

RESOLUTION NO. _____

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF POMONA
AUTHORIZING THE ISSUANCE OF NOT TO EXCEED \$97,000,000
PRINCIPAL AMOUNT OF 2017 REFUNDING REVENUE BONDS (WATER
FACILITIES PROJECT) SERIES BE AND SERIES BF (TAXABLE) AND
APPROVING CERTAIN DOCUMENTS AND AUTHORIZING CERTAIN
ACTIONS IN CONNECTION THEREWITH**

WHEREAS, the City Council (the “City Council”) of the City of Pomona (the “City”) has determined to refinance the acquisition of certain local water system improvements (collectively, the “2007 Project”), more particularly described in the Installment Sale Agreement (the “Installment Sale Agreement”) dated as of January 1, 2007, between the City and the Pomona Public Financing Authority (the “Authority”); and

WHEREAS, the Authority previously issued its 2007 Revenue Bonds, Series AY (Water Facilities Project) (the “AY Bonds”) and its 2007 Taxable Bonds (Water Facilities Project) (the “AZ Bonds”), pursuant to separate Indentures of Trust, each dated as of January 1, 2007; and

WHEREAS, debt service on the AY Bonds and the AZ Bonds is secured by the City’s Installment Payments under the Installment Sale Agreement; and

WHEREAS, in order to accomplish the refinancing of the 2007 Project and the refunding of the AY Bonds and the AZ Bonds, the City desires to issue refunding revenue bonds in two series, one series being a tax-exempt series and denoted “Series BE” and one series being a federally taxable series and denoted “Series BF” (collectively, the “2017 Bonds”), pursuant to that certain Indenture of Trust (the “Indenture”), by and between the City and Zions Bank, a division of ZB, N.A. (the “Trustee”), the form of which has been presented to this City Council at the meeting at which this Resolution has been adopted; and

WHEREAS, the City’s obligation to pay the 2017 Bonds will be payable from Net Revenues of the Water System (as such terms are defined in the Indenture); and

WHEREAS, the City will provide for redemption and defeasance of the AY Bonds and the AZ Bonds from the proceeds of the 2017 Bonds and pursuant to the terms of an escrow agreement by and among the City, the Authority and The Bank of New York Mellon Trust Company, N.A., as trustee under the AY Indenture and the AZ Indenture (the “Escrow Agreement”), in substantially the form presented herewith; and

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Pomona that:

SECTION 1. The Indenture, in substantially the form on file with the City Clerk and, upon execution as authorized below, made a part hereof as though set forth in full herein, is hereby approved. The Mayor, the Vice Mayor, the City Manager, the Finance Director, the City Clerk or the designee thereof (each, an “Authorized Officer”) are hereby authorized and directed to execute and deliver the Indenture with such changes, insertions and omissions as may be recommended by the City Attorney or Stradling Yocca Carlson & Rauth, a Professional Corporation (“Bond Counsel”)

and approved by the officers executing the same, said execution being conclusive evidence of such approval.

SECTION 2. The City Council hereby authorizes the issuance, sale and delivery of the 2017 Bonds in an aggregate principal amount not to exceed \$97,000,000 in accordance with the terms and provisions of the Indenture. The purposes for which the proceeds of the 2017 Bonds shall be expended are to refinance the 2007 Project, to refund the AY Bonds and the AZ Bonds, to fund a reserve fund, if required, and to pay the costs of delivery of the 2017 Bonds.

SECTION 3. The Bond Purchase Contract (the "Purchase Contract") by and between the City and B.C. Ziegler and Company (the "Underwriter"), in substantially the form on file with the City Clerk and, upon execution as authorized below, made a part hereof as though set forth in full herein, is hereby approved. The Authorized Officers are hereby authorized and directed to execute and deliver the Purchase Contract with such changes, insertions and omissions as may be recommended by the City Attorney or Bond Counsel and approved by the person executing the same, said execution being conclusive evidence of such approval; provided, however, that in no event shall (a) the underwriting discount for the 2017 Bonds exceed 0.36% of the aggregate principal amount of the 2017 Bonds, or (b) the all-in true interest cost of the 2017 Bonds exceed 4.75%.

The Finance Director, or the designee thereof, is authorized to reject any terms presented by the Underwriter if determined not to be in the best interest of the City and is further authorized to evaluate whether the purchase of municipal bond insurance or a debt service reserve policy for the 2017 Bonds will result in a net savings to the City and, if so, to arrange for the purchase of such municipal bond insurance or debt service reserve policy.

