



CITY OF EL PASO DE ROBLES
"The Pass of the Oaks"

CITY COUNCIL AGENDA
Tuesday, May 1, 2007 7:30 PM

ADDENDUM
to Regular Meeting

**MEETING LOCATION: PASO ROBLES LIBRARY/CITY HALL
CONFERENCE CENTER, 1000 SPRING STREET**

To add item:

DISCUSSION

21. **Appointment of Council Ad Hoc Committee -
Nacimiento Water Project Implementation**
M. Compton, Director of Administrative Services

For the City Council to appoint an ad hoc committee to review implementation details for the Nacimiento Water Project.

OPTIONS:

- a. Appoint a two member ad hoc committee to review the proposed rate adjustments and report back before July 1, 2007; or
- b. Amend, modify, or reject the foregoing options.

ROLL CALL VOTE

***** End of Addendum *****

TO: James L. App, City Manager
FROM: Mike Compton, Director of Administrative Services
SUBJECT: Appointment of Council Ad Hoc Committee – Nacimiento Water Project Implementation
DATE: May 1, 2007

Needs: For the City Council to appoint an ad hoc committee to review implementation details for the Nacimiento Water Project.

Facts:

1. The City is a participant in the Nacimiento Water project.
2. A variety of implementation details require attention including a local water treatment plant, project timing, costs, bonding requirements, and rates.

Analysis &

Conclusion:

It is requested that the Council appoint an ad hoc committee to review a variety of implementation details for the Nacimiento Water project. A number of issues require attention including a local water treatment plant, project timing, costs, bonding requirements, and rates.

The project financing team is preparing the preliminary official statement and other documents that must be presented to the bond rating agencies for the sale of water revenue bonds. In order to garner a favorable bond rating, which will lower interest costs and save considerable money over time, participant agencies must confirm that adopted rates will generate sufficient revenue to cover debt and operating costs.

Fiscal

Impact: None.

Options:

- a. That the Council appoint a two member ad hoc committee to review the proposed rate adjustments and report back before July 1, 2007; or
- b. Amend, modify, or reject the above option.