

CITY OF SANTA ROSA
CITY COUNCIL

TO: MAYOR AND CITY COUNCIL
FROM: KIMBERLY ZUNINO, DEPUTY DIRECTOR OF WATER DIVISION
WATER DEPARTMENT
SUBJECT: RESOLUTIONS - APPROVAL OF TWO AGREEMENTS FOR
LEGAL SERVICES WITH JONES HALL, BOND COUNSEL,
RELATING TO ISSUANCE OF WATER AND WASTEWATER
REVENUE REFUNDING BONDS

AGENDA ACTION: RESOLUTIONS

RECOMMENDATION

It is recommended by the Finance Department and City Attorney's Office that the Council, by resolution, approve two Agreements for Legal Services with Jones Hall, PC, for bond counsel and disclosure counsel services in connection with the issuance of Water Revenue Refunding Bonds (Series 2018) and Wastewater Revenue Refunding Bonds (Series 2018A), in the amount of \$90,000 and \$105,000 respectively.

EXECUTIVE SUMMARY

On November 27, 2018, Council authorized, by two separate resolutions, the issuance of Water Revenue Refunding Bonds, Series 2018, and Wastewater Revenue Refunding Bonds, Series 2018A.

Stifel, Nicolaus & Company, Incorporated, as underwriter for the Series 2018 and Series 2018A Bonds (the "Underwriter"), has proposed to submit an offer to the City to purchase the Series 2018 and Series 2018A Bonds, and in connection therewith, Jones Hall, A Professional Law Corporation, as bond and disclosure counsel to the City, has prepared on behalf of the City an "Official Statement" describing the Series 2018 and Series 2018A Bonds, the City, and the City's Water Enterprise, and a "Continuing Disclosure Certificate" as required to proceed with the refunding bonds.

Two Agreements for Legal Services between the City of Santa Rosa and Jones Hall are being brought forward to Council for approval for bond counsel and disclosure counsel services in connection with the issuance of the water revenue refunding bonds and wastewater revenue refunding bonds.

The legal services agreement for Water Revenue Refunding Bonds, Series 2018, provides for all specialized legal and disclosure services necessary for the authorization, issuance and delivery of the Bonds, a fee of \$87,500 plus up to \$2,500 in direct out-of-pocket expenses by bond counsel, for a total agreement amount of \$90,000.

The legal services agreement for Wastewater Revenue Refunding Bonds, Series 2018A, provides for all specialized legal and disclosure services necessary for the authorization, issuance and delivery of the Bonds, for a fee of \$102,500 plus up to \$2,500 in direct out-of-pocket expenses by bond counsel, for a total agreement amount of \$105,000.

BACKGROUND

On November 15, 2018, the Board of Public Utilities, by two separate resolutions, recommended that Council authorize the issuance of Water Revenue Refunding Bonds, Series 2018, and Wastewater Revenue Refunding Bonds, Series 2018A.

PRIOR CITY COUNCIL REVIEW

Not applicable.

ANALYSIS

On November 27, 2018, Council authorized, by two separate resolutions, the issuance of Water Revenue Refunding Bonds, Series 2018, and Wastewater Revenue Refunding Bonds, Series 2018A.

Stifel, Nicolaus & Company, Incorporated, as underwriter for the Series 2018 and Series 2018A Bonds (the "Underwriter"), has proposed to submit an offer to the City to purchase the Series 2018 and Series 2018A Bonds, and in connection therewith, Jones Hall, A Professional Law Corporation, as bond and disclosure counsel to the City, has prepared on behalf of the City an "Official Statement" describing the Series 2018 and Series 2018A Bonds, the City, and the City's Water Enterprise, and a "Continuing Disclosure Certificate".

Two Agreements for Legal Services between the City of Santa Rosa and Jones Hall are being brought forward to Council for approval for bond counsel and disclosure counsel services in connection with the issuance of water revenue refunding bonds and wastewater revenue refunding bonds.

FISCAL IMPACT

These services are highly specialized and required to proceed with the refunding bonds. The costs of these services will be covered from the bond proceeds and have been addressed as a cost of the refunding process. There will be no fiscal impact on the

City's General Fund.

ENVIRONMENTAL IMPACT

This action is exempt from the California Environmental Quality Act (CEQA) because it is not a project that has a potential for resulting in either a direct physical change in the environment, or a reasonably foreseeable indirect physical change in the environment, pursuant to CEQA Guideline section 15378.

BOARD/COMMISSION/COMMITTEE REVIEW AND RECOMMENDATIONS

On November 15, 2018, the Board of Public Utilities, by two separate resolutions, recommended that Council authorize the issuance of Water Revenue Refunding Bonds, Series 2018, and Wastewater Revenue Refunding Bonds, Series 2018A.

NOTIFICATION

Not applicable.

ATTACHMENTS

- Resolution/Exhibit A (Legal Services Agreement for Water Revenue Refunding Bonds, Series 2018) and Exhibit B (A Legal Services Agreement for Wastewater Revenue Refunding Bonds, Series 2018A)

CONTACT

Kimberly Zunino, Deputy Director of Water Administration, Water Department,
(707)543-3960 kzunino@srcity.org