

RESOLUTION NO. 72-17

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF RICHMOND, CALIFORNIA PROVIDING FOR THE ISSUANCE OF THE CITY'S WASTEWATER REVENUE BONDS, SERIES 2017A; AUTHORIZING THE EXECUTION AND DELIVERY OF A SIXTH SUPPLEMENTAL INDENTURE, A BOND PURCHASE AGREEMENT, AN ESCROW AGREEMENT, A CONTINUING DISCLOSURE AGREEMENT AND AN OFFICIAL STATEMENT; APPROVING A FORM OF PRELIMINARY OFFICIAL STATEMENT IN CONNECTION THEREWITH; AND AUTHORIZING CERTAIN OTHER ACTIONS IN CONNECTION THEREWITH.

WHEREAS, pursuant to the charter of the City of Richmond, California (the "City") and Chapter 13.56 of Article 13 of the Richmond Municipal Code (the "Bond Law"), the City is authorized to issue revenue bonds to finance the acquisition, construction, improvement, furnishing, equipping, remodeling, repair, reconstruction or rehabilitation of the wastewater treatment and collection facilities of the City (the "Enterprise") or for the purpose of refunding bonds issued for such purposes pursuant to the City's charter and the Bond Law; and

WHEREAS, the City has entered into a Wastewater Revenue Bond Indenture, dated as of October 1, 2006 (the "Master Indenture"), as amended and supplemented, including as amended and supplemented by a First Supplemental Wastewater Revenue Bond Indenture, dated as of October 1, 2006 (the "First Supplemental Indenture"), a Second Supplemental Wastewater Revenue Bond Indenture, dated as of October 1, 2006 (the "Second Supplemental Indenture"), a Third Supplemental Wastewater Revenue Bond Indenture, dated as of October 1, 2008 (the "Third Supplemental Indenture"), a First Amendment to Wastewater Revenue Bond Indenture, dated as of November 1, 2009 (the "First Amendment to Indenture"), and a Fourth Supplemental Wastewater Revenue Bond Indenture, dated as of October 1, 2010 (the "Fourth Supplemental Indenture") each by and between the City and the Bank of New York Mellon Trust Company, N.A. as successor trustee (the "Trustee"); and

WHEREAS, in accordance with the Bond Law, the Master Indenture and the First Supplemental Indenture, the City has previously issued its Wastewater Revenue Refunding Bonds, Series 2006A (the "Prior Bonds") in an aggregate principal amount of \$16,570,000 to defease a portion of the City's Wastewater Revenue Bonds, Series 1999, to fund improvements to the Enterprise, to fund a debt service reserve surety and to pay costs of issuance; and

WHEREAS, concurrently herewith, the City has determined to execute and deliver a Fifth Supplemental Wastewater Revenue Bond Indenture, dated as of July 1, 2017 (the "Fifth Supplemental Indenture") by and between the City and the Trustee for the purpose of amending and supplementing the Master Indenture and the Third Supplemental Indenture executed in connection with the City's Wastewater Revenue Refunding Bonds, Series 2008A (the "Series 2008A Bonds"); and

WHEREAS, the City, after due investigation and deliberation, has determined that it is in the interests of the City at this time to issue its Wastewater Revenue Bonds, Series 2017A (the "Bonds") pursuant to the Master Indenture and a Sixth Supplemental Wastewater Revenue Bond Indenture, dated as of August 1, 2017 (the "Sixth Supplemental Indenture" and together with the Master Indenture, the First Supplemental Indenture, the Second Supplemental Indenture, the Third Supplemental Indenture, a First Amendment to Indenture, the Fourth Supplemental Indenture, and the Fifth Supplemental Indenture, collectively, referred to herein as the "Indenture"), between the City and the Trustee, for the purpose of funding capital improvements to the Enterprise, refunding the Prior Bonds, funding a reserve fund for the Bonds and paying costs of issuance relating to the Bonds, including reimbursement of certain costs as provided in the substitution of the letter of credit for the Series 2008A Bonds; and

WHEREAS, the City desires (i) to enter into the Sixth Supplemental Indenture, a Bond Purchase Agreement (the "Bond Purchase Agreement"), an Escrow Agreement (the "Escrow Agreement") and a Continuing Disclosure Agreement (the "Continuing Disclosure Agreement"), and (ii) to deliver a Preliminary Official Statement (the "Preliminary Official Statement") and a final Official Statement (the "Official Statement") with respect to the Bonds; and

WHEREAS, in furtherance of implementing the issuance of the Bonds, the following documents have been prepared, reviewed and approved as to form by City staff, and presented at this meeting:

1. Sixth Supplemental Indenture;
2. Bond Purchase Agreement;
3. Preliminary Official Statement (form);
4. Continuing Disclosure Agreement; and
5. Escrow Agreement.

