

DATE 5-10-07



TO: MAYOR AND COUNCIL
FROM: BRYAN RAINES, Deputy City Manager
SUBJECT: RECEIPT OF BOND SALE BIDS
DATE: MAY 9, 2007

BACKGROUND:

On May 9, 2007, the City of Mesa received bids through an on-line bidding service for the sale of the following bonds:

1. City of Mesa Street & Highway User Revenue Bonds, Series 2007, \$10,675,000
2. City of Mesa Utility System Revenue Bonds, Series 2007, \$65,550,000
3. City of Mesa General Obligation Bonds, Series 2007, \$15,915,000

A summary of the bids received for each series of bonds is attached.

RECOMMENDATIONS:

It is my recommendation that:

1. The Mayor and Council award the Street and Highway User Revenue Bonds, Series 2007, to Citigroup Global Markets, Inc., who submitted the lowest and best bid with a net interest cost of 4.403271%.
2. The Mayor and Council award the Utility System Revenue Bonds, Series 2007, to Raymond James & Associates, Inc., who submitted the lowest and best bid with a net interest cost of 4.453984%.
3. The Mayor and Council award the General Obligation Bonds, Series 2007, to LaSalle Financial Services, Inc., who submitted the lowest and best bid with a net interest cost of 4.388806%.

The net interest for all three of the listed sales fall below the levels previously forecasted.

I further recommend that the Mayor and Council adopt each of the respective resolutions pertaining to each series of bonds as heretofore submitted by bond counsel.

Attachment

cc: Peacock, Hislop, Staley & Given
Gust Rosenfeld P.L.C.

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CITY OF MESA, ARIZONA

SUMMARY OF SERIES 2007 BOND BIDDING RESULTS
(May 9, 2007)General Obligation Bonds, Series 2007

<u>Bidder</u>	<u>Net Interest Cost</u>
LaSalle Financial Services, Inc.	4.388806
Piper Jaffray	4.394793
Merrill Lynch & Co.	4.419284
Banc of America Securities LLC	4.432951
UBS Securities LLC	4.437771
Citigroup Global Markets Inc.	4.443867
Prager, Sealy & Co., LLC	4.446312
RBC Capital Markets	4.46418
Vining-Sparks IBG, Ltd. Partnership	4.518202

Street and Highway User Revenue Bonds, Series 2007

<u>Bidder</u>	<u>Net Interest Cost</u>
Citigroup Global Markets Inc.	4.403271
LaSalle Financial Services, Inc.	4.411105
Merrill Lynch & Co.	4.440737
Piper Jaffray	4.444127
RBC Capital Markets	4.461040
First Trust Portfolios, LP	4.502068
UBS Securities LLC	4.564927

Utility Systems Revenue Bonds, Series 2007

<u>Bidder</u>	<u>Net Interest Cost</u>
Raymond James & Assoc., Inc.	4.453984
Citigroup Global Markets Inc.	4.455392
UBS Securities LLC	4.460771
LaSalle Financial Services, Inc.	4.468895
Merrill Lynch & Co.	4.473557
Banc of America Securities LLC	4.482570
Prager, Sealy & Co., Inc.	4.484060
Goldman, Sachs & Co.	4.496519
BB&T Capital Markets	4.496546
Stone & Youngberg LLC	4.513848
RBC Capital Markets	4.523830

Peacock, Hislop, Staley & Given, Inc.
(May 9, 2007)