

RESOLUTION NO. 16241

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF REDWOOD CITY AUTHORIZING PROCEEDINGS AND AGREEMENTS RELATING TO THE REFINANCING OF CERTAIN WATER FACILITIES, APPROVING ISSUANCE AND SALE OF BONDS BY THE CITY OF REDWOOD CITY PUBLIC FINANCING AUTHORITY, APPROVING AN OFFICIAL STATEMENT AND AUTHORIZING RELATED DOCUMENTS AND ACTIONS

WHEREAS, the City of Redwood City Public Financing Authority is a joint powers authority duly organized and existing under and pursuant to that certain Joint Exercise of Powers Agreement dated as of June 18, 1991, by and between the City of Redwood City (the "City") and the Successor Agency to the Redevelopment Agency of the City of Redwood City (the "Agency"), and under the provisions of Articles 1 through 4 (commencing with Section 6500) of Chapter 5 of Division 7 of Title 1 of the Government Code of the State of California (the "Act"), and is authorized pursuant to Article 4 of the Act to borrow money to provide financing and refinancing for public capital improvements of the City; and

WHEREAS, in order to refinance certain improvements to the City's water system (the "Enterprise") by causing a refunding of the Authority's Water Revenue Bonds, Series 2005A, the City and the Authority previously entered into an Installment Purchase Contract, dated as of June 1, 2013 (the "2013 Installment Purchase Contract"); and

WHEREAS, pursuant to an Indenture of Trust, dated as of June 1, 2013 (the "2013 Indenture") between the Authority and U.S. Bank Trust Company, National Association, as trustee (the "Prior Trustee"), the Authority issued its Water Revenue Refunding Bonds, Series 2013, in the original principal amount of \$26,870,000 (the "Refunded Bonds"); and

WHEREAS, the City has requested that the Authority issue revenue bonds for the purpose of providing funds to enable the City to refinance the City's obligations under the 2013 Installment Purchase Contract; and

WHEREAS, the Authority proposes to issue its City of Redwood City Public Financing Authority Water Revenue Refunding Bonds, Series 2024 (the "Bonds") pursuant to an Indenture of Trust (the "Indenture"), between the Authority and U.S. Bank Trust Company, National Association, as trustee (the "Trustee"), in an aggregate original principal amount of not to exceed \$16,260,000, under the provisions of Article 4 of the Act, which Bonds are proposed to be payable from installment payments to be paid to the Authority by the City pursuant to an Installment Purchase Contract (the "Installment Purchase Contract"), between the Authority and the City; and

WHEREAS, the City and the Authority have caused to be prepared proposed forms of the Indenture, the Installment Purchase Contract and a Bond Purchase Agreement (the "Bond Purchase Agreement") by and among the City, the Authority and

Stifel, Nicolaus & Company, Incorporated, as underwriter of the Bonds (the "Underwriter"), pursuant to which the Underwriter would purchase the Bonds from the Authority, preliminary forms of which are on file with the City Clerk; and

WHEREAS, the City and the Authority have also caused to be prepared a form of Escrow Deposit and Trust Agreement among the City, the Authority and the 2013 Trustee, which provides for the deposit, investment and application of moneys to pay and prepay the 2013 Installment Payments and pay and redeem the Refunded Bonds; and

WHEREAS, in connection with the offering of the Bonds, the Authority and the City have further caused to be prepared a preliminary Official Statement (the "Official Statement") describing, among other things, the City, the Indenture, the Installment Purchase Contract, the City's municipal water enterprise, the Refunded Bonds and the Bonds, a preliminary form of which is on file with the City Clerk; and

WHEREAS, in accordance with Government Code Section 5852.1, the City Council has obtained and wishes to disclose the information set forth in Exhibit A hereto; and

WHEREAS, the Council has duly considered such transactions, including, without limitation the Installment Purchase Contract, the Bond Purchase Agreement, the Escrow Deposit and Trust Agreement and the Official Statement, and wishes at this time to approve said transactions in the public interests of the City.