WHEREAS, the City may seek commitments from financial institutions or municipal bond insurance companies to provide credit support for the Bonds; and

WHEREAS, the City has full legal right, power and authority under the Constitution and the laws of the State of California to enter into the transactions hereinafter authorized.

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

Section 1. The foregoing recitals are true and correct and this City Council hereby so finds and determines.

Section 2. The issuance of the Bonds, on the terms and conditions set forth in, and subject to the limitations specified herein and in the Indenture as finally executed, is hereby authorized and approved. The aggregate initial principal amount of the Bonds shall not exceed \$45,000,000 and the true interest cost on the Bonds shall not exceed seven percent (7.00%). The terms of the Bonds shall be finally determined by the Director of Finance or the City Manager (each, an "Authorized Representative").

Section 3. The form of the Sixth Supplemental Indenture on file with the City Clerk of the City and incorporated into this Resolution by reference is hereby approved. The Authorized Representatives are each hereby authorized and directed, severally, or any such officer's designee, for and on behalf of the City, to execute and deliver the Sixth Supplemental Indenture in substantially the form on file with the City Clerk and presented to this meeting, with such additions thereto or changes or insertions that hereafter become necessary in the interest of the City and which are approved by such Authorized Representative, in consultation with the City's bond counsel and municipal advisor, such approval to be conclusively evidenced by such execution and delivery.

Section 4. The form of Bond Purchase Agreement by and among Stifel, Nicolaus & Company, Incorporated, Barclays Capital Inc. (collectively, the "Underwriters") and the City, on file with the City Clerk and incorporated into this Resolution by reference is hereby approved. The Authorized Representatives, or their designees, are each hereby authorized and directed, severally, for and on behalf of the City to accept the offer of the Underwriters to purchase the Bonds as reflected in the Bond Purchase Agreement and to execute and deliver the Bond Purchase Agreement in substantially the form on file with the City Clerk and presented to this meeting, with such additions thereto or changes or insertions that hereafter become necessary in the interest of the City and which are approved by such Authorized Representative, in consultation with the City's municipal advisor and bond counsel, such approval to be conclusively evidenced by the execution and delivery of the Bond Purchase Agreement; provided, however, that such additions, changes or insertions in the Bond Purchase Agreement shall not specify an underwriter's discount in excess of 0.8% of the principal amount of the Bonds.

Section 5. The form of Continuing Disclosure Agreement by and between the City and Willdan Financial Services, as dissemination agent, on file with the City Clerk and incorporated into this Resolution by reference is hereby approved. The Authorized Representatives, or their designees, are each hereby authorized and directed, severally, for and on behalf of the City to execute and deliver the Continuing Disclosure Agreement in

substantially the form on file with the City Clerk with such additions thereto or changes or insertions that hereafter become necessary in the interest of the City and which are approved by such Authorized Representative, in consultation with the City's municipal advisor and disclosure counsel, such approval to be conclusively evidenced by the execution and delivery of the Continuing Disclosure Agreement.

Section 6. The form of the Escrow Agreement by and between the City and Bank of New York Mellon Trust Company, N.A., as escrow agent on file with the City Clerk of the City and incorporated into this Resolution by reference is hereby approved. The Authorized Representatives, or their designees, are each hereby authorized and directed, severally, or any such officer's designee, for and on behalf of the City, to execute and deliver the Escrow Agreement in substantially the form on file with the City Clerk and presented to this meeting, with such additions thereto or changes or insertions that hereafter become necessary in the interest of the City and which are approved by such Authorized Representative, in consultation with the City's bond counsel and municipal advisor, such approval to be conclusively evidenced by such execution and delivery.

