

Los Angeles City Council, Journal/Council Proceedings
Wednesday, March 1, 2006
John Ferraro Council Chamber, Room 340, City Hall - 10:15 am

- - - SPECIAL COUNCIL MEETING - - -

10:15 A.M. OR AS SOON THEREAFTER
AS COUNCIL RECESSES ITS REGULAR MEETING

ROLL CALL - Members present: Hahn, Huizar, LaBonge, Padilla, Perry, Rosendahl, Smith, Weiss, Wesson, Zine and President Garcetti (11); Absent: Cardenas, Greuel, Parks and Reyes (4).

ROLL CALL NUMBER (#) - INDICATES THE ORDER IN WHICH THE ITEMS WERE ACTED UPON DURING THE COUNCIL MEETING

Item for Which Public Hearing Has Been Held - Item 1

ITEM NO. (1) - MOTION ADOPTED TO APPROVE COMMITTEE REPORT RECOMMENDATIONS - TO THE MAYOR FORTHWITH

Roll Call #1 - Motion (Perry - Smith) Adopted, Ayes (11); Absent: Cardenas, Greuel, Parks and Reyes (4)

06-0319

ENERGY AND THE ENVIRONMENT and BUDGET AND FINANCE COMMITTEES' REPORT and RESOLUTIONS relative to issuance of the Los Angeles Wastewater (LAWW) System subordinate revenue bonds and replacement of the liquidity facility for the LAWW System subordinate revenue bonds.

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

1. ADOPT the accompanying Ninth Supplemental RESOLUTION (Attachment A), which sets forth the basic terms under which the City may issue subordinate LAWW System revenue bonds.
2. ADOPT the accompanying RESOLUTION (Attachment B), which incorporates various documents required to execute the refunding in an amount not to exceed \$350,000,000 (Exhibits A through H), replaces the liquidity facility for the LAWW System Subordinate Revenue Bonds, Variable Rate Refunding Series 2001 A-D and delegates certain actions required to manage the Variable Rate Bond Program to the City Administrative Officer (CAO) such as the ability to solicit bids on swaps, acquire bond and swap insurance policies and to appoint successor remarketing agents if necessary.

3. FIND and DETERMINE, in accordance with the requirements of Government Code Section No. 5922(a), that the proposed Interest Rate Swap Agreement will result in a lower cost of borrowing when used in combination with the issuance of bonds than could otherwise be achieved.

Fiscal Impact Statement: The CAO reports that there is no impact on the General Fund as a result of the recommended LAWW Refunding Series 2006 A-D bond issue. The debt service on the LAWW Revenue Bonds is paid from the Sewer Construction and Maintenance Fund. The costs of issuance will be paid from bond proceeds.

Debt Impact Statement: The CAO reports that the proposed bond issue will refund \$323 million of LAWW System debt. The refunding is expected to generate \$38.5 million in present value savings. Debt service payments for the LAWW System are expected to decrease by an average of \$3.7 million annually through 2028.

Councilmember LaBonge moved, seconded by Councilmember Weiss, that the Special Council meeting adjourn.

Ayes, Hahn, Huizar, LaBonge, Padilla, Perry, Rosendahl, Smith, Weiss, Wesson, Zine and President Garcetti (11); Absent: Cardenas, Greuel, Parks and Reyes (4).

Whereupon the Special Council meeting did adjourn.

ATTEST: Frank T. Martinez, CITY CLERK

By

Council Clerk

PRESIDENT OF THE CITY COUNCIL