

(O-85-205)

ORDINANCE NUMBER O-16470 (NEW SERIES)

ADOPTED ON JUL 22 1985

AN ORDINANCE AUTHORIZING THE ISSUANCE AND SALE OF AND AUTHORIZING ONE OR MORE LOAN AGREEMENTS WITH SAN DIEGO GAS & ELECTRIC COMPANY AND ONE OR MORE INDENTURES WITH A TRUSTEE OR TRUSTEES TO BE SELECTED IN CONNECTION WITH THE ISSUANCE OF CITY OF SAN DIEGO INDUSTRIAL DEVELOPMENT REVENUE BONDS (SAN DIEGO GAS & ELECTRIC COMPANY), IN AN AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED \$150,600,000.

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 one or more series of such bonds or other evidences of indebtedness to fund such a loan or loans to San Diego Gas & Electric Company (the "Company") to finance the acquisition and construction of generation, transmission and local distribution facilities for electric

energy and gas (the "Projects") for the Company, and, subject to the satisfaction of the additional conditions stated therein (all of which the City Council finds to have been met), 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 ORDAINED, 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 (San Diego Gas & Electric Company), 1985 [1985 or 1986 as may be appropriate to be inserted] Series A " [letter A or B or such other designation as may be appropriate to be inserted] in an aggregate principal amount not to exceed \$150,600,000 (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 City Manager and other proper officers of the City are authorized to prepare and to enter into, for and in the name and on behalf of the City, in accordance with the Law, from time to time as needed to finance the Projects, agreements with San Diego Gas & Electric Company providing for loans to it to be funded by the issuance of one or more series of economic development revenue bonds of the City in an aggregate principal amount not to exceed \$150,600,000 and for terms not to exceed forty years, and one or more indentures between the City and a trustee or trustees, to be selected by the Company with the approval of the City Manager, setting forth the terms of said bonds and providing for the payment and security thereof, and all necessary and appropriate documents in connection therewith. 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. 00-16470-1, 00-16470-2, and 00-16470-3.

Section 3. 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 hereof, 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 4. 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 hereof, 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 5. The proposed form of bond purchase agreement (the "Bond Purchase Agreement"), among the City, the Company and Salomon Brothers Inc. and Merrill Lynch Pierce, Fenner & Smith Inc., as co-managing 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 6. 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 7. 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. 00-16470-1,

00-16470-2 and 00-16470-3, 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 8. Bonds in an aggregate principal amount not to exceed \$150,600,000 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 9. 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 10. 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 11. The officers of the 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. It is the purpose and intent of the City Council that this ordinance constitutes, to the extent its approval is required by Section 103(k) of the Internal Revenue Code of 1954, as amended, the City's approval of the Projects and the Bonds by the appropriate elected representative in accordance with Section 103(k) of such Code.

Section 13. The City Clerk is hereby authorized and directed to cause a digest or a copy of this ordinance to be published at least once in "The San Diego Daily Transcript" within fifteen (15) days after the adoption of this ordinance pursuant to Section 18 of the City Charter.

Section 14. This ordinance shall take effect on the thirtieth day from and after its passage; provided that if Ordinance Number O- 16469 (New Series) shall not have become effective on such day, this ordinance shall not take

effect until Ordinance Number O- 16469 (New Series)  
shall have become effective.

APPROVED: John W. Witt, City Attorney

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

SHS:js:112.4  
5/23/85  
Or.Dept:Prop.  
O-85-205  
Form=o.none



Passed and adopted by the Council of The City of San Diego on JUL 22 1985,  
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"/>
Gloria McColl	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
William Jones	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Ed Struiksmma	<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"/>
District 7-vacant	<input 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 Roger Hedgecock	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

AUTHENTICATED BY:

**ROGER HEDGECOCK**

Mayor of The City of San Diego, California.

**CHARLES G. ABDELNOUR**

City Clerk of The City of San Diego, California.

(Seal)

By Ellen Boward, Deputy.

