

ORDINANCE NO. _____

AN ORDINANCE OF THE CITY OF PASADENA AUTHORIZING THE ISSUANCE BY THE CITY OF NOT TO EXCEED \$50,425,000 AGGREGATE PRINCIPAL AMOUNT OF CITY OF PASADENA WATER REVENUE/REFUNDING BONDS, 2020A SERIES, PAYABLE OUT OF THE WATER FUND, AND APPROVING THE EXECUTION AND DELIVERY OF A SIXTH SUPPLEMENT TO WATER REVENUE BOND INDENTURE AND A CONTINUING DISCLOSURE AGREEMENT IN CONNECTION THEREWITH

WHEREAS, pursuant to Article XIV of the Charter (the "Charter") of the City of Pasadena (the "City"), the City Council of the City (the "City Council") is authorized to provide for the issuance of revenue bonds for the purpose of providing moneys for the acquisition and construction of additions to, and extensions and improvements of, the water system of the City, and of refunding bonds for the purposes of refunding any revenue bonds issued pursuant to such Article, by ordinance authorizing the issuance of such revenue bonds; and

WHEREAS, the City has previously issued its \$25,425,000 Water Revenue Bonds, Issue of 2010, 2010A Series (Taxable Build America Bonds – Direct Payment) (the "2010A Bonds") pursuant to Article XIV of the Charter, and a Water Revenue Bond Indenture, dated as of August 1, 2003, by and between the City and The Bank of New York Mellon Trust Company, N.A. (formerly known as BNY Western Trust Company), as trustee (the "Trustee") (the "Master Indenture"), as supplemented by a Third Supplement to Water Revenue Bond Indenture, dated as of December 1, 2010, by and between the City and the Trustee; and

WHEREAS, pursuant to Article XIV of the Charter, the City now proposes to issue its Water Revenue/Refunding Bonds, 2020A Series (with such further designation as may be determined to identify such bonds, the "2020A Bonds") pursuant to the Master Indenture, as amended and supplemented, including as amended and supplemented by a Sixth Supplement to Water Revenue Bond Indenture, by and between the City and the Trustee (the "Sixth Supplement," and collectively with the Master Indenture as amended and supplemented, the "Indenture"), to provide moneys (i) to refund all of the 2010A Bonds, (ii) finance the costs of acquisition and construction of certain capital improvements to the Water System, (iii) make an additional deposit to the Parity Reserve Fund, and (iv) to pay costs of issuance of the 2020A Bonds, said 2020A Bonds not to constitute an indebtedness of the City but to constitute obligations which shall be payable as to both principal and interest, and any premiums upon the redemption of any thereof prior to maturity, only from the Water Fund of the City and certain other funds as provided in the Indenture; and this Ordinance is for the purpose of additionally authorizing the issuance of such 2020A Bonds.

**09/14/2020
Item 22**

NOW, THEREFORE, the People of the City of Pasadena ordain as follows:

Section 1. Summary. This ordinance, due to its length and corresponding cost of publication, will be published by title and summary as permitted by Section 508 of the Pasadena City Charter. The approved summary of this ordinance is as follows:

“Summary

This uncodified ordinance authorizes the issuance of not-to-exceed \$50,425,000 in 2020A Bonds for the primary purpose of financing capital improvements to the Water System and refunding the outstanding and unpaid principal amount of Water Revenue Bonds, Issue of 2010, 2010A Series (Taxable Build America Bonds – Direct Payment).

Ordinance no. _____ shall take effect upon publication.”

Section 2. Authorization to Issue 2020A Bonds; Purpose; Principal Amount.

(a) Pursuant to Article XIV of the Charter, the City Council does hereby authorize to be issued, upon the terms and conditions as hereinafter set forth, the 2020A Bonds in the aggregate principal amount of not to exceed \$50,425,000 for the refunding of all of the 2010A Bonds and financing the costs of acquisition and construction of certain capital improvements to the Water System, including the payment of costs and expenses incidental thereto.

(b) This Ordinance shall constitute complete authority to issue the 2020A Bonds pursuant to the Indenture as provided herein.

Section 3. Issuance of 2020A Bonds. The 2020A Bonds shall be issued pursuant to and in accordance with the terms and conditions set forth in this Ordinance, and more specifically in the Indenture, including the Sixth Supplement.

