



Ordinance Fact Sheet

TO: CITY COUNCIL **DATE:** January 30, 2017
FROM: CITY ATTORNEY
SUBJECT: WATER REVENUE REFUNDING BONDS, 2017A SERIES

TITLE OF PROPOSED ORDINANCE

AN ORDINANCE OF THE CITY OF PASADENA AUTHORIZING THE ISSUANCE BY THE CITY OF NOT TO EXCEED \$17,370,000 AGGREGATE PRINCIPAL AMOUNT OF CITY OF PASADENA WATER REVENUE REFUNDING BONDS, 2017A SERIES, PAYABLE OUT OF THE WATER FUND, AND APPROVING THE EXECUTION AND DELIVERY OF A FIFTH SUPPLEMENT TO WATER REVENUE BOND INDENTURE, AN ESCROW AGREEMENT AND A CONTINUING DISCLOSURE AGREEMENT IN CONNECTION THEREWITH

PURPOSES OF THE ORDINANCE

The purpose of this ordinance is to authorize the refinancing of outstanding 2007 bonds, as described in the January 23, 2017 Agenda Report on this item.

REASONS WHY LEGISLATION IS NEEDED

At its January 23, 2017 meeting, the City Council conducted the first reading of this ordinance.

PROGRAMS, DEPARTMENTS OR GROUPS AFFECTED

Debt service payments will be made from the Water Fund. Interest on the refunding portion will be addressed by utilization of existing budgeted appropriations.

FISCAL IMPACT

The bonds will be sold on a competitive basis with a maximum term of 20 year and will bear fixed interest rates. The True Interest Cost is currently estimated at 3.26% based

MEETING OF 01/30/2017

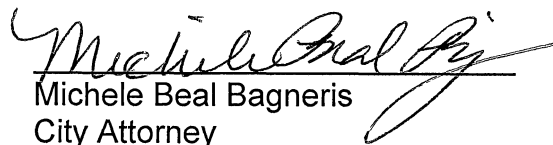
AGENDA ITEM NO. 10

on current market rates, which is subject to change until actual bidding is complete on the scheduled March 13, 2017 date. Staff intends to proceed with the refunding and competitive sale of the bonds only if the transaction is expected to generate a minimum of \$1 million of net present value savings or 5.75% of the existing principal amount of the refunded bonds.

ENVIRONMENTAL DETERMINATION

On January 23, 2017, the Council determined that the proposed action is not a project subject to the California Environmental Quality Act (CEQA), pursuant to Public Resources Code Section 21065 and State CEQA Guidelines Section 15378.

Respectfully submitted;


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Concurred by:


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