

# Ordinance Fact Sheet

TO: CITY COUNCIL

DATE: May 24, 2010

FROM: CITY ATTORNEY

SUBJECT: AN ORDINANCE OF THE CITY OF PASADENA AUTHORIZING THE ISSUANCE BY THE CITY OF NOT TO EXCEED \$45,000,000 AGGREGATE PRINCIPAL AMOUNT OF CITY OF PASADENA ELECTRIC REVENUE REFUNDING BONDS, 2010A SERIES, PAYABLE OUT OF THE LIGHT AND POWER FUND, AND APPROVING THE EXECUTION AND DELIVERY OF A SIXTH SUPPLEMENT TO ELECTRIC REVENUE BOND FISCAL AGENT AGREEMENT, AN ESCROW AGREEMENT AND A CONTINUING DISCLOSURE AGREEMENT IN CONNECTION THEREWITH

## TITLE OF PROPOSED ORDINANCE:

AN ORDINANCE OF THE CITY OF PASADENA AUTHORIZING THE ISSUANCE BY THE CITY OF NOT TO EXCEED \$45,000,000 AGGREGATE PRINCIPAL AMOUNT OF CITY OF PASADENA ELECTRIC REVENUE REFUNDING BONDS, 2010A SERIES, PAYABLE OUT OF THE LIGHT AND POWER FUND, AND APPROVING THE EXECUTION AND DELIVERY OF A SIXTH SUPPLEMENT TO ELECTRIC REVENUE BOND FISCAL AGENT AGREEMENT, AN ESCROW AGREEMENT AND A CONTINUING DISCLOSURE AGREEMENT IN CONNECTION THEREWITH

## PURPOSES OF THE ORDINANCE:

In 2002, the City issued \$82,320,000 of Electric Revenue Refunding Bonds to provide moneys to finance the costs of acquisition and construction of certain improvements to the City's electric system, to fund a parity reserve fund and pay the costs of issuance. As described in the accompanying Agenda Report dated May 24, 2010, the purpose of the proposed bonds is to refund the 2002 Series bonds in order to produce significant revenue service savings.

06/07/2010

MEETING OF 05/24/2010

AGENDA ITEM NO. -13- 33

**REASONS WHY LEGISLATION IS NEEDED:**

Article 14 of the City Charter requires that a revenue bond ordinance be adopted whenever the City Council proposes to authorize the issuance of electric revenue bonds.

**PROGRAMS, DEPARTMENTS OR GROUPS AFFECTED:**

Debt service payments for the proposed bonds will be made from the Light and Power Fund. Customers of the Pasadena Water and Power Department will repay the proposed bonds through their rates for electric service.

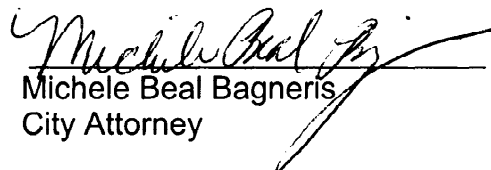
**FISCAL IMPACT:**

As stated in the accompanying Agenda Report dated May 24, 2010, it is anticipated that the Light and Power Fund will realize approximately \$1.284 million in net present value savings. The actual savings will depend upon market conditions at the time bidding is completed (scheduled for July 19).


**POLICY CHANGES:**

The proposed issuance is consistent with the City Council's Strategic Goal to maintain fiscal responsibility and stability.

Respectfully submitted,

  
Michele Beal Bagnaris  
City Attorney

Prepared by:

  
Scott D. Rasmussen  
Assistant City Attorney