

(R-94-317)

RESOLUTION NUMBER R-282636

ADOPTED ON SEP 18 1993

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SAN DIEGO APPROVING THE FORM OF AND AUTHORIZING EXECUTION AND DELIVERY OF A PURCHASE CONTRACT AND AN OFFICIAL STATEMENT RELATING TO AN INSTALLMENT PURCHASE FINANCING AND APPROVING CERTAIN ACTIONS IN CONNECTION THEREWITH.

WHEREAS, the Public Facilities Financing Authority of the City of San Diego (the "Authority") is a joint exercise of powers entity organized and existing under the laws of the State of California; and

WHEREAS, the City desires to acquire, construct, install and improve, or cause the acquisition, construction, installation and improvement of the City's wastewater system (the "Project"); and

WHEREAS, in order to effect such acquisition, construction, installation and improvement of the Project it is proposed that the City and the Authority enter into a Master Installment Purchase Agreement (the "Installment Purchase Agreement") and a 1993-1 Supplement to the Master Installment Purchase Agreement relating to Series 1993-A Bonds, Series 1993-B1 Bonds and Series 1993-B2 Bonds (the "1993-1 Supplement"), pursuant to which the Authority will sell components of the Project to the City; and

WHEREAS, to provide funds for the acquisition, construction, installation and improvement of the Project, the Authority desires to issue its Sewer Revenue Bonds, Series 1993 (Payable

Solely from Installment Payments Secured by Wastewater System Net Revenues), consisting of Series 1993-A Bonds, Series 1993-B1 Bonds and Series 1993-B2 Bonds (collectively the "1993 Bonds"); and

WHEREAS, it is proposed that the City, the Authority and Morgan Stanley & Co. Incorporated, as representative of a group of underwriters (the "Underwriters"), enter into a Purchase Contract (defined below) for the purchase of the 1993 Bonds for resale to the public; and

WHEREAS, the City has previously issued its Sewer Revenue Bonds, 1961 (the "1961 Bonds") in the original principal amount of \$42,500,000, its Sewer Revenue Bonds, 1966 A (the "1966 A Bonds") in the original principal amount of \$5,000,000, and its Sewer Revenue Bonds, 1966 B (the "1966 B Bonds") in the original principal amount of \$10,000,000 (the 1966 A Bonds and the 1966 B Bonds shall collectively be referred to herein as the "1966 Bonds," and together with the 1961 Bonds, the "Prior Bonds"), to provide for the acquisition, construction, replacement or improvement of the sewers of the City's sewer system; and

WHEREAS, concurrently with the issuance of the 1993 Bonds, the City desires to deposit with an escrow agent available moneys in the Sewer Revenue Fund (established pursuant to the San Diego Municipal Code), an amount sufficient, without reinvestment, to pay the principal on the Prior Bonds when due on the applicable maturity dates thereof and the interest coming due on such Prior Bonds on and prior to such maturity dates; and

WHEREAS, the City is authorized to undertake all of the above pursuant to its Charter and the Constitution and other

applicable laws of the State of California; NOW, THEREFORE,

BE IT RESOLVED, that the City Council does determine and order that:

1. The form of Purchase Contract (the "Purchase Contract") to be dated the date of sale of the 1993 Bonds, by and among the Authority, the City and the Underwriters, a copy of which is on file in the office of the City Clerk as Document No. RR-282636⁴¹, and submitted to this meeting, is hereby approved. The City Manager of the City and his specified designees, and each of them, are hereby authorized and directed, for and in the name and on behalf of the City, to execute and deliver the Purchase Contract in substantially the form submitted to this meeting, with such additions and changes therein as the City Manager shall require or approve as being in the best interests of the City, and as approved to form by the City Attorney or his specified designee, such approval to be conclusively evidenced by the execution and delivery thereof with such additions or changes. In connection with the execution and delivery of the Purchase Contract, the City Manager of the City and his specified designees, and each of them, are further authorized to negotiate the principal amount of the 1993 Bonds to be sold pursuant to such Purchase Contract up to a maximum aggregate amount of two hundred fifty million dollars (\$250,000,000), and the true interest cost of the issue (without deduction of underwriter's discount or costs of issuance) shall not exceed seven and one-half percent (7.50%) per annum, and the maximum aggregate underwriter's discount from the principal amount of the 1993 Bonds shall not exceed seven and one-half percent (7.50%) of the

aggregate principal amount thereof.

2. The form of preliminary official statement relating to the 1993 Bonds (the "Preliminary Official Statement"), a copy of which is on file in the office of the City Clerk as Document No. RR- 282636,² and submitted to this meeting, is hereby approved for use in connection with the public offering of the 1993 Bonds with such changes as may be approved by the City Manager of the City and his specified designees and the City Attorney or his specified designee. The City Manager of the City and his specified designees, and each of them, are hereby authorized on behalf of the City to determine that the Preliminary Official Statement is deemed "final" (as it relates to the City) for the purposes of Rule 15c2-12 promulgated under the Securities Exchange Act of 1934, as amended, with the advice of the City Attorney and Orrick, Herrington & Sutcliffe and Arnelle & Hastie as Co-Bond Counsel. The City Manager of the City and his specified designees and the City Attorney or his specified designee are hereby authorized and directed to assist in the preparation of a final Official Statement (the "Official Statement") in substantially the form of the Preliminary Official Statement. The distribution of the Official Statement in connection with the public offering of the 1993 Bonds is hereby approved.

3. The City Council hereby approves of the appointment by the Authority of State Street Bank & Trust Company of California, N.A., to serve as trustee (the "Trustee") under the Indenture dated as of September 1, 1993, (the "Indenture") between the Authority and the Trustee.

