



**Metro**

Los Angeles County  
Metropolitan Transportation Authority

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OCTOBER 26, 2017

**TO: BOARD OF DIRECTORS**

**THROUGH: PHILLIP A. WASHINGTON**  
**CHIEF EXECUTIVE OFFICER**

**FROM: NALINI AHUJA**  
**CHIEF FINANCIAL OFFICER**

**SUBJECT: ISSUANCE OF PROPOSITION A BONDS**

At the September 2017 meeting the Board authorized the sale of Proposition A (Prop A) bonds. On October 12, 2017, we competitively sold \$471.395 million Prop A 2017-A new money bonds to fund various capital projects and \$85.455 million Prop A 2017-B refunding bonds to refund all of the outstanding Prop A 2011-B bonds for interest savings.

The Prop A 2017-A new money bonds were certified as Green Bonds, to highlight Metro's efforts to improve the environment. Seven bids were received for the new money bonds and Wells Fargo provided the lowest overall true interest cost of 3.237992%, 0.002481 percentage points lower than the next lowest bid submitted by Morgan Stanley & Co., LLC. The bonds have a 25 year life with a final maturity on July 1, 2042.

The Prop A 2017-B refunding bonds also were sold on October 12, 2017. Eight bids were received and Goldman Sachs provided the lowest overall true interest cost of 1.260938%, 0.019034 percentage points lower than the next lowest bid submitted by Morgan Stanley & Co., LLC. The Prop A 2017-B bonds refunded \$91.11 million of the Prop A 2011-B bonds, for interest savings. The final maturity of the bonds is July 1, 2023. Net present value savings over the life of the bonds is approximately \$6.5 million, or 7.17% of the refunded bonds.

Please call Donna Mills, 213-922-4047, if you would like further information.

Prepared by: Donna R. Mills, Treasurer  
LuAnne Edwards Schurtz, Deputy Executive Officer, Finance