

(O-87-88)

ORDINANCE NUMBER O- 16759 (NEW SERIES)

ADOPTED ON NOV 10 1986

AN ORDINANCE AUTHORIZING THE ISSUANCE AND SALE OF AND AUTHORIZING THE EXECUTION OF DOCUMENTS INCLUDING ONE OR MORE LOAN AGREEMENTS WITH SAN DIEGO GAS & ELECTRIC COMPANY, ONE OR MORE BOND PURCHASE AGREEMENTS WITH UNDERWRITERS, 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 \$400,000,000.

WHEREAS, the City Council of The City of San Diego (the "City") has, by Ordinance No. O-15586 (New Series), adopted by the City Council on September 14, 1981, enacted an Act of the City entitled the Economic Development Revenue Bond Law, amending Article 7 of Chapter IX of the Municipal Code of the City by adding Divisions 1, 2, 3 and 4, as amended (the "Law") 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 has issued four series of such bonds (the "Prior Bonds") to fund such loans to San Diego Gas & Electric Company (the "Company") to finance the acquisition and construction of generation, transmission and distribution facilities for electric energy and gas (the "Projects") for the Company; and

WHEREAS, the Company has requested the City to issue such bonds to provide funds to refund one or more series of the Prior Bonds; 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 to refund one or more series of the Prior Bonds 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 City 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), 1986 Series C" [letter A or B or such other designation as may be appropriate to be inserted] in an aggregate principal amount not to exceed \$400,000,000 (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 or Assistant or Deputy City Manager is 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 to refund the Prior Bonds, 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 refunding revenue bonds of the City in an aggregate principal amount not to exceed \$400,000,000 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 or other proper officer of the City, 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 00-16759-1, 00-16759-2 and 00-16759-3 respectively.

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 or Assistant or Deputy City Manager is hereby authorized, on and 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 or Assistant or Deputy City Manager is hereby authorized, 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 Company's selection of Salomon Brothers Inc. and Merrill Lynch Pierce Fenner and Smith Inc., as co-managing underwriters (the "Underwriters"), and Orrick, Herrington & Sutcliffe as bond counsel is hereby approved.

Section 6. The proposed form of bond purchase agreement (the "Bond Purchase Agreement"), among the City, the Company and Underwriters presented to this meeting, is hereby approved. The City Manager or Assistant or Deputy City Manager is hereby authorized, 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 7. The City Manager or Assistant or Deputy City Manager is hereby authorized, 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 8. 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 00-16759-1, 00-16759-2 and 00-16759-3, respectively, 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 9. Bonds in an aggregate principal amount not to exceed \$400,000,000 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 10. 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 or Assistant or Deputy City Manager, which instructions said officer is hereby authorized, 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 11. The City Clerk is hereby authorized and directed to attest the signatures of the Mayor and the City Manager or the Assistant or Deputy City Manager 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 ordinance.

Section 12. The officers of the City are hereby authorized, jointly and severally, to do any and all things and to execute

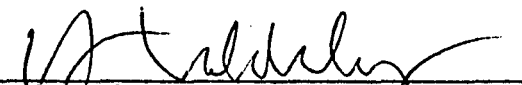
and deliver all documents and select or approve such other parties which they may deem necessary or advisable in order to consummate the issuance, sale and delivery of the Bonds and otherwise to carry out, give effect to and comply with the terms and intents of this ordinance, the Bonds and said Loan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

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 and be in force on the thirtieth day from and after its passage.

APPROVED: John W. Witt, City Attorney

By


Harold O. Valderhaug
Deputy City Attorney

HOV:ps
10/14/86
Or.Dept:Prop.
O-87-88
Form=o.none

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

NOV 10 1986

| Council Members | Yeas | Nays | Not Present | Ineligible |
|------------------------|-------------------------------------|--------------------------|-------------------------------------|--------------------------|
| Abbe Wolfsheimer | <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 type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| Ed Struiksma | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| Mike Gotch | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| Judy McCarty | <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 Maureen O'Connor | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |

AUTHENTICATED BY:

MAUREEN O'CONNOR
Mayor of The City of San Diego, California.

CHARLES G. ABDELNOUR
City Clerk of The City of San Diego, California.

(Seal)

By *June A. Blackwell*, 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

OCT 27 1986

NOV 10 1986

~~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 *June A. Blackwell*, Deputy.

Office of the City Clerk, San Diego, California

01423

Ordinance Number **0-16759** Adopted **NOV 10 1986**

RECEIVED
CITY CLERK'S OFFICE
1986 OCT 15 AM 4: 59
SAN DIEGO, CALIF.