NOW, THEREFORE, BE IT RESOLVED BY THE COUNCIL OF THE CITY OF REDWOOD CITY AS FOLLOWS:

Section 1. Findings and Determinations. Pursuant to the Act, the City Council hereby finds that the issuance of the Bonds by the Authority will result in savings in effective interest rates, underwriting costs and bond issuance costs and thereby result in significant public benefits within Section 6586 of the Act.

Section 2. Approval of Bonds. The City Council hereby approves of the issuance of the Bonds by the Authority under and pursuant to the Act, provided that the maximum aggregate principal amount of the Bonds shall not exceed \$16,260,000 and the savings threshold established in Section 4 is met.

Section 3. Approval of Financing Documents. The City Council hereby approves each of the following documents in the respective forms on file with the City Clerk, together with such additions thereto and changes therein deemed advisable by the Mayor, Vice Mayor, City Manager or Assistant City Manager, or their respective designated representatives (each, an "Authorized Officer"), upon consultation with the City Attorney and bond counsel, whose execution thereof shall be conclusive evidence of the approval of any such additions and changes:

- (a) the Installment Purchase Contract;
- (b) the Bond Purchase Agreement; and
- (c) the Escrow Deposit and Trust Agreement; and
- (d) the Continuing Disclosure Certificate, to be dated the date of initial delivery of the Bonds, the form of which is attached to the Official Statement.

An Authorized Officer is hereby authorized and directed to execute, and the City Clerk is hereby authorized and directed to attest to, the final forms of each of the above-mentioned documents for and in the name and on behalf of the City.

Section 4. Sale of Bonds. The City Council hereby approves the negotiated sale of the Bonds by the Authority to the Underwriter. The Bonds shall be sold upon the terms and conditions set forth in the Bond Purchase Agreement. The Bonds shall be sold at such price and shall bear interest at such rates as shall produce a minimum net present value savings to the City of at least 3% of the principal component of the installment payments made by the City under the 2013 Purchase Contract, as such savings shall be verified and conclusively determined by the City's municipal advisor (the "Minimum Savings Requirement"). The Underwriter's discount shall not exceed 1.5%.

Section 5. Official Statement. The City Council approves the preparation of, and hereby authorizes an Authorized Officer to deem final within the meaning of Rule 15c2-12 of the Securities and Exchange Commission except for permitted omissions, a preliminary form of Official Statement describing the Bonds. An Authorized Officer is hereby authorized to execute the final Official Statement in the name and on behalf of the City, including as it may be modified by such additions thereto and changes therein as the Authorized Officers, upon consultation with the City Attorney, disclosure counsel and bond counsel, shall deem necessary, desirable or appropriate, and the execution of the final Official Statement by the Authorized Officers shall be conclusive evidence of the approval of any such additions and changes.

Section 6. Official Actions. The Authorized Officers, 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 obtaining a rating on the Bonds, a municipal bond insurance policy or a debt reserve fund insurance policy, and 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 as described herein in connection with the issuance and sale of the Bonds.

Section 7. Approval of Professional Services. The City Council hereby appoints the firm of Jones Hall, A Professional Law Corporation, as bond counsel and disclosure counsel to the City in connection with the issuance of the Bonds, and an Authorized

Officer is authorized to execute an agreement with said firm in substantially the form of the agreement on file with the City Clerk.

The City Council hereby appoints the firm of William Euphrat Municipal Finance, Inc., as municipal advisor to the City in connection with the issuance of the Bonds, and an Authorized Officer is authorized to execute an agreement with said firm in substantially the form of the agreement on file with the City Clerk.

Section 8. Official Action. The officers and staff 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 negotiations for purchase of bond ratings, bond insurance or debt service reserve fund surety bond resulting in present value savings and execution and delivery of any and all assignments, certificates, requisition, agreements, consents, instruments of conveyance, warrants and other documents, which they, or any of them, may deem necessary or advisable in order to consummate the lawful issuance, sale and delivery of the Bonds, the payment of issuance costs incurred with respect to the Bonds, the prepayment of the 2013 Installment Payments and the refunding of the Refunded Bonds, and the purchase of the Project from the Authority.

