

ENERGY AND ENVIRONMENT COMMITTEE REPORT relative to authorizing the issuance of up to \$428 million of Power System Revenue Bonds by the Los Angeles Department of Water and Power (LADWP).

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

CONCUR with the Board of Water and Power Commissioners' action of March 16, 2016, Resolution No. 4907, authorizing the LADWP to issue a maximum of \$428 million of Power System Revenue Bonds in accordance with the provisions of City Charter Section 609 and Article 6.5 of the Los Angeles Administrative Code Sections 11.28.1 through 11.28.9.

Fiscal Impact Statement: The City Administrative Officer reports that there is no impact on the City or the General Fund. Approval of the proposed Resolution will authorize the LADWP to issue \$428 million of Power System Revenue Bonds to finance a portion of its Capital Improvements Program for Fiscal Year 2015-16. This issuance will increase debt service costs of the Power Revenue Fund by approximately \$28.7 million annually. Debt service on these revenue bonds and all projected savings will accrue to the Power Revenue Fund. Debt issuance costs are estimated at \$1.6 million consisting of underwriter's discount, bond and disclosure counsels, financial advisor, and ratings agencies fees.

Community Impact Statement: None submitted.

Summary:

At a meeting held on April 6, 2016, the Energy and Environment Committee considered reports from the Board of Water and Power Commissioners and City Administrative Officer, and Resolution No. 4907 relative to authorizing the issuance of up to \$428 million of Power System Revenue Bonds by the LADWP. After providing an opportunity for public comment, the Committee recommended that Council concur with the Board action as detailed above. This matter is now submitted to 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:	YES

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-NOT OFFICIAL UNTIL COUNCIL ACTS-