

RESOLUTION NUMBER R- 304340

DATE OF FINAL PASSAGE NOV 13, 2008

A RESOLUTION OF THE COUNCIL OF THE CITY OF SAN DIEGO APPROVING THE FORM OF A PRELIMINARY OFFICIAL STATEMENT RELATING TO AN ISSUE OF WATER REVENUE BONDS, REFUNDING SERIES 2009A (PAYABLE SOLELY FROM INSTALLMENT PAYMENTS SECURED BY NET SYSTEM REVENUES OF THE WATER UTILITY FUND OF THE CITY OF SAN DIEGO) AND A 2009A BOND PURCHASE AGREEMENT, AND TAKING AND APPROVING CERTAIN OTHER ACTIONS IN CONNECTION THEREWITH.

WHEREAS, the City of San Diego, California [City], with the cooperation of the Public Facilities Financing Authority of the City of San Diego [Authority], a California joint exercise of powers entity duly organized under the laws of the State of California [State] has proposed the issuance of the Authority's Water Revenue Bonds, Refunding Series 2009A (Payable Solely from Installment Payments Secured by Net System Revenues of the Water Utility Fund of the City of San Diego) [2009A Bonds] in order to finance and refinance certain capital facilities improvements for the Water Department of the City; and

WHEREAS, in connection with the marketing and sale of the 2009A Bonds, to be authorized under a separate Ordinance submitted to and considered by this City Council [Bond Ordinance], it is necessary for the City to cause a disclosure document [2009A Preliminary Official Statement] to be prepared, approved and to disseminated in accordance with the policies of this City Council and applicable securities laws and regulations; and

WHEREAS, the City and the Authority propose to enter into a Bond Purchase Agreement [2009A Bond Purchase Agreement] with Morgan Stanley & Co. Incorporated, as Representative [2009A Representative] of certain designated underwriters [2009A Underwriters] of the 2009A Bonds; and

WHEREAS, there have been submitted to this meeting of the City Council a revised and updated form of the 2009A Preliminary Official Statement and the 2009A Bond Purchase Agreement, each of which has heretofore been reviewed by the Disclosure Practices Working Group [DPWG]; and

WHEREAS, a previous version of this Resolution R-2009-435 was erroneously recorded as "approved" following a discussion of the Preliminary Official Statement submitted to the City Council at its October 27, 2008, meeting; and

WHEREAS, the City is authorized to undertake the actions described in this Resolution pursuant to its Charter and the Constitution and applicable laws of the State; and

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

Section 1. The City Council hereby finds and determines that the statements set forth above in the recitals of this Resolution are true and correct.

Section 2. The City Council determines that the Resolution R-2009-435 is hereby nullified.

Section 3. The form, terms and provisions of the 2009A Preliminary Official Statement, a copy of the revised and updated draft of which is on file in the office of the City Clerk as document No. RR- 304340 and submitted to this meeting, are hereby approved. The Chief Financial Officer of the City and the City Attorney of the City, and each of them together, the [Authorized Officers], are hereby authorized and directed, for and in the name and on behalf of the City, to deliver the 2009A Preliminary Official Statement to the

Underwriters of the 2009A Bonds in substantially the form submitted to this meeting, with such further additions and changes therein as the Authorized Officers shall approve as being in the best interests of the City, and as approved as to form by the City Attorney or his specified designee and with such other changes as may be required by the law firm of Hawkins Delafield & Wood, as Disclosure Counsel. Upon approval of the 2009A Preliminary Official Statement for use in marketing the 2009A Bonds by the Authorized Officers, the 2009A Preliminary Official Statement shall be "deemed final" as of its date, except for the omission of certain information as permitted in and pursuant to Rule 15c2-12, promulgated by the Securities and Exchange Commission pursuant to the provisions of the Securities Act of 1934, as amended [Rule].

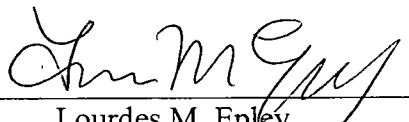
Section 4. The form, terms and provisions of the 2009A Bond Purchase Agreement are hereby approved. The Chief Operating Officer and the Chief Financial Officer of the City and their specified designees, and each of them, are hereby authorized and directed, for and in the name and on behalf of the City to execute and deliver the 2009A Bond Purchase Agreement in substantially the form submitted to this meeting, with such additions and changes therein as the Chief Operating Officer or the Chief Financial Officer shall approve as being in the best interests of the City, and as approved as to form by the City Attorney or his specified designee, and with such other changes as may be required by Bond Counsel, such approval to be conclusively evidenced by the execution and delivery thereof; provided, however, that the aggregate principal amount of the 2009A Bonds does not exceed the parameters set forth in the Bond Ordinance. The refunding of any 1998 Certificates shall be effected through the issuance and sale of the 2009A Bonds, so long as such refunding, being a current refunding, shows net

present value debt service savings of no less than 3.0% of refunding principal with respect to the 1998 Certificates.

Section 5. Following the pricing and sale of the Bonds, the Authorized Officers are directed to cause a form of final Official Statement [Official Statement] to be prepared, in accordance with the policies of the City Council, the requirements of the Rule, and with the assistance of DPWG. The Official Statement shall be executed by the Authorized Officers upon satisfaction of all DPWG requirements and the recommendation of Disclosure Counsel.

Section 6. Effective Date. This Resolution shall take effect immediately upon its adoption.

APPROVED: MICHAEL J. AGUIRRE, City Attorney

By 

Lourdes M. Epley
Deputy City Attorney

LME:jdf
11/06/08
Or.Dept:
R-2009-566

I hereby certify that the foregoing Resolution was passed by the Council of the City of San Diego, at this meeting of NOV 10 2008, 2008.

ELIZABETH S. MALAND
City Clerk

By *Jana Richard for*
City Clerk

Approved: 11-13-08
(date)

JSL
JERRY SANDERS, Mayor

Passed by the Council of the City of San Diego on _____, 2008, by the following vote:

YEAS:

NAYS:

NOT PRESENT:

RECUSED:

AUTHENTICATED BY:

JERRY SANDERS

Mayor of the City of San Diego, California

ELIZABETH S. MALAND

City Clerk of the City of San Diego, California

(Seal)

By: _____, Deputy

I HEREBY CERTIFY that the above and foregoing is a full, true and correct copy of RESOLUTION NO. R-_____, approved by the Mayor of the City of San Diego, California on _____.

ELIZABETH S. MALAND

City Clerk of the City of San Diego, California

(Seal)

By: _____, Deputy