

King County Water District No. 49 Finances Improvements and Saves Money

King County Water District No. 49 (the “District”) is in the process of issuing Water Revenue Improvement and Refunding Bonds to finance various capital improvements and refinance bonds for interest cost savings. As part of the process, the District’s staff presented information to the national rating agency of S&P Global Ratings.

According to District Superintendent, Bryan Koehmstedt, “the District’s bond rating grade was re-affirmed at “AA-”. This is a great accomplishment for the District and its ratepayers!”

Commissioner Dave Lutz said “this rating grade of AA- reflects that the District is very well-managed and has strong financial policies and practices in place for the benefit of our ratepayers.”

“The higher the rating grade, then the lower the interest cost. We are very pleased and proud to achieve this rating grade”, according to Commissioner Ray Brickell.

Office Manager, Holly Inkpen, explained “the AA- bond rating grade was based on the key factors of: 1. Demonstrated track record of stable financial reserves; 2. Strong historic debt service coverage; 3. Updated financial management policies and practices; 4. Strength of the economy; and 5. Experienced management in operating the District in an efficient manner.”

As part of the rating process, District staff prepared for a presentation to S&P Global Ratings. The presentation team was comprised of: Commissioner Tom Jovanovich, Superintendent Bryan Koehmstedt, Office Manager Holly Inkpen, Attorney Eric Frimodt (of Inslee Best Doezie & Ryder, PS), Engineers Rodney Langer and Eli Zehner (of CHS Engineers, LLC), and Bond Underwriter Jim Nelson (of D.A. Davidson & Co). The team presented information and answered questions that dealt with the topics of management, finances, local economy and long-term planning.

The Water Revenue Improvement and Refunding Bonds were priced on June 6th in Seattle at the offices of D.A. Davidson & Co. The 9-year Refunding Bonds achieved total net savings of \$93,378. The Refunding Bonds refinanced interest rates of 4.00%-4.25%, at a net borrowing cost of 1.86%. The 20-year Revenue Improvement Bonds achieved a net borrowing cost of 3.02%.

Any questions or comments, please contact the District office at 206-242-8535.