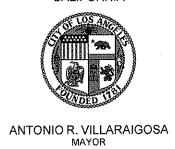
# CITY OF LOS ANGELES

CALIFORNIA

JUNE LAGMAY City Clerk

HOLLY L. WOLCOTT Executive Officer

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



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

April 25, 2013

To All Interested Parties:

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

,

City Clerk os

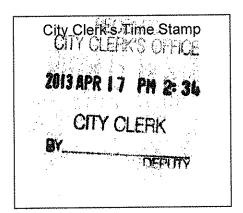
Mayor's Time Stamp

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CITY OF LOS ANDERES

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## SUBJECT TO THE MAYOR'S APPROVAL

COUNCIL FILE NO. 12-1099			COUNCIL DISTRICT		
COU	NCIL APPROVAL DA	ATE <u>APRIL 16, 2013</u>			
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 ACTAPR 2 9 2013 (10 Day Charter requirement as per Charter Section 341)					
	DC	NOT WRITE BELOW THIS	LINE - FOR WAY	OR USE ONLY	
	AP	PROVED		*DISAPPROVED	
				*Transmit objections in writing pursuant to Charter Section 341	
DAT	E OF MAYOR APPR	OVAL OR DISAPPROVAL	APR 2 3 2013	- 23 A	
				<b>型 %2</b> 2	

# 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 1 6 2013

LOS ANGELES CITY COUNCIL

**MEMBER** 

HUIZAR: ZINE:

LABONGE: ALARCÓN: KORETZ:

VOTE

YES YES ABSENT

12-1099\_rpt\_ee\_4-3-13