

**MWD**

METROPOLITAN WATER DISTRICT OF SOUTHERN CALIFORNIA

June 24, 1993

To: Board of Directors (Finance and Insurance Committee--Information)  
From: General Manager  
Subject: Report on Sale of 1993 Refunding Bonds - Series B

**Report**

On June 23, 1993, pursuant to your Board's authorization, Metropolitan sold \$78.3 million Waterworks General Obligation Refunding Bonds, 1993 Series B, and \$89.6 million Water Revenue Refunding Bonds, Series B. These negotiated sales completed refundings of bonds issued in 1970, 1978, and 1979. Interest savings will total \$11.3 million with net present value savings of \$5.9 million.

The G.O.'s were issued at a true interest cost of 5.49 percent, and the revenue bonds were issued at a true interest cost of 5.39 percent. Net present value savings equal to 3.41 percent of the refunding G.O. bonds and 3.59 percent of the refunding revenue bonds were achieved, exceeding your Board's target of 3.0 percent present value savings.

The G.O.'s were rated triple-A and the revenue bonds were rated double-A by both Moody's Investors Service and Standard and Poor's Corporation.

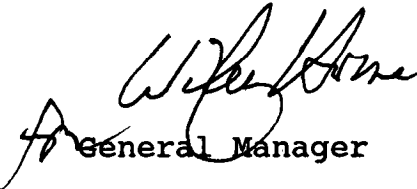
The eleven member underwriting team was led by Lehman Brothers. Two Disadvantaged Business Enterprise (DBE) firms were included in the underwriting groups and thirteen DBE firms were included in the 32 member selling group. The District's financial advisor is O'Brien Partners, Inc. O'Melveny & Myers and Robinson and Pearman served as co-bond counsel.

**Board Committee Assignment**

This letter was referred to the Finance and Insurance Committee for information because of its authority to study, advise and make recommendations with regard to the sale of bonds and borrowing and repayment of money, pursuant to Administrative Code Section 2441 (b).

Recommendation

For information only.

  
General Manager

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bondsale