 19th day of December, 2017.

Mayor

Attest:

City Clerk