

Agenda Report

TO: City Council

DATE: August 11, 2003

FROM: Cynthia J. Kurtz, City Manager

SUBJECT: A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PASADENA CONFIRMING THE AWARD OF ITS ELECTRIC REVENUE BONDS, 2003 SERIES

RECOMMENDATION

It is recommended that the City Council adopt a resolution confirming the award of its Electric Revenue Bonds, 2003 Series.

BACKGROUND

The City Council has already authorized the issuance of Electric Revenue Bonds; however, in accordance with Section 1414 of the City Charter, once bids have been received, the City Council must, by Resolution, officially accept the bid and fix the interest rate or rates on the bonds. Based upon this requirement, it is recommended that the City Council adopt the attached Resolution.

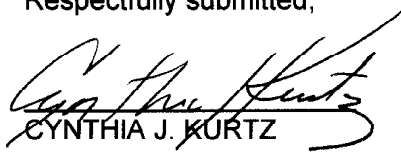
On Monday, August 11, 2003, bids will be received for the above referenced Bonds. A calculation will be done by the City's Financial Advisors to determine the lowest cost bid to the City. Since the City has 24 hours to accept (or reject) any bid, the City Council will be required to take formal action at its August 11th City Council meeting. The Council will notice that the Resolution refers to an attached Exhibit A. Exhibit A refers to the results of the bid that will not be known until sometime on August 11th. As such, staff will have to distribute this Exhibit and ask that it become an official part of the record during the City Council meeting.

In addition, Sections 3 and 4 of the Resolution require financial information that will not be known until after the bids are received. This information will also be presented at the August 11th Council meeting and will be incorporated into the final official version of the Resolution.

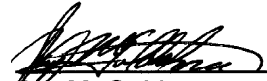
FISCAL IMPACT

Under the anticipated results of the bids, debt service will be approximately \$750,000 per year for the life of the bonds. This debt service has factored into the Light & Power Fund financial plan and no rate increase is anticipated to be required.

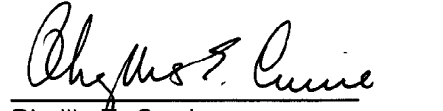
Respectfully submitted,


CYNTHIA J. KURTZ
City Manager

Approved by:


Jay M. Goldstone
Director of Finance

Concurrence:


Phyllis E. Currie
General Manager, Water & Power