SECTION 4. The Escrow Agreement (Series AY and AZ), in substantially the form on file with the City Clerk and, upon execution as authorized below, made a part hereof as though set forth in full herein, is hereby approved. The Authorized Officers are hereby authorized and directed to execute and deliver the Escrow Agreement with such changes, insertions and omissions as may be recommended by the City Attorney or Bond Counsel and approved by the officers executing the same, said execution being conclusive evidence of such approval.

SECTION 5. The preparation and distribution of the Preliminary Official Statement, in substantially the form on file with the City Clerk, is hereby approved. The Authorized Officers are hereby authorized to make such changes, insertions and omissions as may be recommended by the City Attorney or Bond Counsel and to sign a certificate pursuant to Rule 15c2-12 promulgated under the Securities Exchange Act of 1934 relating to the Preliminary Official Statement. Upon execution of such certificate, the Underwriter is hereby authorized to distribute copies of said Preliminary Official Statement to persons who may be interested in the initial purchase of the 2017 Bonds. The Authorized Officers are hereby authorized and directed to execute, approve and deliver the Official Statement in the form of the Preliminary Official Statement which, upon execution as authorized below, is made a part hereof as though set forth in full herein, with such changes, insertions and omissions as may be recommended by the City Attorney or Bond Counsel and approved by the officer executing the same, said execution being conclusive evidence of such approval. The Underwriter is directed to deliver copies of any final Official Statement to all actual initial purchasers of the 2017 Bonds.

SECTION 6. The Continuing Disclosure Certificate of the City, in substantially the form on file with the City Clerk and, upon execution as authorized below, made a part hereof as though set

forth in full herein, be and the same is hereby approved. The Authorized Officers are hereby authorized and directed to execute and deliver the Continuing Disclosure Certificate with such changes, insertions and omissions as may be recommended by the City Attorney or Bond Counsel and approved by the person executing the same, said execution being conclusive evidence of such approval.

SECTION 7. Zions Bank, a division of ZB, N.A., is hereby appointed as Trustee on behalf of the owners of the 2017 Bonds, with the duties and powers of such Trustee as set forth in the Indenture.

SECTION 8. The Authorized Officers and all other officers of the City are hereby authorized, jointly and severally, to do any and all things and to execute and deliver any and all documents which they may deem necessary and advisable in order to consummate the sale and delivery of the 2017 Bonds, the refinancing of the 2007 Project and the refunding of the AY Bonds and the AZ Bonds, and otherwise effectuate the purposes of this Resolution, and such actions previously taken by such officers are hereby ratified and confirmed. Each of the above-referenced officials is hereby authorized to solicit bids from municipal bond insurers, to select an insurer to provide municipal bond insurance with respect to the 2017 Bonds and a debt service reserve policy, if applicable, and to execute and negotiate any agreements necessary in connection with the procurement of such municipal bond insurance or debt service reserve policy, provided that such municipal bond insurance provides debt service savings or other benefits to the proposed transaction, as determined by the City. The City's execution of an insurance commitment shall be conclusive evidence of such determination. Each of the above-referenced officers is hereby authorized to direct Bond Counsel and/or the City Attorney to make any necessary revisions to the legal documents to effectuate the procurement of municipal bond insurance and/or a debt service reserve fund policy. In the event that the Mayor is unavailable or unable to execute and deliver any of the above-referenced documents, the Vice Mayor may validly execute and deliver such document, and, in the event that the City Clerk is unavailable or unable to execute and deliver any of the above-referenced documents, any deputy clerk may validly execute and deliver such document in her place. Expenditures of net proceeds of the 2017 Bonds to refinance the 2007 Project shall be subject to compliance by the City with all legal and other conditions precedent thereto.

SECTION 9. This Resolution shall take effect from and after its date of adoption.

PASSED AND ADOPTED this 3rd day of April, 2017.

Mayor of the City of Pomona

ATTEST:

City Clerk of the City of Pomona

STATE OF CALIFORNIA)
COUNTY OF LOS ANGELES) ss
CITY OF POMONA)

I, _____, City Clerk of said City, do hereby certify that the foregoing Resolution was duly adopted by the City Council of said City and was signed by the Mayor of said City at an adjourned regular meeting of said City Council held on the 3rd day of April, 2017 and was approved by the following vote:

AYES: COUNCIL MEMBERS:

NOES: COUNCIL MEMBERS:

ABSENT: COUNCIL MEMBERS:

ABSTAIN: COUNCIL MEMBERS:

CITY CLERK

BY: _____
City Clerk of the City of Pomona