

RESOLUTION NO. _____

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PASADENA, CALIFORNIA, AUTHORIZING THE INVITATION OF BIDS FOR THE PURCHASE OF ELECTRIC REVENUE BONDS, 2008 SERIES, OF SAID CITY; APPROVING A NOTICE OF INTENTION TO SELL BONDS, A PRELIMINARY OFFICIAL STATEMENT, AND A NOTICE INVITING BIDS; AUTHORIZING THE PUBLICATION OF A NOTICE OF INTENTION TO SELL BONDS; AND DECLARING ITS INTENTION TO REIMBURSE ITSELF FROM THE PROCEEDS OF SAID BONDS FOR CERTAIN EXPENDITURES MADE AND/OR TO BE MADE IN CONNECTION WITH THE ACQUISITION AND CONSTRUCTION OF CERTAIN CAPITAL IMPROVEMENTS

WHEREAS, the City Council of the City of Pasadena, California (the "City Council") deems it necessary and proper that bids be invited for the purchase of the Electric Revenue Bonds, 2008 Series (the "2008 Bonds") of the City of Pasadena, California (the "City"), and that the 2008 Bonds be sold in the manner and at the time and place hereinafter set forth; and

WHEREAS, the City has paid and will pay certain expenditures (the "Expenditures") in connection with the acquisition and construction of additions to, and extensions and improvements of, the electric works of the City (the "Project"), as more fully described in Exhibit C attached hereto; and

WHEREAS, the City Council has determined that those moneys previously advanced no more than 60 days prior to the date hereof and to be advanced on and after the date hereof to pay the Expenditures are available only for a temporary period and it is necessary to reimburse the City for the Expenditures from the proceeds of the 2008 Bonds;

NOW, THEREFORE, the City Council does hereby resolve, determine and order as follows:

Section 1. Electronic proposals for the purchase of the 2008 Bonds shall be received by the Director of Finance of the City (the "Director of Finance") at the time and place determined as provided in the Notice of Intention to Sell Bonds and the Notice Inviting Bids as hereinafter approved.

Section 2. The Director of Finance is hereby authorized and directed to publish a Notice of Intention to Sell Bonds, substantially in the form annexed hereto as "Exhibit A" and hereby approved by this City Council, by one insertion in the Pasadena Star-News, a newspaper of general circulation published in the City.

Section 3. The Director of Finance is further authorized and directed to publish a Notice of Intention to Sell Bonds by one insertion in The Bond Buyer, a financial publication generally circulated throughout California, prior to the date of receiving proposals for the purchase of the 2008 Bonds.

Section 4. Sidley Austin LLP is hereby appointed as bond counsel to the City in connection with the issuance of the 2008 Bonds. Orrick, Herrington & Sutcliffe LLP is hereby appointed as disclosure counsel to the City in connection with the issuance of the 2008 Bonds ("Disclosure Counsel"). Public Resources Advisory Group is hereby appointed as the financial advisor to the City in connection with the issuance of the 2008 Bonds (the "Financial Advisor").

Section 5. The City Council hereby approves the Preliminary Official Statement substantially in the form on file with the City Clerk (the "Preliminary Official Statement"), a copy of which has been made available to this City Council, with such changes therein as the Director of Finance may determine necessary, to be furnished to prospective bidders for the 2008 Bonds as provided in Section 5 hereof. The City authorizes the Director of Finance to deem the Preliminary Official Statement to be final within the meaning of Securities and Exchange Commission Rule 15c2-12 subject to completion of those items permitted by said Rule. The City Council directs the City Clerk to file the Preliminary Official Statement in her office and to identify it as being the Preliminary Official Statement so approved hereby, by an endorsement thereon to that effect over her signature. The Financial Advisor is hereby authorized to distribute copies of the Preliminary Official Statement to persons who may be interested in purchasing the 2008 Bonds. The Director of Finance or his designee is authorized and directed to execute and deliver a final Official Statement in substantially the form of the Preliminary Official Statement hereby approved, with such additions thereto and changes therein as are consistent with this Resolution and recommended or approved by Disclosure Counsel to the City and approved by such officers and employees, such approval to be conclusively evidenced by the execution and delivery thereof.

