

DISCUSSION CALENDAR

- 8 ESCROW AGREEMENT WITH U.S. BANK NATIONAL ASSOCIATION AS FISCAL AGENT FOR THE ELECTRIC REVENUE BONDS, ISSUE OF 2008D, FOR THE PURPOSE OF THE PREVIOUSLY APPROVED DEFEASANCE OF UP TO \$11,244,000 OF OUTSTANDING ELECTRIC REVENUE BONDS, ISSUE OF 2008D, RELATED TO BOND PROCEEDS THAT FUNDED PART OF SAN ONOFRE NUCLEAR GENERATING STATION CAPITAL COSTS

Assistant General Manager/Finance & Administration Laura Nomura gave a presentation on the background, explanation of what a bond defeasance is, timeline of the bond defeasance, and the benefits to RPU and answered questions from the Board.

Following discussion, the Board of Public Utilities recommended that the City Council:

1. Approve the Escrow Agreement with U.S. Bank National Association as Escrow Agent and as 2008D Fiscal Agent in order to defease a portion of outstanding Electric Revenue Bonds, Issue of 2008D, and authorize the City Manager, or his designee, to execute that agreement and make any minor, non-substantive changes;
2. Authorize the City Manager, or his delegate, to transfer up to \$11,244,000 to the Escrow Agent, U.S. Bank National Association, for deposit into the Escrow Fund to defease a portion of outstanding Electric Revenue Bonds, Issue of 2008D; and
3. Authorize Escrow Agent to purchase those certain securities specified in the Escrow Agreement, of which the interest on and principal will be sufficient to provide for the payment or prepayment of a portion of the outstanding Electric Revenue Bonds, Issue of 2008D.

Motion – O’Farrell. Second – Ocegüera.

Ayes: Russo-Pereyra, Austin, Crohn, Foust, Hernandez, Ocegüera, O’Farrell, Sanchez-Monville, and Walcker.

Absent: None.