

“Authority to Issue Water Revenue Bonds; Enter into Interest Rate Swap Transactions; and Pay Costs of Issuance”

Business and Finance Committee

Item 8-1

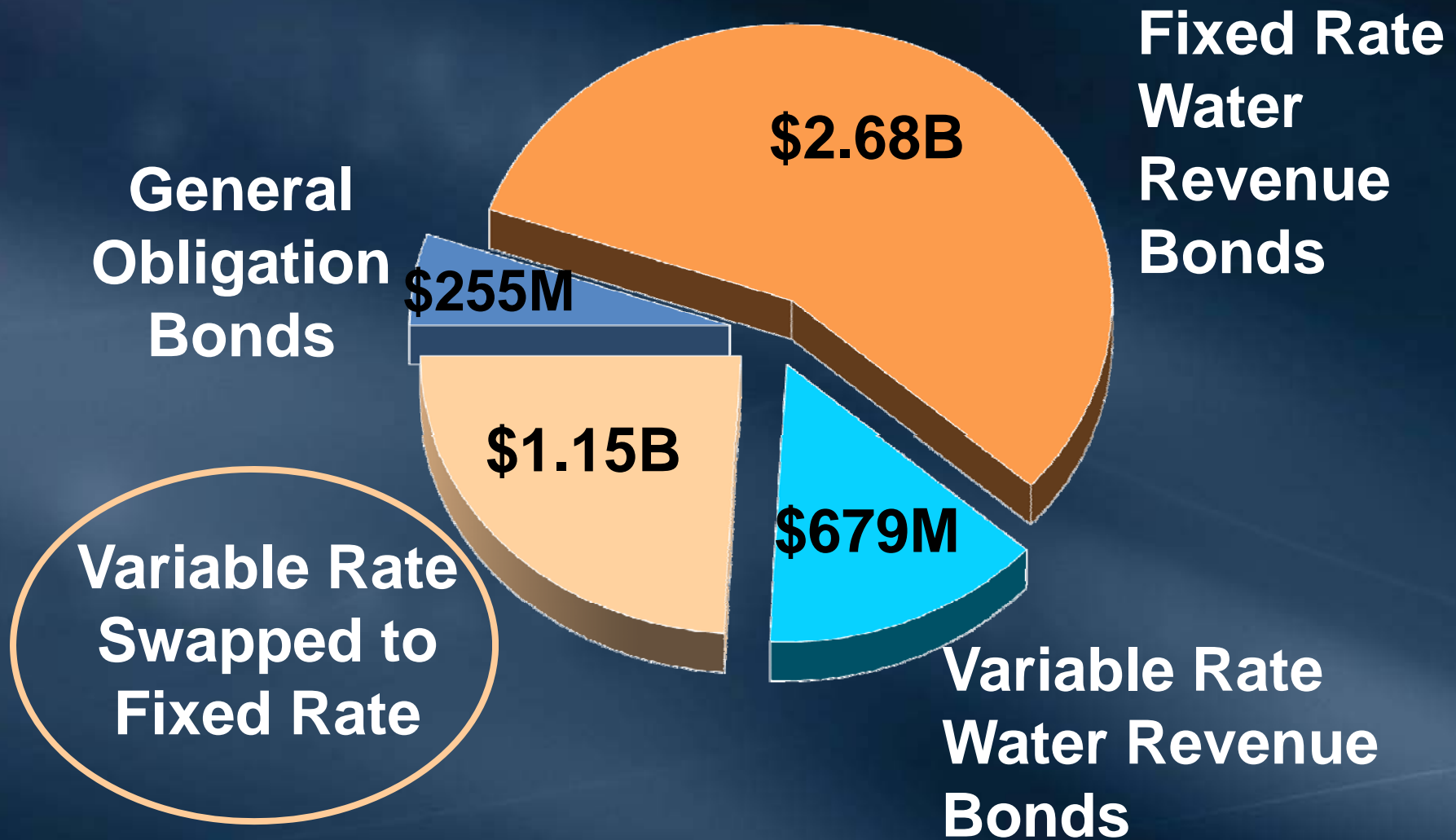
August 16, 2010

Overview

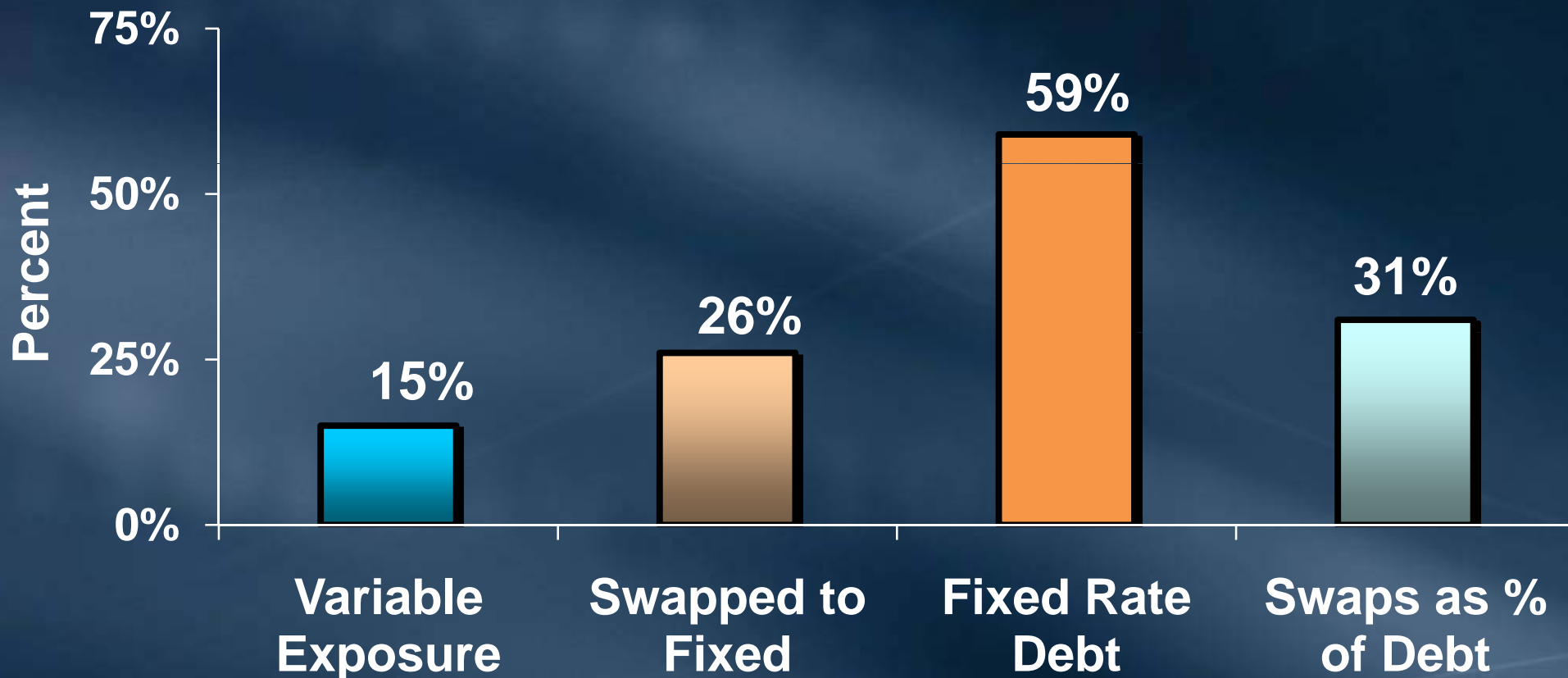
- **Current authorization to issue water revenue bonds expires August 31, 2010**
- **Capital Investment Plan**
 - **FY 2010/11 Budget: \$260 million**
 - **FY 2011/12 Proposed: \$341 million**
- **Available Bond Construction Funds**
 - **\$120.8 million (July 31, 2010)**
- **20th Supplemental Resolution**
- **Additional Interest Rate Swap Authorization**
- **Appropriation to charge costs**

Total Debt Outstanding

\$4.76 Billion



Metropolitan's Revenue Bond Debt and Interest Rate Swap Percentages



Appropriation No. 15469

Water Revenue Bonds and Interest Rate Swap Transactions

Legal Counsel Fees	\$ 450,000
Rating Agency Fees	400,000
Financial / Swap Advisory Fees	350,000
Printing	100,000
Other	<u>100,000</u>
Total	\$ 1,500,000

Expiration: August 31, 2012.

Recommendation

Option #1:

- **Adopt CEQA determination**
- **Adopt 20th Supplemental Resolution**
 - **\$500 million Water Revenue Bonds**
 - **Establishes Ad Hoc Committee**
- **Approve \$500 million Interest Rate Swaps**
- **Approve Appropriation No. 15469**
 - **\$1,500,000**
 - **Expiration August 31, 2012**