

CITY COUNCIL MINUTES

Public Utilities Board Room
Public Utilities Building
January 17, 1978

Mayor Parker reconvened the Council Meeting of January 10, 1978 in the Board Room of the Public Utilities Building at 11:34 a.m.

Present on roll call: 7 - Bichsel, Evans, Kirby, Nielsen, Schroeder, Warnick and Mayor Parker. Absent: 2 - Hudson and Strege.

Councilman Nielsen then made a motion, seconded by Councilman Schroeder to suspend the rules to consider a resolution that was not on the Council Agenda of January 10, 1978. Voice vote was taken and carried.

Councilman Nielsen then made a motion to adopt Resolution No. 24832, Seconded by Mrs. Bichsel.

The Clerk then read the title of Resolution No. 24832.

Resolution No. 24832

A resolution of the Council of the City of Tacoma, Washington, 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 \$11,000,000 principal amount of Water Revenue Bonds, 1978 Refunding Series, of the City and fixing the interest rates for the same.

Aldo Benedetti, Utilities Director, then approached the Council to relate that the Public Utility Board, meeting immediately prior to the recessed Council Meeting, had approved Resolution No. U-5218 and recommended it be forwarded to the City Council for ratification and approval. He stated that bids for the sale of \$11,000,000 in Water Revenue Bonds, 1978 Refunding Series had been opened at 9:30 a.m. this morning. He stated that in 1975 the utility marketed bonds that had a net effective interest rate of 6.984. Because of the improved bond market, he said the utility decided to seek refunding of these bonds, which would not only save the City considerable amount of money but also provide some additional funds for the first phase of the Pipeline No. 5 Project.

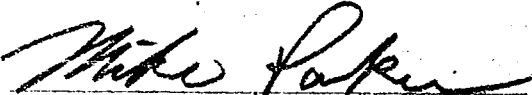
Mr. Brendan O'Brien, Bond Counsel for Utilities, related to the City Council that six bids had been received, the best of which came from Solomon Brothers and Associates at the net effective rate of 5.32.


Mr. Frank Smith, who is Vice-President of the financial consulting firm of Smith, Bonney, Harris and Associates of New York, then related to the Council that six bids had been received, representing a majority of the financial houses back East. He stated that the low bid from Solomon Brothers and Associates represents a saving in debt service of \$650,000 for the utility and the citizens of Tacoma and that he recommended approval and acceptance of the bid.

There being no further discussion, voice vote was taken on Resolution No. 24832 and carried unanimously.

Councilman Nielsen then made a motion to adjourn the meeting. Seconded by Mrs. Bichsel. Voice vote was taken and carried.

The meeting adjourned at 11:54 a.m.


MIKE PARKER - MAYOR

ATTEST: 
H. B. BOND - CITY CLERK