

**TO THE COUNCIL OF THE
CITY OF LOS ANGELES**

Your

**ENERGY AND ENVIRONMENT
AND
BUDGET AND FINANCE**

Committees

report as follows:

ENERGY AND ENVIRONMENT and BUDGET AND FINANCE COMMITTEES REPORT and ORDINANCE relative to the issuance of Solid Waste Resources Revenue Bonds, Series 2009-A, and the creation of a related special fund.

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

1. PRESENT and ADOPT the accompanying ORDINANCE providing for the issuance of the City of Los Angeles Solid Waste Resources Revenue Bonds, Series 2009-A, and amending Section 5.121.5 of the Los Angeles Administrative Code to add a related special fund.
2. ADOPT the accompanying RESOLUTION approving certain documents and authorizing the issuance of up to \$75 million in 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 \$75 million Solid Waste Resources Revenue Bonds Issuance, Series 2009-A, 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 \$75 million in Solid Waste Resources Revenue Bonds, Series 2009-A, 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 September 1, 2009, the Energy and Environment Committee considered reports from the CAO and City Attorney and an Ordinance and Resolution relative to the issuance of Solid Waste Resources Revenue Bonds, Series 2009-A and creating related special fund. In its August 7, 2009 report, attached to the Council file, the CAO states that it is requesting authority to proceed with a \$75 million bond issuance for the acquisition of containers, equipment and vehicles for the City's Solid Waste Collection Program, as approved in the 2008-09 Adopted Budget. Repayment of the resulting debt service will come from the Solid Waste Resources Revenue Fund (formerly Sanitation Equipment Charge Special Revenue Fund). While authority for this bond issuance was included in the 2008-09 Adopted Budget, the CAO did not proceed with the issuance for several months due to the volatility and uncertainty in the financial markets. As the financial markets have recently stabilized, the CAO now recommends that the City proceed with the bond issuance.

During the discussion of this item, the CAO representative provided an overview of this matter and responded to related questions posed by the Committee members. After additional discussion and providing the opportunity for public comment, the Committee recommended that Council adopt the accompanying Ordinance and Resolution, as stated above.

On September 21, 2009, the Budget and Finance Committee concurred with the recommendations of the Energy and Environment Committee. This matter is now submitted to Council for its consideration.

Respectfully submitted,

ENERGY AND ENVIRONMENT COMMITTEE

BUDGET AND FINANCE COMMITTEE

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

<u>MEMBER</u>	<u>VOTE</u>
PARKS	YES
SMITH	YES
HUIZAR	YES
KORETZ	ABSENT
ROSENDAHL	YES

MLE
[09-2004](#)_rpt_ee_9-23-09

- Not Official Until Council Acts -