

RESOLUTION NO. _____

**RESOLUTION OF THE CITY COUNCIL OF THE CITY OF
SUNNYVALE AUTHORIZING ISSUANCE AND SALE OF
WATER REVENUE REFUNDING BONDS, AND
APPROVING RELATED DOCUMENTS AND ACTIONS**

WHEREAS, the City is authorized pursuant to the provisions of Chapter 3.70 (commencing with Section 3.70.010) of the Sunnyvale Municipal Code (the "Bond Law"), enacted pursuant to the charter of the City and an ordinance adopted on the date hereof, entitled "Ordinance Of The City Of Sunnyvale Enacting The City Of Sunnyvale Municipal Utilities Revenue Bond Law, Relating To The Financing Of Public Utility Enterprises," to issue its revenue bonds for the purposes of financing improvements to a utility enterprise of the City; and

WHEREAS, in order to finance and refinance improvements to City's municipal water utility enterprise (the "Water System"), on June 29, 2010, the City issued its bonds captioned "City of Sunnyvale Water Revenue Bonds, Series 2010" in the original principal amount of \$24,085,000 (the "2010 Bonds") which are secured by a pledge of and lien on the net revenues of the Water System; and

WHEREAS, the City, after due investigation and deliberation, has determined that it is in the interests of the City at this time to provide for the issuance of its bonds captioned "City of Sunnyvale Water Revenue Refunding Bonds, Series 2017A," in the maximum principal amount of \$12,500,000 (the "Series A Bonds"), and its bonds captioned "City of Sunnyvale Taxable Water Revenue Refunding Bonds, Series 2017A-T," in the maximum principal amount of \$6,500,000 (the "Taxable Series A-T Bonds" and, together with the Series A Bonds, the "Bonds") in order to provide funds to pay, defease and redeem the 2010 Bonds and thereby realize debt service savings; and

WHEREAS, the Bonds will be issued under the Bond Law and an Indenture of Trust (the "Indenture") between the City and U.S. Bank National Association, as trustee (the "Trustee"); and

WHEREAS, the City Council wishes at this time to give its approval to the transactions described herein, and the form of the agreements and documents relating thereto.

NOW, THEREFORE, BE IT RESOLVED, BY THE CITY COUNCIL OF THE CITY OF SUNNYVALE THAT:

Section 1. Authorization of Bonds. The City Council hereby authorizes the issuance of the Series A Bonds by the City under and pursuant to the Bond Law and the Indenture, in an aggregate maximum principal amount of \$19,000,000, for the primary purpose of providing funds to pay, defease and refund the 2010 Bonds.

Section 2. Approval of Indenture.. The City Council hereby approves the Indenture by and between the City and the Trustee, in substantially the form on file with the City Clerk, together with such additions thereto and changes therein as the City Manager or the Director of Finance may deem necessary, desirable or appropriate; provided that the execution thereof by the City Manager or the Finance Director shall be conclusive evidence of the approval of any such additions and changes. The City Manager and the Finance Director are each hereby separately authorized and directed to execute, and the City Clerk is hereby authorized and directed to attest, the final form of the Escrow Agreement for and in the name and on behalf of the City. The City Council hereby authorizes the delivery and performance of the Escrow Agreement.

Section 3. Approval of Escrow Agreement. In order to provide for the refunding of the 2010 Bonds, the City Council hereby approves the Escrow Deposit and Trust Agreement between the City and U.S. Bank Trust National Association, as escrow agent thereunder, in substantially the form on file with the City Clerk, together with such additions thereto and changes therein as the City Manager or the Director of Finance may deem necessary, desirable or appropriate; provided that the execution thereof by the City Manager or the Finance Director shall be conclusive evidence of the approval of any such additions and changes. The City Manager and the Finance Director are each hereby separately authorized and directed to execute, and the City Clerk is hereby authorized and directed to attest, the final form of the Escrow Agreement for and in the name and on behalf of the City. The City Council hereby authorizes the delivery and performance of the Escrow Agreement.

Section 4. Sale of Bonds. The City Council hereby approves the sale of the Bonds pursuant to a Bond Purchase Agreement between the City and J.P. Morgan Securities LLC, as Underwriter of the Bonds (the "Underwriter"), in the form on file with the Director of Finance, so long as: the principal amount of the Series A Bonds does not exceed \$12,500,000; the principal amount of the Taxable Series A-T Bonds does not exceed \$6,500,000; the true interest cost with respect to the Bonds does not exceed 4.0%; and the Underwriter's discount on the Bonds does not exceed 0.5% of the aggregate principal amount of the Bonds.

Section 5. Official Statement. The City Council hereby approves and deems final within the meaning of Rule 15c2-12 of the Securities Exchange Act of 1934, the Preliminary Official Statement describing the Bonds in the form on file with the City Clerk, together with such modifications thereof as may be approved by the City Manager or the Director of Finance, each of whom is hereby authorized and directed to (a) execute and deliver to the Underwriter a certificate deeming the Preliminary Official Statement to be final as of its date within the meaning of such Rule, (b) approve any changes in or additions to cause the Official Statement to be put in final form, and (c) execute the final Official Statement for and in the name and on behalf of the City. The City Council hereby authorizes the distribution of the Preliminary Official Statement and the Final Official Statement by the Underwriter.

Section 6. Official Actions. The Mayor, the City Manager, the Director of Finance, 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 certificates, requisitions, agreements, notices, consents and other documents, which they, or any of them, may deem necessary or advisable in order to

consummate the transactions as described herein. Whenever in this resolution any officer of the City is authorized to execute or attest any document or take any action, such execution, attestation or action may be taken on behalf of such officer by any person designated by such officer to act on his or her behalf in the case such officer shall be absent or unavailable.

Section 7. Effective Date. This Resolution shall take effect upon its passage and adoption.

Adopted by the City Council at a regular meeting held on _____, by the following vote:

AYES:
NOES:
ABSTAIN:
ABSENT:
RECUSAL:

ATTEST:

APPROVED:

City Clerk

Mayor

APPROVED AS TO FORM:

City Attorney

CERTIFICATION

I do hereby certify that the foregoing is a full, true, and correct copy of a resolution duly and regularly adopted at a meeting of the City of Sunnyvale City Council held on _____.

ATTEST:

City Clerk

(SEAL)