

ENERGY AND ENVIRONMENT COMMITTEE REPORT relative to the issuance of up to \$167 million in tax-exempt Water System Revenue Bonds by the Los Angeles Department of Water and Power (LADWP) to finance a portion of the budgeted capital improvements for Fiscal Year (FY) 2016-17.

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

CONCUR with the Board of Water and Power Commissioners' action of October 4, 2016, Resolution No. 4920, authorizing the LADWP to issue through private sales a maximum of \$167 million in Water 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 \$167 million in Water System Revenue Bonds to finance a portion of its Capital Improvements Program for FY 2016-17. Debt service on these revenue bonds and all projected savings will accrue to the Water Revenue Fund. Debt issuance costs are estimated at \$834,000 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 November 2, 2016, the Energy and Environment Committee considered reports from the Board of Water and Power Commissioners and City Administrative Officer, and Resolution No. 4920 relative to the issuance of up to \$167 million in tax-exempt Water System Revenue Bonds by the LADWP to finance a portion of the budgeted capital improvements for FY 2016-17. 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>
MARTINEZ:	ABSENT
BLUMENFIELD:	YES
CEDILLO:	YES
KORETZ:	YES
O'FARRELL:	YES

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-NOT OFFICIAL UNTIL COUNCIL ACTS-