Section 6. The Director of Finance is authorized and directed to cause to be furnished to prospective bidders, upon their request, a reasonable number of copies of the Ordinance authorizing issuance of the 2008 Bonds, the Electric Revenue Bond Fiscal Agent Agreement, and Fourth Supplement to Electric Revenue Bond Fiscal Agent Agreement providing for the issuance of the 2008 Bonds as approved pursuant to said Ordinance and the Preliminary Official Statement. The Director of Finance is authorized and directed to cause to be furnished to prospective bidders, upon their request, a reasonable number of copies of the Notice Inviting Bids substantially in the form annexed hereto as "Exhibit B" and hereby approved by the City Council. The Director of Finance is further authorized and directed, after any proposal for the purchase of the 2008 Bonds has been accepted by the Director of Finance, and after the final Official Statement has been prepared, to cause to be furnished to the successful bidder, for use in connection with the resale of the 2008 Bonds, such number of copies of the final Official Statement as may be reasonably required.

Section 7. The Director of Finance may withdraw or modify the Notice Inviting Bids and the Notice of Intention to Sell Bonds, or either, at any time by notice published via The Bond Buyer Wire or other means determined by the Director of Finance to be reasonably calculated to reach potential bidders for the 2008 Bonds. If the Director of Finance should withdraw the Notice Inviting Bids or the Notice of Intention to Sell Bonds at any time before the 2008 Bonds are awarded, and should at a later date determine that it is desirable to receive bids for the 2008 Bonds, the Director of Finance is hereby authorized to redistribute the Notice Inviting Bids and republish the Notice of Intention to Sell Bonds with such modifications or revisions as are approved by the Director of Finance.

Section 8. The City Council hereby declares the City's intent to reimburse the City with the proceeds of the 2008 Bonds for the Expenditures made prior to the issuance of the 2008 Bonds but no more than 60 days prior to the date of issuance of the 2008 Bonds. The City reasonably expects on the date hereof that it will reimburse the Expenditures with the proceeds of the 2008 Bonds.

Section 9. Each Expenditure was and will be either (a) of a type properly chargeable to a capital account under general federal income tax principles (determined in each case as of the date of the Expenditure), (b) a cost of issuance with respect to the 2008 Bonds, (c) a nonrecurring item that is not customarily payable from current revenues, or (d) a grant to a party that is not related to or an agent of the City so long as such grant does not impose any obligation or condition (directly or indirectly) to repay any amount to or for the benefit of the City.

Section 10. The maximum principal amount of the 2008 Bonds authorized to be issued for the Project is \$65,000,000.

Section 11. The City will make a reimbursement allocation, which is a written allocation by the City that evidences the City's use of proceeds of the 2008 Bonds to reimburse an Expenditure, no later than 18 months after the later of the date on which the Expenditure is paid or the Project is placed in service or abandoned, but in no event more than three years after the date on which the Expenditure is paid. The City recognizes that exceptions are available for certain "preliminary expenditures," costs of issuance, certain de minimis amounts, expenditures by "small issuers" (based on the year of issuance and not the year of expenditure) and expenditures for construction projects of at least 5 years.

Section 12. This resolution shall take effect immediately upon its passage.

ADOPTED at a regular meeting of the City Council this _____ day of December, 2007,
by the following vote:

AYES:

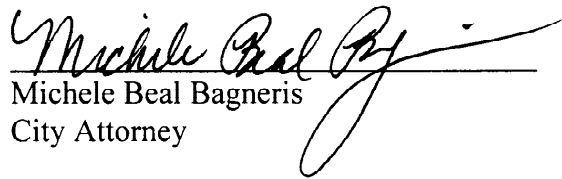
NOES:

ABSENT:

ABSTAIN:


APPROVED AS TO FORM:

ATTEST:


Michele Beal Bagneris
City Attorney

Jane L. Rodriguez
City Clerk

APPROVED AS TO FORM:



Eric D. Tashman
Sidley Austin LLP
Bond Counsel