

ENERGY AND ENVIRONMENT COMMITTEE REPORT relative to the issuance of up to \$1 billion in tax-exempt Water System Refunding Revenue Bonds by the Los Angeles Department of Water and Power (LADWP) to refinance existing outstanding debt.

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. 4916, authorizing the LADWP to issue through private sales a maximum of \$1 billion in Water System Refunding Revenue Bonds to refinance existing outstanding debt, 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 refinance a portion of the existing Water System bonds. Debt issuance costs are estimated at \$3.37 million for the \$1 billion in refunding transactions. These costs consist of underwriter's discount, bond and disclosure counsels, financial advisor, ratings agencies fees, escrows, verification agent, and printing. Debt service on these revenue bonds and all projected savings will accrue to the Water System Revenue Fund.

Community Impact Statement: None submitted.

Summary:

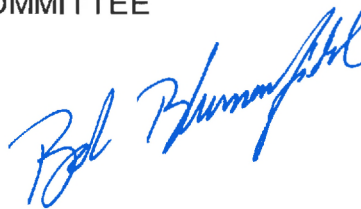
At a meeting held on November 2, 2016, the Energy and Environment Committee considered reports from the Board of Water and Power Commissioners and City Administrative Officer, and Resolution No. 4916 relative to the issuance of up to \$1 billion in tax-exempt Water System Refunding Revenue Bonds by the LADWP to refinance existing outstanding debt. 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

M.E
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-NOT OFFICIAL UNTIL COUNCIL ACTS-