Ordinance Fact Sheet

August 31, 2026

TO: Honorable Mayor and City Council

FROM: City Attorney/City Prosecutor Department

SUBJECT: **ORDINANCE AUTHORIZING THE ISSUANCE OF THE ELECTRIC REVENUE REFUNDING BONDS 2026A SERIES IN AN AMOUNT NOT- TO-EXCEED $104,000,000 AGGREGATE PRINCIPAL AMOUNT**

TITLE OF PROPOSED ORDINANCE:

AN ORDINANCE OF THE CITY OF PASADENA AUTHORIZING THE ISSUANCE BY THE CITY OF NOT TO EXCEED $104,000,000 AGGREGATE PRINCIPAL AMOUNT OF CITY OF PASADENA ELECTRIC REVENUE REFUNDING BONDS, 2026A SERIES, PAYABLE OUT OF THE LIGHT AND POWER FUND, AND APPROVING THE EXECUTION AND DELIVERY OF A TWELFTH SUPPLEMENT TO THE ELECTRIC REVENUE BOND FISCAL AGENT AGREEMENT AND A CONTINUING DISCLOSURE AGREEMENT IN CONNECTION THEREWITH

PURPOSE OF ORDINANCE:

This ordinance would authorize the issuance of the Electric Revenue Refunding Bonds, 2026A Series, with a principal amount not to exceed $104,000,000 and a true interest cost not to exceed 5.5%, and approve all associated financing documents.

REASON WHY LEGISLATION IS NEEDED:

Article XIV of the Pasadena City Charter provides that whenever the City Council proposes to issue revenue bonds pursuant to the Article, it shall adopt an ordinance authorizing the issuance of such bonds which shall recite the objects and purposes for which the bonds are to be issued, the principal amount of the bonds, the maximum rate of interest to be paid, among other things.

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PROGRAMS, DEPARTMENTS OR GROUPS AFFECTED:

The Water and Power Department and Finance Department will implement the proposed ordinance.

FISCAL IMPACT:

In today's interest rate environment, it is anticipated that the Electric Fund financing will realize a net present value savings of $6.8 million after adjusting for the release of the parity reserve fund. The estimated average annual debt service savings will be $1.2 million for Fiscal Years 2028 through 2046. The actual savings will depend on the market conditions at the time the actual bidding is completed, currently scheduled for October 26, 2026. The revenue bonds will not constitute an indebtedness of the City, but will constitute obligations, which shall be payable only from the Light and Power Fund. There is no impact to the General Fund.

ENVIRONMENTAL DETERMINATION:

On August 31, 2026, as part of this agenda item, the City Council is being asked to find that the action proposed herein is not a "project" subject to the California Environmental Quality Act.

Respectfully submitted,

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