4. The form of Escrow Agreement (the "Escrow Agreement") dated as of September 1, 1993 Bonds, by and between the City and State Street Bank & Trust Company of California, N.A., a copy of which is on file in the office of the City Clerk as Document No. RR-282636-3, and submitted to this meeting, is hereby approved. The City Manager of the City and his specified designees, and each of them, are hereby authorized and directed, for and in the name and on behalf of the City, to execute and deliver the Escrow Agreement in substantially the form submitted to this meeting, with such additions and changes therein as the City Manager shall require or approve as being in the best interests of the City, and as approved to form by the City Attorney or his specified designee, such approval to be conclusively evidenced by the execution and delivery thereof with such additions or changes.


5. The City Council hereby approves the forms of the Broker Dealer Agreement, the Market Agent Agreement, and the Auction Agency Agreement (all as defined in the Indenture approved as to form by the City Council on July 26, 1993, Ordinance No. O-17941), copies of which are on file in the office of the City Clerk as Documents Nos. RR-282636-4, RR-282636-5 and, RR-282636-6, and submitted to this meeting, if the use of certain derivative products described in such agreements is considered by the City Manager, the City Auditor and Comptroller, the City Attorney, and the Public Resources Advisory Group as the City's financial advisor to be a prudent risk which will decrease the City's cost of borrowing.

6. The City Council hereby approves and authorizes the City Manager to execute Amendment No. 2 to the Agreement between the

City and High-Point, a copy of which is on file in the office of the City Clerk as Document No. RR-282636-7 in an amount not to exceed \$85,000.00, for additional tasks required for the revisions to the Engineer's Statement of Feasibility prepared to determine the feasibility of the Project.

7. All actions heretofore taken by any official or officials of the City, with respect to the issuance or sale of the 1993 Bonds, or in connection with or related to any of the documents referenced herein or the financing of the Project are hereby approved, confirmed and ratified; and, such other officials of the City as may be authorized by the City Manager are hereby authorized and directed, for and in the name and on behalf of the City, to do any and all things and take any and all actions and execute and deliver any and all certificates, agreements and other documents, which they, or any of them, may deem necessary or advisable in order to consummate the lawful issuance and delivery of the 1993 Bonds and the disbursement of proceeds thereof in accordance with this Resolution.

APPROVED: JOHN W. WITT, City Attorney

By 
Kelly J. Salt
Deputy City Attorney

KJS:jrl
08/31/93
Or.Dept:Fin.Mgt.
Aud.Cert:9400227
R-94-317 COR. COPY
Form=r+t

The City of San Diego
CERTIFICATE OF CITY AUDITOR AND COMPTROLLER

CERTIFICATE OF UNALLOTTED BALANCE

AC 9400227
 ORIGINATING DEPT. NO.: 055

I HEREBY CERTIFY that the money required for the allotment of funds for the purpose set forth in the foregoing resolution is available in the Treasury, or is anticipated to come into the Treasury, and is otherwise unallotted.

Amount \$ _____ Fund _____

Purpose _____

Date _____ By: _____

AUDITOR AND COMPTROLLER'S DEPARTMENT

ACCOUNTING DATA										
ACCTG. LINE	CY PY	FUND	DEPT	ORG.	ACCOUNT	JOB ORDER	OPERATION ACCOUNT	BENF/ EQUIP	FACILITY	AMOUNT
TOTAL AMOUNT										

FUND OVERRIDE

CERTIFICATION OF UNENCUMBERED BALANCE

I HEREBY CERTIFY that the indebtedness and obligation to be incurred by the contract or agreement authorized by the hereto attached resolution, can be incurred without the violation of any of the provisions of the Charter of the City of San Diego; and I do hereby further certify, in conformity with the requirements of the Charter of the City of San Diego, that sufficient moneys have been appropriated for the purpose of said contract, that sufficient moneys to meet the obligations of said contract are actually in the Treasury, or are anticipated to come into the Treasury, to the credit of the appropriation from which the same are to be drawn, and that the said money now actually in the Treasury, together with the moneys anticipated to come into the Treasury, to the credit of said appropriation, are otherwise unencumbered.

Not to Exceed \$ 85,000.00

Vendor High-Point

Purpose To authorize the expenditure of funds for the update of an engineer's statement of feasibility

in connection with installment purchase financing. *Cecilia San Pedro*

Date August 26, 1993 By: _____

AUDITOR AND COMPTROLLER'S DEPARTMENT

ACCOUNTING DATA										
ACCTG. LINE	CY PY	FUND	DEPT	ORG.	ACCOUNT	JOB ORDER	OPERATION ACCOUNT	BENF/ EQUIP	FACILITY	AMOUNT
01	0	40012	700	7003	4222	007301		41509		\$85,000.00
TOTAL AMOUNT										\$85,000.00

AC-361 (REV 2-92)

FUND OVERRIDE

AC 9400227

R-282636

SEP 13 1993

28

SEP 13 1993

Passed and adopted by the Council of The City of San Diego on
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"/>
Ron Roberts	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
John Hartley	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
George Stevens	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Tom Behr	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Valerie Stallings	<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"/>
Juan Vargas	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Mayor Susan Golding	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

AUTHENTICATED BY:

(Seal)

SUSAN GOLDING
Mayor of The City of San Diego, California.

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

By *Blonda Barnes* Deputy.

Office of the City Clerk, San Diego, California

Resolution Number B-282636 Adopted SEP 13 1993

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CITY CLERKS OFFICE
SAN DIEGO, CA