Section 4. Date of Issuance; Interest Rates for the 2020A Bonds. The 2020A Bonds shall be dated their date of delivery. The interest rates to be payable on the 2020A Bonds shall not exceed such rates as will result in a true interest cost to the City of greater than 4.00% for the 2020A Bonds.

Section 5. Maturity Dates. The final maturity date for the 2020A Bonds shall be June 1, 2050. Subject to the preceding sentence, the 2020A Bonds shall mature and be payable on such dates as specifically set forth in the Sixth Supplement described in Section 7 hereof.

Section 6. Source of Payment. The 2020A Bonds shall not constitute an indebtedness of the City but shall constitute obligations which shall be payable as to both principal and interest, and any premiums upon the redemption of any thereof prior to maturity, only from the Water Fund of the City, as provided in Article XIV of the Charter, and certain other funds as authorized by Article XIV and provided in the Indenture.

Section 7. Approval of Sixth Supplement. In order to prescribe the terms and conditions upon which the 2020A Bonds are to be issued, secured, executed, authenticated and held, the Sixth Supplement proposed to be executed and entered into by the City and the Trustee, in substantially the form attached hereto as Exhibit A, is hereby approved, and the Director of Finance (or, in the absence of the Director of Finance, his designee) is hereby authorized and directed, for and in the name and on behalf of the City, to execute, and the City Clerk is authorized to affix the official seal of the City to, and deliver the Sixth Supplement in substantially such form, with such changes (including, without limitation, such changes as may be requested by rating agencies providing a ratings on the 2020A Bonds) as may be approved by the Director of Finance (or, in the absence of the Director of Finance, his designee), acting on behalf of the City, subject to advice of counsel, such execution thereof to constitute conclusive evidence of the approval of the City of all changes from the form of the Sixth Supplement presented to this meeting.

Section 8. Approval of Continuing Disclosure Agreement. The Continuing Disclosure Agreement, proposed to be executed and entered into by and between the City and Digital Assurance Certification, L.L.C., in substantially the form attached hereto as Exhibit B, is hereby approved, and the Director of Finance (or, in the absence of the Director of Finance, his designee) is hereby authorized and directed, for and in the name and on behalf of the City, to execute and deliver the Continuing Disclosure Agreement in substantially said form, with such changes as may be approved by the Director of Finance (or, in the absence of the Director of Finance, his designee), acting on behalf of the City, subject to advice of counsel, such execution thereof to constitute conclusive evidence of the approval of the City of all changes from the form of the Continuing Disclosure Agreement presented to this meeting.

Section 9. Official Action. All actions heretofore taken by the officers and agents of the City with respect to the issuance of the 2020A Bonds and the negotiation and execution of said agreements are hereby approved, confirmed and ratified. The City Manager, the Director of Finance, the City Treasurer, 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, without limitation, the execution and delivery of any and all certificates, requisitions, agreements (including an escrow agreement) and other documents, which they, or any of them, may deem necessary or advisable in order to consummate the issuance, sale and delivery of the 2020A Bonds pursuant to the agreements described herein.

Section 10. Provisions Necessary and Desirable. The provisions of this Ordinance are deemed necessary and desirable to facilitate the issuance and sale of the 2020A Bonds authorized by this Ordinance.

Section 11. Publication. The City Clerk shall certify to the adoption of this Ordinance and shall cause this Ordinance to be published by title and summary.

Section 12. Effective Date. This Ordinance shall take effect on the date of publication pursuant to Section 11, subject only to the right of referendum provided in Section 1413 of the City Charter.

Signed and approved this ____ day of _____, 2020.

Mayor of the City of Pasadena, California

I HEREBY CERTIFY that the foregoing Ordinance was adopted by the City Council of the City of Pasadena at its regular meeting held _____, 2020, by the following vote:


Ayes:

Noes:

Absent:

Published: _____, 2020

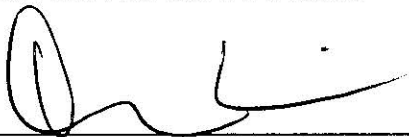
APPROVED AS TO FORM:



Michele Beal Bagneris
City Attorney

Mark Jomsky
City Clerk

APPROVED AS TO FORM:



Danny Kim, Partner
Nixon Peabody LLP
Bond Counsel

EXHIBIT A

PROPOSED FORM OF
SIXTH SUPPLEMENT TO
WATER REVENUE BOND INDENTURE

EXHIBIT B

PROPOSED FORM OF
CONTINUING DISCLOSURE AGREEMENT