



**City Council
of the
City of Las Cruces**

Special Meeting

April 8, 2015

1:00 P.M.

Council Chambers, City Hall

MEMBERS PRESENT:

Mayor Ken Miyagishima
Councillor Miguel Silva, District 1
Councillor Greg Smith, District 2
Councillor Olga Pedroza, District 3
Councillor Nathan Small, District 4
Councillor Gill Sorg, District 5
Councillor Ceil Levatino, District 6

STAFF:

Robert Garza, City Manager
Rusty Babington, City Attorney
Linda Lewis, Deputy City Clerk

II. CONFLICT OF INTEREST INQUIRY BY MAYOR AS REQUIRED BY LCMC SECTION 2-27(E)(2). *At the opening of each council meeting, the chairperson shall ask if any member of the city council, city manager, or any member of the city staff has any known conflict of interest with any item on the agenda.*

Mayor Miyagishima asked if anyone had any conflicts with anything on the agenda?

There were no conflicts of interest.

ORDINANCE FOR DISCUSSION

- (1) Council Bill No. 15-031; Ordinance No. 2750: A Supplemental Ordinance Authorizing the Issuance and Sale of Up to \$17,000,000 City of Las Cruces, New Mexico Joint Utility Refunding and Improvement Revenue Bonds to Be Issued to Refinance the City's Series 2006 Joint Utility Revenue Bonds and to Improve the City's Joint Utility System.

Councillor Smith Moved to Approve Council Bill No. 15-031; Ordinance No. 2750 and Councillor Sorg Seconded the motion.

Mark Krawczyk, Treasurer gave a verbal presentation and said we will be handing out a revised copy of this ordinance that includes all the numbers from today. We had projected \$725,000 in savings at the rates that were in effect at that time. I am very happy to report that with today's pricing we have set a net present value savings of \$1,036,000.

Eric Harrington, RBC Marketing gave a verbal presentation and said we are very pleased with the results of the sale and I will note that the City maintained it's AA2 bond rating for it's utility which played a critical component in the very strong pricing that the City received today. Bids were taken at 12:30 p.m. today and there were a total of eight bidders that looked at the transaction and four of them passed.

Councillor Sorg said in your experience, what has been some of the highest interest rates for bonds that you have sold?

Eric Harrington said the State Share Gross Receipt Tax Refunding that the City just did a couple of months ago, the interest rate on those bonds was 2.73%. The interest rate on these bonds is 2.85%. I have been doing this for 14 years and probably the highest interest rate that we've seen for this similar credit is somewhere in the mid 4% to 5%.

Duane Brown, Modrall, Sperling Law Firm gave a verbal presentation and said we have handed out the ordinance with all the information filled in and there are a couple of changes to the master ordinance that was adopted back in 1996 to accommodate the reserve fund surety provider that explains we are purchasing a reserve fund surety policy to go in the debt service reserve account for this transaction.

Councillor Levatino Moved to Amend Council Bill No. 15-031; Ordinance No. 2750 to accept the substitute document presented and Councillor Smith Seconded the motion.

Mayor Miyagishima called for the roll on the Motion to Amend Council Bill No. 15-031; Ordinance No. 2750 to accept the substitute document presented and it was Unanimously Approved. 7-0

Mayor Miyagishima called for the roll on the Motion to Approve Council Bill No. 15-031; Ordinance No. 2750 as Amended and it was Unanimously Approved. 7-0

Councillor Small Moved to Adjourn and Councillor Sorg Seconded the motion.

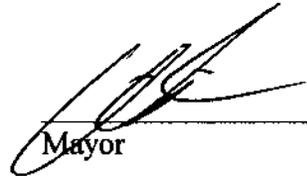
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Mayor Miyagishima said all of those in favor signify by saying "Aye."

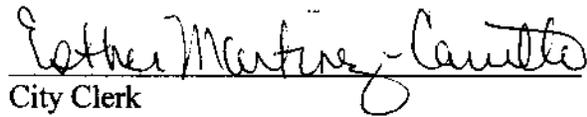
Council said "Aye."

Meeting Adjourned at 1:26 p.m.



Mayor

ATTEST:



City Clerk