Section 9. Effective Date. This Resolution shall take effect immediately upon adoption.

* * *

PASSED AND ADOPTED this ___ day of _____, 2024.

Passed and adopted by the Council of the City of Redwood City at a regular meeting thereof held on the ___ day of _____, 2024 by the following votes:

Council members:

NOES:

RECUSED:

ABSENT:

Jeff Gee
Mayor of the City of Redwood City

Attest:

Yessika Castro
City Clerk of Redwood City

I hereby approve the foregoing resolution
this ___ day of _____, 2024.

Jeff Gee
Mayor of the City of Redwood City

EXHIBIT A

GOVERNMENT CODE SECTION 5852.1 DISCLOSURE

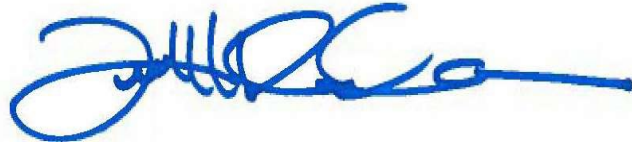
The following information consists of estimates that have been provided by the City's municipal advisor, which has been represented by such party to have been provided in good faith:

- (A) True Interest Cost of the Bonds: 2.95%.
- (B) Finance Charge of the Bonds (Sum of all fees paid to third parties): \$246,314.15.
- (C) Net Proceeds to be Received (net of finance charges, reserves and capitalized interest, if any): \$14,745,000.
- (D) Total Payment Amount Through Maturity: \$18,612,075.00.

The principal amount of the Bonds, the true interest cost of the Bonds, the finance charges thereof, the amount of proceeds received therefrom and total payment amount with respect thereto may differ from such good faith estimates due to (a) the actual date of the sale of the Bonds being different than the date assumed for purposes of such estimates, (b) the actual principal amount of Bonds sold being different from the estimated amount used for purposes of such estimates, (c) the actual amortization of the Bonds being different than the amortization assumed for purposes of such estimates, (d) the actual market interest rates at the time of sale of the Bonds being different than those estimated for purposes of such estimates, (e) other market conditions, or (f) alterations in the City's financing plan (including a refinancing of only a portion of the 2013 Installment Payments), or a combination of such factors. The actual date of sale of the Bonds and the actual principal amount of Bonds sold will be determined by the City based on the timing of the need for proceeds of the Bonds and other factors. The actual interest rates borne by the Bonds will depend on market interest rates at the time of sale thereof. The actual amortization of the Bonds will also depend, in part, on market interest rates at the time of sale thereof. Market interest rates are affected by economic and other factors beyond the control of the City.

Passed and adopted by the Council of the City of Redwood City at a
Joint City Council/Successor Agency Board/Public Financing Authority Meeting
thereof held on the 26th day of August 2024 by the following votes:

AYES: Aguirre, Eakin, Howard, Martinez Saballos, Sturken, Vice
Mayor Espinoza-Garnica and Mayor Gee
NOES: None
ABSENT: None
ABSTAINED: None
RECUSED: None



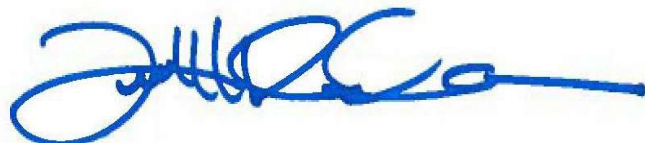
Jeff Gee
Mayor of the City of Redwood City

Attest:



Yessika Castro, CMC, CPMC
City Clerk of Redwood City

I hereby approve the foregoing resolution this
27th day of August 2024.



Jeff Gee
Mayor of the City of Redwood City