

RESOLUTION NUMBER R- 265811

ADOPTED ON MAY 27 1986

A RESOLUTION APPROVING PRELIMINARY OFFICIAL STATEMENT AND PURCHASE CONTRACT, AND AUTHORIZING AND DIRECTING CERTAIN ACTIONS WITH RESPECT TO THE ISSUANCE OF OPEN SPACE PARK BONDS OF 1978, SERIES 86A, AND OPEN SPACE PARK REFUNDING BONDS OF 1986.

WHEREAS, the City Council of The City of San Diego has heretofore adopted its Resolution No. ~~R-265809~~, providing for the issuance, on behalf of SAN DIEGO OPEN SPACE PARK FACILITIES DISTRICT NO. 1 (the "District"), of not to exceed \$20,000,000 Open Space Park Bonds of 1978, Series 86A (the "Park Bonds"); and

WHEREAS, the City Council has heretofore adopted its Resolution No. ~~R-265810~~, providing for the issuance, on behalf of the District, of not to exceed \$40,000,000 Open Space Park Refunding Bonds of 1986 (the "Refunding Bonds"); and

WHEREAS, there have been presented to this meeting a Preliminary Official Statement containing information material to the offering and sale of the Park Bonds and the Refunding Bonds, and a Purchase Contract which provides for the sale of the Park Bonds and Refunding Bonds by the City on behalf of the District, subject to certain conditions to SMITH BARNEY, HARRIS UPHAM & CO., INCORPORATED and METRO EQUITIES CORPORATION (the "Underwriters"); and

WHEREAS, the members of the City Council, with the aid of City staff, have reviewed said Preliminary Official Statement and Purchase Contract;

NOW, THEREFORE, the City Council of The City of San Diego, California, resolves as follows:

Section 1. The Preliminary Official Statement presented to this meeting is approved for distribution by the Underwriters in the offering and sale of the Park Bonds and the Refunding Bonds, and any distribution of the Preliminary Official Statement prior to this date is hereby approved and ratified. The City Manager, the City Treasurer, the Auditor and Comptroller, the City Attorney, or any such officers, deputies or designees, or other qualified officer of the City (any one or more of said officers or their designees are hereinafter referred to herein as the "City Officer"), are authorized to approve corrections and additions to the Preliminary Official Statement by supplement or amendment thereto or otherwise, as appropriate, such that, as supplemented or amended, the Preliminary Official statement will not contain any untrue statement of a material fact or omit to state any material fact necessary in order to make the statements therein, in light of the circumstances under which they are made, not misleading.

The City Officer is authorized to cause the Preliminary Official Statement to be placed in the form of a final Official Statement by inserting additional information to or deleting

information from the Preliminary Official Statement as the City Officer deems appropriate. The City Manager or the Deputy Mayor of the City is authorized and directed to execute the final Official Statement on behalf of the City. Such officer shall, with the aid of City staff, take such further actions prior to signing the final Official Statement as such officer deems necessary or appropriate to verify that the final Official Statement contains no untrue statement of a material fact and does not omit to state any material fact necessary in order to make the statements therein, in light of the circumstances in which they are made, not misleading. A copy of the final Official Statement shall be delivered, without charge, to each purchaser of any Park Bond or Refunding Bond.

Section 2. Subject to the conditions set forth in the following paragraph, the City Manager, after consultation with the City's financial consultant, is hereby authorized on behalf of the District to execute the Purchase Contract in substantially the form presented to this meeting, together with such changes or deletions as the City Manager approves, such approval to be conclusively evidenced by the City Manager's execution thereof.

The Purchase Contract as executed by the City Manager shall contain terms relating to the sale of the Park Bonds and the Refunding Bonds (collectively, the "Bonds") consistent with the following: the Bonds will be sold to the Underwriters at a discount not exceeding three percent (3%) of the aggregate par value thereof; no Bond shall bear interest at a rate exceeding twelve percent (12%) per annum; the principal amount of Park

Bonds to be issued shall not exceed \$20,000,000; the principal amount of Refunding Bonds to be issued shall not exceed \$40,000,000; and the total net interest cost to maturity on the Refunding Bonds plus the principal amount of the Refunding Bonds shall not exceed the total net interest cost to maturity of the bonds to be refunded thereby plus the principal amount of such refunded bonds (subject to such limitation, the principal amount of Refunding Bonds may be more than, less than, or equal to the principal amount of bonds to be refunded).

Section 3. The City Manager is authorized to execute an agreement with O'MELVENY & MYERS for bond counsel services in connection with the issuance of the Bonds, for a fee not to exceed \$75,000 payable solely and exclusively from bonds proceeds in accordance with the terms of the letter agreement on file in the City Clerk's office as Document No. RR-265811, with payment for said services to be contingent upon sale of the bonds and from the proceeds thereof.

Section 4. The City Manager is authorized to enter into an agreement with PRICE WATERHOUSE, Certified Public Accountants, under which said firm will agree to (i) determine whether the net proceeds of the Refunding Bonds, together with interest earnings thereon based upon certain specified investments, will be sufficient to pay the principal of and interest on the bonds to be refunded by the Refunding Bonds, and to redeem said bonds on the date or dates specified in the Purchase Contract; and (ii)

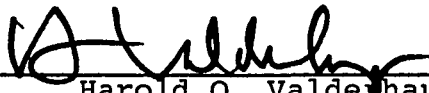
calculate the yield, for federal tax purposes, on the Refunding Bonds and the securities in which the net proceeds of the Refunding Bonds will be invested; and (iii) render an opinion to the City regarding compliance with the requirements of California Government Code Section 53558(a); and the City will agree to pay PRICE WATERHOUSE a fee not to exceed \$10,000 for these services, solely and exclusively from the bond proceeds.

Section 5. The City Manager is authorized to enter into an agreement with J. A. OVERTON & CO. whereby said firm will provide financial consultant services to the City in connection with the issuance of the Refunding Bonds, and the City will pay to J. A. OVERTON & CO., but only from the proceeds of the Refunding Bonds, a fee equal to \$1.25 for every \$1,000 principal amount of Refunding Bonds issued in accordance with the terms of that letter agreement on file in the City Clerk's office as Document No. R-265811-2

Section 6. The City Officer is hereby authorized to do and perform, or cause to be done and performed, from time to time any and all acts and things, consistent with this resolution, reasonably necessary or appropriate to consummate the sale, issuance and delivery of the Bonds, including, but not limited to, arranging for the payment of fees to national rating agencies, financial and other printing companies, the California Debt Advisory Commission, paying agents, registrars and escrow agents; provided, however, that the initial fees payable to such entities shall be payable from the proceeds of the sale of the Bonds.

Section 7. This resolution shall take effect immediately upon its adoption.

APPROVED: John W. Witt, City Attorney

By   
Harold O. Valderhaug  
Deputy City Attorney

HOV:cc  
05/21/86  
05/23/96 REV.1  
Or.Dept:Fin.Mgmt.  
R-86-2302

54740

Passed and adopted by the Council of The City of San Diego on MAY 27 1986,  
by the following vote:

Councilmen	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 checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Ed Struiksma	<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"/>
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	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/> VACANT

AUTHENTICATED BY:

**ED STRUIKSMA**

Deputy Mayor of The City of San Diego, California.

**CHARLES G. ABDELNOUR**

City Clerk of The City of San Diego, California.

By *Charles G. Abdelnour*, Deputy.

(Seal)

Office of the City Clerk, San Diego, California

Resolution Number R-265811 Adopted MAY 27 1986