

C I T Y C O U N C I L M I N U T E S

June 10, 1975
Public Utilities Department
Board Room

Mayor Johnston reconvened the meeting at 11:32 a.m.

Present on roll call: 7 - Egan, Herrmann, Moss, Nalley, Sonntag, Warnick, and Mayor Johnston. Absent: 2 - Hudson and Nelson.

Mayor Johnston announced that the purpose of the meeting was to act on a resolution passed by the Public Utility Board at a meeting immediately prior to the City Council Meeting. He asked the clerk to read the resolution, the title of which was as follows:

Resolution No. 23399 Ratifying and confirming the actions of the Public Utility Board in fixing the form and details, publishing a Notice of Sale and accepting a proposal for the purchase of \$8,000,000 Principal Amount of City Water Revenue Bonds, Series of 1975, and fixing the Interest rates for the same.

Public Utilities Director, Aldo Benedetti, stated that five bids had been received at the bid opening earlier in the morning, and that the department was well pleased with the low bid by Weeden & Company. He stated the Public Utility Board acted favorably on its Resolution No. U-4603 awarding the bid to Weeden & Company.

Earl Mittelstaedt, Finance Director, stated that the bids were opened at 9:30 a.m. and were reviewed by his department and others and that the Weeden & Company had the most favorably bid at a net effective interest rate of 6.9984. He stated that he would recommend acceptance of the bid.

Paul Nolan, Assistant City Attorney for the Utilities Department, told the Council that the Resolution 23399 was in proper legal form and consistent with the City Charter and the State Constitution.

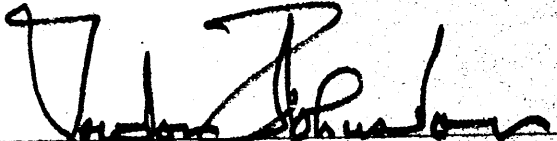
Mr. Brendon O'Brien, Bond Counsel from New York, stated that he concurred with Mr. Nolan's opinion, that he has checked the bids and found them consistent to legal requirements and that he is satisfied with the low bid of Weeden & Company.

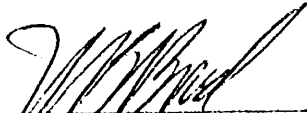
Mr. Ben Gallos, Smith Barney Company, the City's Bond Consultant, recommended acceptance of the low bid. He said there were several factors in the Weeden bid that combined to make it more attractive than the recent refuse utility bonds sold. He said the bonds were better by three-eighths of one percent than the refuse bonds based on these favorable factors.

Mr. Leo McGavick, Chairman of the Public Utility Board, urged passage of the resolution, noting the favorable approval by the Utility Board. He also commended Utilities Director, Aldo Benedetti and Water Superintendent, John Roller, on their recent visit to the rating houses in New York in efforts to upgrade the utilities bond rating. He noted that the Water Department has a AA rating, while City Light has been upgraded to an A-1.

Dr. Herrmann made a motion to adopt Resolution No. 23399. Seconded by Mr. Sonntag. Voice vote was taken and carried. The Resolution was declared adopted.

There being no further business, Dr. Herrmann made a motion to adjourn the meeting. Seconded by Mr. Sonntag. Voice vote was taken and carried. The meeting was adjourned at 11:50 a.m.


GORDON JOHNSTON - MAYOR

ATTEST: 
W. B. BOND - CITY CLERK

