

CITY OF LOS ANGELES
CALIFORNIA

JUNE LAGMAY
City Clerk

HOLLY L. WOLCOTT
Executive Officer



ANTONIO R. VILLARAIGOSA
MAYOR

Office of the
CITY CLERK

Council and Public Services
Room 395, City Hall
Los Angeles, CA 90012
General Information - (213) 978-1133
Fax: (213) 978-1040

SHANNON HOPPES
Council and Public Services
Division

www.cityclerk.lacity.org

When making inquiries relative to
this matter, please refer to the
Council File No.

April 25, 2013

To All Interested Parties:

The City Council adopted the action(s), as attached, under Council File No. 12-1099,
at its meeting held April 16, 2013.

City Clerk
OS

Mayor's Time Stamp
OFFICE OF THE MAYOR
RECEIVED
2013 APR 17 PM 2:41
CITY OF LOS ANGELES

City Clerk's Time Stamp
CITY CLERK'S OFFICE
2013 APR 17 PM 2:36
CITY CLERK
BY _____ DEPUTY

SUBJECT TO THE MAYOR'S APPROVAL

COUNCIL FILE NO. 12-1099

COUNCIL DISTRICT _____

COUNCIL APPROVAL DATE APRIL 16, 2013

RE: THE ISSUANCE OF UP TO \$480 MILLION IN POWER SYSTEM REVENUE BONDS, TO FINANCE A PORTION OF THE POWER SYSTEM'S CAPITAL IMPROVEMENT PROGRAM FOR FISCAL YEAR 2012-13

LAST DAY FOR MAYOR TO ACT APR 29 2013
(10 Day Charter requirement as per Charter Section 341)


DO NOT WRITE BELOW THIS LINE - FOR MAYOR USE ONLY

APPROVED
✓

*DISAPPROVED

*Transmit objections in writing pursuant to Charter Section 341

DATE OF MAYOR APPROVAL OR DISAPPROVAL APR 23 2013

MAYOR 

RECEIVED
CITY CLERK'S OFFICE
2013 APR 24 PM 3:31
BY _____ DEPUTY
CITY CLERK

TO THE COUNCIL OF THE
CITY OF LOS ANGELES

Your

ENERGY AND ENVIRONMENT COMMITTEE

reports as follows:

ENERGY AND ENVIRONMENT COMMITTEE REPORT relative to the issuance of up to \$480 million in Power System Revenue Bonds, to finance a portion of the Power System's capital improvement program for fiscal year 2012-2013.

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

1. CONCUR with the Board of Water and Power Commissioners' action of March 5, 2013, Resolution No. 4856, approving the issuance of up to \$480 million in Power System Revenue Bonds, to finance a portion of the Power System's capital improvement program for fiscal year 2012-2013, in accordance with the provisions of Charter Section 609 and Article 6.5 of the Los Angeles Administrative Code Sections 11.28.1 to 11.28.9.
2. AUTHORIZE the Los Angeles Department of Water and Power to use the City's remaining allocation of Qualified Energy Conservation Bonds totaling approximately \$27.859 million in connection with the upcoming issuance of \$480 million of Power System Revenue Bonds and assume responsibility for any and all related post-issuance reporting and continuing disclosure requirements.

Fiscal Impact Statement: The City Administrative Officer reports that approval of the recommended action will authorize the Los Angeles Department of Water and Power to issue up to \$480 million of Power System Revenue Bonds to finance a portion of its capital improvements program for fiscal year 2012-13. The Los Angeles Department of Water and Power estimates the net impact of this issuance, including principal and interest, will be to increase debt service costs of the Power System Revenue Fund by approximately \$775 million over 20 years or approximately an average of \$40 million annually. This amount is based on the current interest rates for tax-exempt bonds. One-time costs of issuance from the Power System Revenue Fund are estimated at approximately \$2.25 million. One-time costs consist of underwriter's discount; bond and disclosure counsels, financial advisor; and ratings agencies fees. Approval of the proposed resolution will have no impact on the City's General Fund.

Community Impact Statement: None submitted.

Summary:

On April 3, 2013, the Energy and Environment Committee considered a March 12, 2013 Board of Water and Power Commissioners' report, and Resolution No. 4856, approving the issuance of up to \$480 million in Power System Revenue Bonds, to finance a portion of the Power System's capital improvement program for fiscal year 2012-2013, in accordance with the provisions of Charter Section 609 and Article 6.5 of the Los Angeles Administrative Code Sections 11.28.1 to 11.28.9.

Los Angeles Department of Water and Power and City Administrative Officer representatives provided an overview of the matter and responded to related questions from the Committee members.

After additional discussion and providing an opportunity for public comment, the Committee recommended that Council approve the Board report and Resolution and added the recommendation to authorize the Los Angeles Department of Water and Power to use the City's remaining allocation of Qualified Energy Conservation Bonds totaling approximately \$27.859 million in connection with the upcoming issuance of \$480 million of Power System Revenue Bonds and assume responsibility for any and all related post-issuance reporting and continuing disclosure requirements. This matter is now submitted to Council for its consideration.

Respectfully submitted,

ENERGY AND ENVIRONMENT COMMITTEE



ADOPTED

APR 16 2013

LOS ANGELES CITY COUNCIL

<u>MEMBER</u>	<u>VOTE</u>
HUIZAR:	YES
ZINE:	YES
LABONGE:	ABSENT
ALARCÓN:	ABSENT
KORETZ:	YES

EV
12-1099_rpt_ee_4-3-13

- Not Official Until Council Acts -