Section 7. The form of Preliminary Official Statement relating to the Bonds on file with the City Clerk and incorporated into this resolution by reference, is hereby approved. The Authorized Representatives, or their designees, are each hereby authorized and directed, severally, for and on behalf of the City, to execute a certificate deeming the Preliminary Official Statement in said form final as of its date, except for certain final pricing and related information, pursuant to Securities Exchange Commission Rule 15c2-12. The Underwriters are hereby authorized to distribute the Preliminary Official Statement in said form as so deemed final to prospective purchasers of the Bonds. The Authorized Representatives, or their designees, are each hereby authorized and directed, severally, for and on behalf of the City, to execute the final Official Statement relating to the Bonds in substantially the form of such deemed final Preliminary Official Statement, including such final pricing and related information and with such additions thereto or changes therein as hereafter become necessary in the interest of the City and which are approved by such Authorized Representative, in consultation with disclosure counsel, such approval to be conclusively evidenced by the execution and delivery of such Official Statement. The Underwriters are hereby authorized to distribute copies of said final Official Statement to all actual purchasers of the Bonds.

Section 8. The officers and agents of the City are, and each of them hereby is, authorized and directed to do any and all things and to execute and deliver any and all documents which they or any of them deem necessary or advisable in order to consummate the sale of the Bonds, including, but not limited to, the execution and delivery of a tax certificate, and to do any and all things and take any and all actions which may be necessary or advisable, in their discretion, to effectuate the actions which the City has approved in this Resolution including obtaining credit support in the form of a municipal bond insurance policy, a surety bond, or such other form as the Authorized Representatives may find acceptable. The Authorized Representatives are hereby authorized to engage additional underwriters should they deem it necessary or desirable. All actions heretofore taken by the officers and agents of the City with respect to the sale, execution and delivery of the Bonds, and the other transactions authorized and contemplated herein are hereby approved, confirmed and ratified. Notwithstanding any provision of this resolution authorizing an Authorized Representative to take any action or execute any document to the contrary, in the absence of such Authorized Representative or in lieu of such Authorized Representative, the person designated in writing by such Authorized Representative, may take such action or execute such document with like effect as fully as though named in this resolution instead of such Authorized Representative.

Section 9. This resolution shall take effect immediately upon its passage.

I certify that the foregoing resolution was passed and adopted by the Council of the City of Richmond at a regular meeting thereof held June 20, 2017, by the following vote:

AYES: Councilmembers Choi, Martinez, McLaughlin, Myrick, Willis, and Mayor Butt.
NOES: None.
ABSTENTIONS: None.
ABSENT: Vice Mayor Beckles.

PAMELA CHRISTIAN
CLERK OF THE CITY OF RICHMOND
(SEAL)

Approved:

TOM BUTT
Mayor

Approved as to form:

BRUCE GOODMILLER
City Attorney

State of California }
County of Contra Costa } : ss.
City of Richmond }

I certify that the foregoing is a true copy of **Resolution No. 72-17**, finally passed and adopted by the City Council of the City of Richmond at a regular meeting held on June 20, 2017.



Pamela Christian, Clerk of the City of Richmond

CLERK'S CERTIFICATE

I, Pamela Christian, City Clerk of the City of Richmond, do hereby certify as follows:

The foregoing **Resolution No. 72-17** is a full, true and correct copy of a resolution duly adopted at a regular meeting of the City Council of said City duly and regularly held at the regular meeting place thereof on the 20th day of June, 2017, of which meeting all of the members of said City Council had due notice and at which a majority thereof were present; and that at said meeting said resolution was adopted by the following vote:

AYES: Councilmembers Choi, Martinez, McLaughlin, Myrick, Willis, and Mayor Butt.

NOES: None.

ABSTENTIONS: None.

ABSENT: Vice Mayor Beckles.

An agenda of said meeting was posted before said meeting at City Hall, 450 Civic Center Plaza in the City of Richmond, California, a location freely accessible to members of the public, and a brief description of said resolution appeared on said agenda.

I have carefully compared the foregoing with the original on file and of record in my office, and the foregoing is a full, true and correct copy of the original resolution adopted at said meeting.

Said resolution has not been amended, modified or rescinded since the date of its adoption and the same is now in full force and effect.

Dated: June 22, 2017.



City Clerk of the City of Richmond

[SEAL]