I HEREBY CERTIFY that the foregoing ordinance was not finally passed until twelve calendar days had elapsed between the day of its introduction and the day of its final passage, to wit, on

JUL 8 1985

JUL 22 1985

~~I FURTHER CERTIFY that said ordinance was read in full prior to its final passage.~~

I FURTHER CERTIFY that the reading of said ordinance in full was dispensed with by a vote of not less than a majority of the members elected to the Council, and that there was available for the consideration of each member of the Council and the public prior to the day of its passage a written or printed copy of said ordinance.

**CHARLES G. ABDELNOUR**

City Clerk of The City of San Diego, California.

(Seal)

By Ellen Boward, Deputy.

Office of the City Clerk, San Diego, California	
Ordinance Number <u>0-16470</u>	Adopted <u>JUL 22 1985</u>

CERTIFICATE OF PUBLICATION

THE CITY OF SAN DIEGO  
OFFICE OF THE CITY CLERK  
202 "C" STREET - 12TH FLOOR  
SAN DIEGO, CA 92101

IN THE MATTER OF

NO.

AN ORDINANCE AUTHORIZING THE ISSUANCE AND SALE OF  
AND AUTHORIZING ONE OR MORE LOAN AGREEMENTS

**ORDINANCE**  
**ADOPTED ON JULY 22, 1985**  
AN ORDINANCE AUTHORIZING THE ISSUANCE AND SALE OF AND AUTHORIZING ONE OR MORE LOAN AGREEMENTS WITH SAN DIEGO GAS & ELECTRIC COMPANY AND ONE OR MORE IDENTITIES WITH A TRUSTEE TRUSTEE TO BE SELECTED IN CONNECTION WITH THE ISSUANCE OF CITY OF SAN DIEGO INDUSTRIAL DEVELOPMENT REVENUE BONDS (ISSUED GAS & ELECTRIC COMPANY) IN AN AGGREGATE PRINCIPAL AMOUNT TO EXCEED \$10,000,000.  
This ordinance authorizes the issuance of Industrial Development Bonds for San Diego Gas & Electric Company in an aggregate principal amount not to exceed \$10,000,000.  
A complete copy of the ordinance is available for inspection in the Office of the City Clerk of the City of San Diego, 12th floor, City Administration Building, 202 "C" Street, San Diego, CA 92101.  
This ordinance was adopted by the Council of the City of San Diego on July 22, 1985, by the following vote:  
Ayes: Mitchell, O'Leary, McCall, Jones, Strickland, Gordon, Allen, Hedgcock  
Nays: None  
NOT PRESENT: None, District 7 - vacant  
AUTHENTICATED BY:  
PETER HEDGECOCK,  
Mayor of The City of San Diego, California  
CHARLES G. ABDELNOUR,  
City Clerk of The City of San Diego, California  
ALLEN BOYARD,  
City Clerk  
I HEREBY CERTIFY that the foregoing ordinance was not finally passed until twelve calendar days had elapsed between the day of its introduction and the day of its final passage, to wit, on July 22, 1985.  
I FURTHER CERTIFY that the reading of said ordinance in full was made with by a vote of not less than a majority of the members present to the Council; and that there was available for the inspection of each member of the Council and the public prior to the passage a written or printed copy of said ordinance.  
CHARLES G. ABDELNOUR,  
City Clerk of The City of San Diego, California  
ALLEN BOYARD,  
City Clerk  
WITNESSED my hand and the seal of the City of San Diego, California, this August 5, 1985.

I, Martha Duran, am a citizen of the United States and a resident of the County aforesaid; I am over the age of eighteen years, and not a party to or interested in the above-entitled matter. I am the principal clerk of the San Diego Daily Transcript, a newspaper of general circulation, printed and published daily, except Saturdays and Sundays, in the City of San Diego, County of San Diego, and which newspaper has been adjudged a newspaper of general circulation by the Superior Court of the County of San Diego, State of California, under the date of January 23, 1909, Decree No. 14894; and the

ORDINANCE NUMBER O-16470  
(NEW SERIES)

is a true and correct copy of which the annexed is a printed copy and was published in said newspaper on the following date(s), to wit:

August 5, 1985

I certify under penalty of perjury that the foregoing is true and correct.

Dated at San Diego, California this 5th day of Aug., 1985.

*Martha Duran*

(Signature)

$1\frac{1}{2} \times 2 \times 9.76 = 87.84$

C1024