

(R-83-1396)

RESOLUTION NUMBER R- 258124

Adopted on MAR 21 1983

WHEREAS, the City Council of The City of San Diego (the "City") has, by Ordinance No. O-15586 (New Series), adopted by the Council on September 14, 1981, enacted an Act of The City of San Diego entitled the Economic Development Revenue Bond Law (the "Law"), amending Article 7 of Chapter IX of the Municipal Code of the City by adding Divisions 1, 2, 3 and 4, authorizing and establishing a procedure for the sale and issuance of revenue bonds or other evidences of indebtedness by the City for the purpose of providing financing to participating parties for economic development purposes; and

WHEREAS, the City Council of the City has, by Resolution No. R-255112, as amended by Resolution No. R-258093, adopted by the Council on September 29, 1981 and March 14, 1983, respectively, given preliminary approval for the issuance of such bonds or other evidences of indebtedness to fund a loan or loans to San Diego Gas & Electric Company (the "Company") to finance the acquisition and construction of generation and transmission facilities for electric energy and local distribution facilities for electric energy and gas (the "Projects") for the Company, and authorized proper officers of the City to proceed to prepare or cause to be prepared the documentation for such purposes; and

WHEREAS, the Company has assured the City that the interest savings the Company will realize by virtue of the City's providing tax-exempt financing for the Projects will be passed on to the Company's electric energy and gas customers, including all such customers within the boundaries of the City, by way of lower rates than would otherwise prevail; and

WHEREAS, the Company has requested the City to issue such bonds or other evidences of indebtedness to provide financing for the Projects in one or more series of bonds from time to time as needed to finance the Projects; and

WHEREAS, this Council finds that it is in the best interests of the City to accommodate such request by the Company and to grant and delegate such authority to the officers of the City as may be necessary or appropriate to do so; NOW, THEREFORE,

BE IT RESOLVED, by the Council of The City of San Diego, as follows:

Section 1. Pursuant to the Law, revenue bonds of the City, designated "City of San Diego Industrial Development Revenue Bonds, Series \_\_\_\_ [letter A, B, C, D or such other designation as may be appropriate to be inserted] (San Diego Gas & Electric Company)" in an aggregate principal amount not to exceed \$300,000,000.00 (herein called in aggregate the "Bonds"), are authorized to be issued in one or more series as the Company and the officers of the City may determine are appropriate.

Section 2. The proposed form of loan agreement (the "Loan

Agreement"), between the City and the Company, presented to this meeting, is hereby approved. The City Manager is hereby authorized and directed, on or after the effective date of Ordinance No. O-15925 (New Series) authorizing such execution, for and in the name and on behalf of the City, to execute, acknowledge and deliver one or more loan agreements, or supplements thereto, in substantially such form in connection with each issuance of a series of the Bonds with such changes therein as such officer and the City Attorney may require or approve, and with the inclusion of such of the alternative provisions contemplated thereby as may be appropriate to provide or accommodate differing types of security or collateral for the Bonds, so long as each such series bears an investment grade rating at least equal to that of the First Mortgage Bonds of the Company, such approval to be conclusively evidenced by the execution and delivery thereof.

Section 3. The proposed form of trust indenture (the "Indenture"), between the City and a trustee, presented to this meeting, is hereby approved. The City Manager is hereby authorized and directed, on or after the effective date of Ordinance No. O-15925 (New Series) authorizing such execution, for and in the name and on behalf of the City, (a) to execute, acknowledge and deliver one or more trust indentures in substantially such form, in connection with each issuance of a series of Bonds, with such changes therein as such officer and the City Attorney may require or approve, and with the inclusion

of such of the alternative provisions contemplated thereby as may be appropriate to provide or accommodate differing types of security or collateral for the bonds, so long as each such series bears an investment grade rating at least equal to that of the First Mortgage Bonds of the Company, such approval to be conclusively evidenced by the execution and delivery thereof and (b) to approve a trustee selected by the Company for each series of Bonds. The date, maturity date or dates, interest rate or rates (and the method for any adjustment thereof), interest payment dates, terms of redemption, terms, if any, on which the Bonds may be tendered, security and other terms of the Bonds shall be as provided in each such Indenture as finally executed.

