

RESOLUTION NUMBER R- 269512

ADOPTED ON OCT 19 1987

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 the procedures for the sale and issuance of revenue bonds by the City for the purpose of providing financing to participating parties for economic development purposes and authorizing appropriate officers of the City to take any and all action, to execute and deliver any and all agreements and documents necessary or advisable to consummate to lawful issuance and delivery of bonds authorized by the law; and

WHEREAS, the City has authorized and issued its Port Facility Revenue Bonds, Series 1982 (National Steel and Shipbuilding Project) in the aggregate principal amount of \$21,000,000 (the "Bonds") pursuant to an Indenture of Trust dated as of December 1, 1982, by and between the City and Morgan Guaranty Trust Company of New York, as Trustee; and

WHEREAS, as security for the repayment of the Bonds, the City has entered into that certain agreement entitled Loan Agreement and Guaranty dated as of December 1, 1982, by and among the City and National Steel and Shipbuilding Company and Morrison-Knudsen Company, Inc. ("MKI") as guarantor (the "Agreement"); and

WHEREAS, subsequent to the issuance of the Bonds, Morrison-Knudsen Company, Inc. has undertaken a reorganization and has become a wholly-owned subsidiary of Morrison-Knudsen Corporation ("MKC"); and

WHEREAS, the terms of the Agreement require that MKC be substituted for MKI as guarantor thereunder; and

WHEREAS, there has been presented to this Council a document entitled Supplement Number 1 to Loan Agreement and Guaranty, dated as of January 15, 1987, ("Supplement No. 1") providing for the assumption of the guaranty obligations of MKI by MKC; and

WHEREAS, the other parties to the Agreement have approved Supplement No. 1; NOW, THEREFORE,


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

Section 1. Subject to the provisions of Section 2, hereof, Supplement No. 1 is hereby approved and the City Manager or a Deputy City Manager of the City is hereby authorized to execute the same, for and on behalf of the City, and the City Clerk to attest thereto. A copy of said Supplement No. 1 is on file in the office of the City Clerk as Document No. RR- 269512 .

Section 2. The City shall receive an opinion of counsel addressed to the City as to due authorization, execution and delivery of Supplement No. 1 and that Supplement No. 1 is a valid and binding obligation of MKC, enforceable in accordance with its terms, which opinion shall further state that the execution, delivery and performance of Supplement No. 1 by MKI, MKC and National Steel and Shipbuilding Company will not (i) affect the

excludability of interest payable on the Bonds from gross income for federal income tax purposes, (ii) result in the Bonds being treated as acquired after August 7, 1986, for purposes of Section 902 of the Tax Reform Act of 1986, as amended, or (iii) result in the Bonds being treated as issued after August 7, 1986, for purposes of Section 701 of the Tax Reform Act of 1986, as amended.

APPROVED: JOHN W. WITT, City Attorney

By 
Harold O. Valderhaug
Deputy City Attorney

HOV:ps:fs
10/05/87
10/19/87 REV. 1
Or.Dept:Prop.
R-88-685
Form=r.none

Passed and adopted by the Council of The City of San Diego on OCT 19 1987
 by the following vote:

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 type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Gloria McColl	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
District 4	<input 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 type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Celia Ballesteros	<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"/>

VACANT

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 Jana Martin, Deputy.

(Seal)



Office of the City Clerk, San Diego, California

Resolution Number 269512 Adopted OCT 19 1987

C O R R E C T I O N

T H E F O R E G O I N G

D O C U M E N T I S

R E P H O T O G R A P H E D

T O I N S U R E

L E G I B I L I T Y



**CITY OF
SAN DIEGO
CITY CLERK**

**202 C STREET
San Diego, CA 92101-3860**



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Mayor Maureen O'Connor	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

VACANT

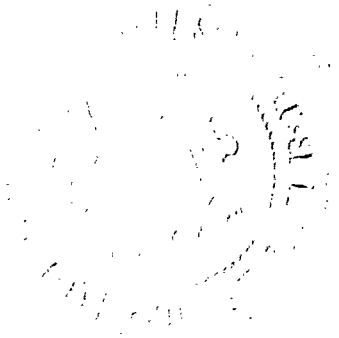
AUTHENTICATED BY:

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

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

By Jana Martin, Deputy.

(Seal)



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