

RESOLUTION NO. 12-038

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF EL PASO DE ROBLES
AUTHORIZING THE ISSUANCE AND SALE OF 2012 WASTEWATER REVENUE REFUNDING
BONDS IN THE MAXIMUM AMOUNT OF NOT TO EXCEED \$7,500,000 TO REFINANCE
OUTSTANDING 2002 INSTALLMENT SALE REVENUE BONDS, AND APPROVING RELATED
AGREEMENTS AND ACTIONS

WHEREAS, the City of El Paso de Robles, a general law city organized and existing under the laws of the State of California (the "City"), owns and operates a wastewater treatment facility for the treatment of wastewater; and

WHEREAS, in order to realize debt service savings and implement more flexible bond covenants, the City wishes at this time to refinance the 2002 Installment Sale Revenue Bonds (the "Prior Bonds"), and the City is authorized under the provisions of Articles 10 and 11 of Chapter 3 of Part 1 of Division 2 of Title 5 of the California Government Code, commencing with Section 53570 of said Code (the "Bond Law"), to issue its revenue refunding bonds for that purpose; and

WHEREAS, to that end the City Council wishes to authorize the issuance and sale of City of El Paso de Robles 2012 Wastewater Revenue Refunding Bonds in the aggregate principal amount of not to exceed \$7,500,000 (the "Refunding Bonds") under the Bond Law, at a total interest cost of not to exceed 4.50%, which will be secured by a pledge of the net revenues of the Wastewater System which will provide, when compared to the existing Prior Bonds, a present value savings of not less than 3%; and

WHEREAS, the City Council of the City has duly considered such transactions and wishes at this time to approve said transactions in the public interests of the City.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of El Paso de Robles as follows:

Section 1. Issuance of Refunding Bonds; Approval of Indenture. The City Council hereby authorizes the issuance of the Refunding Bonds under the Bond Law, in the principal amount of not to exceed \$7,500,000, for the purpose of providing funds to refinance the 2002 Installment Sale Revenue Bonds.

The Refunding Bonds shall be issued under an Indenture of Trust (the "Indenture") between the City and Union Bank, N.A., as trustee, which Indenture is hereby approved in substantially the form on file with the City Clerk together with any changes therein or additions thereto deemed advisable by the City Manager, the Director of Administrative Services, the City Treasurer, the Mayor, or the City Clerk (each, an "Authorized Officer"), and the execution thereof by an Authorized Officer shall be conclusive evidence of the approval of such changes and additions. The City Council hereby authorizes and directs an Authorized Officer to execute, and the City Clerk to attest the Indenture for and in the name of the City. The City Council hereby authorizes the delivery and performance of the Indenture.

Section 2. Refinancing of 2002 Installment Sale Revenue Bonds. The City Council hereby authorizes and approves the refinancing of the 2002 Installment Sale Revenue Bonds from the proceeds of the Refunding Bonds.

Section 3. Negotiated Sale of Refunding Bonds. In accordance with Section 53583 of the Bond Law, the City Council hereby authorizes and directs the negotiated sale of the Refunding Bonds to Stifel Nicolaus & Company, Incorporated, dba Stone & Youngberg, a Division of Stifel Nicolaus, as underwriter (the "Underwriter") under the Bond Purchase Agreement in substantially the form on file with the City Clerk together with any changes therein or additions thereto deemed advisable by an Authorized Officer, whose execution thereof shall be conclusive evidence of the approval of any such changes or additions. The amount of Underwriter's discount for the Refunding Bonds shall be not more than 1.1% of the par amount thereof and the total interest cost to be borne by the Refunding Bonds (taking into account any original issue discount on the sale thereof) shall not exceed 4.50% per annum.

Section 4. Official Statement. The City Council hereby approves the Preliminary Official Statement describing the Refunding Bonds in the form on file with the City Clerk, and authorizes an Authorized Officer to approve revisions to said Preliminary Official Statement. At the request of the Underwriter, an Authorized Officer shall execute a certificate deeming the Preliminary Official Statement, as so revised, to be nearly final within the meaning of Rule 15c2-12 of the Securities Exchange Act of 1934. Distribution of the Preliminary Official Statement by the Underwriter to prospective purchasers of the Refunding Bonds is hereby approved. An Authorized Officer is hereby authorized and directed to approve any changes in or additions to a final form of said Official Statement, and the execution thereof by an Authorized Officer shall be conclusive evidence of approval of any such changes and additions. The City Council hereby authorizes the distribution of the final Official Statement by the Underwriter. The final Official Statement shall be executed in the name and on behalf of the City by an Authorized Officer.

Section 5. Engagement of Professional Services. In connection with the issuance and sale of the Refunding Bonds, the City Council hereby authorizes the engagement of the services of NHA Advisors, LLC, to act as financial advisor to the City and the Law Office of Robert M. Haight, to act as bond counsel. The City Manager is hereby authorized and directed to execute an agreement with each such firm, in the respective forms on file with the City Clerk.

Section 6. Official Actions. The City Manager, the Director of Administrative Services, the City Treasurer, the Mayor, or the City Clerk, and any and all other officers of the City 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, including execution and delivery of any and all assignments, certificates, requisitions, agreements, notices, consents, instruments of conveyance, warrants and other documents, which they, or any of them, may deem necessary or advisable in order to consummate the transactions described herein. Whenever in this resolution any officer of the City is authorized to execute or countersign any document or take any action, such execution, countersigning or action may be taken on behalf of such officer by any person designated by such officer to act on his or her behalf if such officer is absent or unavailable.

Section 7. Effective Date. This Resolution shall take effect from and after the date of its passage and adoption.

The foregoing resolution was adopted at a regular meeting of the City Council of the City of El Paso de Robles held on March 20, 2012, by the following vote, to-wit:

AYES: Strong, Hamon, Gilman, Steinbeck, Picanco

NOES:

ABSENT:

ABSTAIN:

ATTEST:

Duane Picanco, Mayor

Caryn Jackson, Deputy City Clerk

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