

COMMUNICATION

TO: LOS ANGELES CITY COUNCIL

FILE NO. 09-2004-S1

**FROM: COUNCILMEMBER JAN PERRY, CHAIR
ENERGY AND ENVIRONMENT COMMITTEE**

COMMUNICATION FROM CHAIR, ENERGY AND ENVIRONMENT COMMITTEE relative to authorization for the issuance of up to \$55 million in Solid Waste Resources Revenue Bonds (SWRRB) that will be used to refund/refinance approximately \$51 million in outstanding SWRRB that were issued in October 2001.

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

ADOPT the accompanying AUTHORIZING RESOLUTION approving certain documents and authorizing the issuance of up to \$55 million in refunding bonds.

Fiscal Impact Statement: The City Administrative Officer (CAO) reports that there is no fiscal impact on the General Fund as a result of the proposed \$55 million in SWRRB, Refunding Series 2009-B, as average annual debt service will be paid from the Solid Waste Resources Revenue Fund.

Debt Impact Statement: The CAO reports that the issuance of the proposed \$55 million in SWRRB, Refunding Series 2009-B, will not cause the City's debt service payments to exceed 15 percent of General Fund Revenues for both voter-approved and non-voter approved debt as established in the City's Financial Policies, Debt Management Section, because the debt service on these bonds will be paid from the Solid Waste Resources Revenue Fund.

Community Impact Statement: None Submitted.

Summary:

On November 3, 2009, your Committee Chair considered a report from the CAO relative to authorization for the issuance of up to \$55 million in SWRRB that will be used to refund/refinance approximately \$51 million in outstanding SWRRB that were issued in October 2001. In its October 23, 2009 report, attached to the Council file, the CAO states that completion of the proposed bond issuance would result in approximately \$4.4 million in long-term interest savings to the Solid Waste Resources Revenue Fund, or \$3.7 million in present value savings. The CAO also provides additional details in its report.

During the discussion of this matter the CAO and Bureau of Sanitation representatives provided an overview of this matter and responded to related questions. After additional discussion and providing the opportunity for public comment, the Committee Chair recommended that Council approve the recommendation contained in the CAO report, as reflected above.

This matter is now submitted to Council for its consideration.

Respectfully submitted,

JAN PERRY, CHAIR
ENERGY AND ENVIRONMENT COMMITTEE

<u>MEMBER</u>	<u>VOTE</u>
PERRY:	YES
CÁRDENAS:	ABSENT
ALARCÓN:	ABSENT
KORETZ	ABSENT

MLE
[09-2004-S1](#)_rpt_ee_11-3-09

- Not Official Until Council Acts -