



WEST BASIN FINANCING CORPORATION
17140 S. Avalon Blvd., Suite 210
Carson, CA 90746

AGENDA NO. <u>C</u>
MAY 20, 2010 – Finance Smith (Chair), Dear
JUNE 1, 2010 – Board Meeting Prepared by: Margaret Moggia Submitted by: Margaret Moggia Approved by: Rich Nagel

ACTION CALENDAR

ADOPT RESOLUTION 6-10-924
ADJUSTABLE RATE REVENUE CERTIFICATES OF PARTICIPATION, SERIES 2010A

At the February 2010 Finance Committee, staff presented a Debt Financing Plan to support the capital efforts to increase the use of recycled water and add ocean-water desalination to achieve Water Reliability 2020. The presentation described the near-term capital projects, the long-term and interim financing vehicles available and the credit rating considerations for West Basin Municipal Water District (West Basin) to finance Water Reliability 2020. As West Basin anticipates spending several million towards various capital projects like the Phase V Expansion, LADWP, along with a few other projects, staff recommended proceeding forward with the establishment of a Commercial Paper Program which allows West Basin to draw funds, as needed.

At the March 2010 Finance Committee, West Basin’s financial advisor shared results of the solicitation for facility providers required to establish a Commercial Paper Program, and shared that U.S. Bank National Association provided West Basin the most cost-effective pricing. Over the past month, the financing team consisting of West Basin counsel, bond counsel, financial advisor and staff have worked with US Bank National Association to develop the appropriate bond documents for the Board to review and approve.

The attached resolution approves the execution and delivery of certain documents on behalf of West Basin to authorize the execution for a Commercial Paper Program.

STRATEGIC BUSINESS PLAN IMPLEMENTATION:

Goal 4: Sound Financial and Resources Management – West Basin is committed to efficient business operations, financial planning, and asset management.

FISCAL IMPACTS:

Financing costs for the Commercial Paper Program are included in the Fiscal Year 2009-10 Finance and Support Services Budget.

ENVIRONMENTAL COMPLIANCE:

Not applicable.

COMMITTEE STATUS:

This item was reviewed by the Finance Committee on May 20, 2010 and recommended for approval at the June 1, 2010 Board meeting.

RECOMMENDED MOTION:

That the Board approves, adopts and authorizes the President to sign Resolution 6-10-924 "RESOLUTION OF THE WEST BASIN FINANCING CORPORATION AUTHORIZING THE EXECUTION AND DELIVERY OF NOT TO EXCEED \$50,000,000 ADJUSTABLE RATE REFUNDING REVENUE CERTIFICATES OF PARTICIPATION, SERIES 2010A AT ANY TIME, APPROVING THE EXECUTION AND DELIVERY AND CERTAIN DOCUMENTS AND AUTHORIZING CERTAIN ACTIONS IN CONNECTION THEREWITH".

LIST OF EXHIBITS:

Exhibit "A" – Resolution 6-10-924
Exhibit "B" – Assignment Agreement

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