

11/25/15

File No. 08-0951

ENERGY AND ENVIRONMENT COMMITTEE REPORT and RESOLUTIONS relative to the extension and replacement of Wastewater System Debt Program credit facilities.

Recommendations for Council action, SUBJECT TO THE APPROVAL OF THE MAYOR:

1. ADOPT the accompanying EIGHTEENTH SUPPLEMENTAL RESOLUTION (Attachment A of the City Administrative Officer (CAO) report dated November 10, 2015, attached to the Council file), which authorizes the execution of extension and replacement credit facilities for the Wastewater Commercial Paper Program, incorporates various documents required to execute the transaction (Exhibits A to F), and authorizes the CAO to take certain actions required to manage the transaction and the Wastewater System Subordinate Commercial Paper Program.
2. ADOPT the accompanying NINETEENTH SUPPLEMENTAL RESOLUTION (Attachment B), which authorizes the execution of a Continuing Covenant Agreement with Banc of America Preferred Funding Corporation for the extension of the Direct Purchase of the Wastewater System Subordinate Revenue Bonds, Variable Rate Refunding, Series 2012-D bonds, and incorporates various documents required to execute the transaction (Exhibits A to C).
3. FIND that the City's Affirmative Action policy for Sumitomo Mitsui Banking Corporation is waived and is in the best interest of the City.
4. AUTHORIZE the CAO to make technical adjustments as necessary to implement the intent of the Mayor and Council actions.

Fiscal Impact Statement: The CAO reports that there is no impact on the General Fund as a result of the recommended actions. The debt service and associated costs of the Wastewater System Debt Program are paid from the Sewer Construction and Maintenance Fund.

Debt Impact Statement: The CAO also reports that the proposed extension and replacement of credit facilities for the Wastewater System Debt Program will cost the Sewer Maintenance and Construction Fund approximately \$1.3 million. This represents an annual cost decrease of approximately \$700,000.

Community Impact Statement: None submitted.

Summary

At a special meeting held on November 18, 2015, the Energy and Environment Committee considered a CAO report and Resolutions relative to the extension and replacement of Wastewater System Debt Program credit facilities. After an opportunity for public comment, the Committee recommended that Council approve the Resolutions and approve the recommendations contained in the CAO report. This matter is now forwarded to the Council for its consideration.

Respectfully Submitted,

ENERGY AND ENVIRONMENT COMMITTEE

<u>MEMBER</u>	<u>VOTE</u>
FUENTES:	YES
BLUMENFIELD:	YES
CEDILLO:	ABSENT
KORETZ:	YES
O'FARRELL:	ABSENT



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-NOT OFFICIAL UNTIL COUNCIL ACTS-