01424

CERTIFICATE OF PUBLICATION

CITY OF SAN DIEGO
202 C STREET, 12TH FLOOR
SAN DIEGO, CA 92101

IN THE MATTER OF
AN ORDINANCE AUTHORIZING THE ISSUANCE AND SALE
OF AND AUTHORIZING THE EXECUTION OF DOCUMENTS

NO.

ORDINANCE NUMBER O-16759 (NEW SERIES)

AN ORDINANCE AUTHORIZING THE ISSUANCE AND SALE OF AND AUTHORIZING THE EXECUTION OF DOCUMENTS INCLUDING ONE OR MORE LOAN AGREEMENTS WITH SAN DIEGO GAS & ELECTRIC COMPANY, ONE OR MORE BOND PURCHASE AGREEMENTS WITH UNDERWRITERS, 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 \$400,000,000.

This ordinance authorizes the issuance and sale of and authorizes the execution of documents including one or more loan agreements with San Diego Gas & Electric Company, one or more bond purchase agreements with underwriters, and one or more indentures with a trustee or trustees to be selected in connection with the issuance and refunding of City of San Diego Industrial Development Revenue Bonds (San Diego Gas & Electric Company), in an aggregate principal amount not to exceed \$400,000,000. The full text of this ordinance, together with related documents, is on file in the office of the City Clerk and available for public inspection.

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, California 92101.

Passed and adopted by the Council of The City of San Diego on NOV 10 1986 by the following vote:

YEAS: Wolfshelmer, Cleator, McColl, McCarty, Martinez,

O'Connor.

NAYS: None.

NOT PRESENT: Jones, Struikma, Gotch.

AUTHENTICATED BY: MAUREEN O'CONNOR

Mayor of The City of San Diego, California

CHARLES G. ABDELNOUR

City Clerk of The City of San Diego, California

By JUNE A. BLACKNELL, Deputy

I HEREBY CERTIFY that the above and foregoing is a full, true and correct copy of ORDINANCE NO. O-16759 (New Series) of the City of San Diego, California.

I FURTHER CERTIFY that said 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 OCT 27 1986, and on NOV 10 1986.

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

By JUNE A. BLACKNELL, Deputy

Pub. December 22

68445

I, THOMAS D. KELLEHER, 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

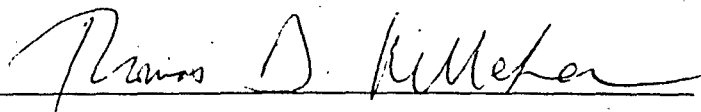
ORDINANCE NUMBER O-16759
(NEW SERIES)

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:

DECEMBER 22, 1986

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

Dated at San Diego, California this 22 day of DEC, 1986.



(Signature)

9 1/2" X \$10.24 = \$97.28

01425

CERTIFICATE OF PUBLICATION

CITY OF SAN DIEGO
202 C STREET 12TH FLOOR
SAN DIEGO, CA 92101

IN THE MATTER OF
AN ORDINANCE AMENDING CHAPTER IX, ARTICLE 7, DIVI-
SION 3, OF THE SAN DIEGO MUNICIPAL CODE BY AMENDING
SECTION 97.0301

NO.

ORDINANCE NUMBER O-16759 (NEW SERIES)
AN ORDINANCE AMENDING CHAPTER IX, ARTICLE 7, DIVI-
SION 3, OF THE SAN DIEGO MUNICIPAL CODE BY AMEN-
DING SECTION 97.0301 TO INCREASE THE PRINCIPAL
AMOUNT OF REVENUE BONDS AUTHORIZED TO BE
OUTSTANDING PURSUANT TO THE CITY OF SAN DIEGO
ECONOMIC DEVELOPMENT REVENUE BOND LAW.
This ordinance amends Chapter IX, Article 7, Division 3, of the San
Diego Municipal Code by amending Section 97.0301 to increase the
principal amount of revenue bonds authorized to be outstanding
pursuant to the City of San Diego Economic Development Revenue
Bond Law.
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 Ad-
ministration Building, 202 "C" Street, San Diego, California 92101.
Introduced on OCT 27 1986
Passed and adopted by the Council of The City of San Diego on
NOV 10 1986
AUTHENTICATED BY: MAUREEN O'CONNOR
Mayor of The City of San Diego, California
CHARLES G. ABDELNOUR
City Clerk of The City of San Diego, California
By JUNE A. BLACKNELL, Deputy
Pub. November 24 86

I, DEAN F. ABBOTT, 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 0-16759
(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:

NOVEMBER 24, 1986

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

Dated at San Diego, California this 24 day of NOV, 19 86.

Dean F. Abbott

(Signature)

4 1/2" x \$10.24 = \$46.08

01426