Section 4. The proposed form of bond purchase agreement (the "Bond Purchase Agreement"), among the City, the Company and Merrill Lynch, Pierce, Fenner & Smith Incorporated, as Representative of the several Underwriters (the "Underwriters"), presented to this meeting, is hereby approved. The City Manager is hereby authorized and directed, for and in the name and on behalf of the City, to execute, acknowledge and deliver a bond purchase agreement in substantially such form, in connection with each issuance of a series of Bonds, with such changes therein as such officer and the City Attorney may require or approve, such approval to be conclusively evidenced by the execution and delivery thereof.

Section 5. The City Manager is hereby authorized and directed, for and in the name and on behalf of the City, to

approve and sign an official statement or other disclosure statement relating to the Bonds (the "Official Statement"), subject to the review and approval of the City Attorney, in connection with each issuance of a series of Bonds, which Official Statement shall describe the series of Bonds being offered and shall include an annex setting forth information with respect to the Company.

Section 6. Forms of the proposed Loan Agreement, the Indenture and the Bond Purchase Agreement are on file in the office of the City Clerk as Document Nos. RR- 258124-1 , RR- 258124-2 and RR- 258124-3 , and the actual form of Indenture, Loan Agreement or Bond Purchase Agreement executed and delivered in connection with a series of Bonds shall be similarly so filed.

Section 7. Bonds in an aggregate principal amount not to exceed \$300,000,000.00 shall be executed by the manual or facsimile signature of the Mayor, the seal of the City shall be affixed or imprinted thereon and attested by the manual or facsimile signature of the City Clerk, in forms set forth in and otherwise in accordance with said Indenture. The seal of the City may be reproduced in facsimile form.

Section 8. The Bonds, when so executed, shall be delivered to the trustee or other designated person under an indenture for a series of Bonds (a "Trustee") for authentication. The Trustees are hereby requested and directed to authenticate the Bonds by executing the Trustee's certificate of authentication

appearing thereon, and to deliver the Bonds, when duly executed and authenticated, to the Underwriters in accordance with written instructions executed on behalf of the City by the City Manager, which instructions said officer is hereby authorized and directed, for and in the name and on behalf of the City, to execute and deliver to the Trustee. Such instructions shall provide for the delivery of the Bonds to the Underwriters upon payment of the purchase price thereof.

Section 9. The City Clerk is hereby authorized and directed to attest the signatures of the Mayor and the City Manager and to affix and attest the seal of the City as may be requested in connection with the execution and delivery of the Bonds and said Loan Agreements, Indentures and Bond Purchase Agreements as may be prepared in connection with one or more series of Bonds in accordance with this resolution.

Section 10. The filing of an action by Orrick, Herrington & Sutcliffe, A Professional Corporation, and Winthrop, Stimson, Putnam & Roberts, bond counsel to the City in connection with the Bonds, in the name and on behalf of the City, pursuant to the California Code of Civil Procedure, Sections 860 and following, to validate the financing herein approved and the proceedings leading up to and including the adoption of this resolution is hereby approved.

Section 11. The officers of City are hereby authorized and directed, jointly and severally, to do any and all things and to execute and deliver all documents and select or approve such

other parties which they may deem necessary or advisable in order to consummate the issuance, sale and delivery of the Bonds and otherwise to carry out, give effect to and comply with the terms and intents of this resolution, the Bonds and said Loan Agreements, Indentures and Bond Purchase Agreements.

Section 12. This resolution shall take effect immediately upon its passage.

APPROVED: John W. Witt, City Attorney

By Stuart H. Swett  
Stuart H. Swett  
Chief Deputy City Attorney

SHH:rc:112.4  
3/9/83  
Or.Dept:Prop.  
Form=r.none

MAR 21 1983

Passed and adopted by the Council of The City of San Diego on \_\_\_\_\_,  
by the following vote:

Councilmen	Yeas	Nays	Not Present	Ineligible
Bill Mitchell	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Bill Cleator	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
District 3	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/> Vacant
William Jones	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Ed Struikma	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Mike Gotch	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Dick Murphy	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Uvaldo Martinez	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Mayor	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/> Vacant

AUTHENTICATED BY:

BILL CLEATOR

Deputy Mayor of The City of San Diego, California.

CHARLES G. ABDELNOUR

City Clerk of The City of San Diego, California.

By *Barbara Beridge*, Deputy.

(Seal)

Office of the City Clerk, San Diego, California

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