RESOLUTION NO. _____

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PASADENA APPROVING AN INSTALLMENT PURCHASE AGREEMENT, INDENTURE OF TRUST, A WIFIA LOAN AGREEMENT, AND A WIFIA LOAN TERM SHEET WITH RESPECT TO THE ISSUANCE BY THE PASADENA PUBLIC FINANCING AUTHORITY OF NOTES IN AN AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED $111,050,791, AND OTHER MATTERS PERTAINING THERETO

WHEREAS, the Pasadena Public Financing Authority (the "Authority") was established for the purpose of assisting the City of Pasadena (the "City") with financing public capital improvements; and

WHEREAS, Pasadena's Water Infrastructure Program consists of the following components: (1) The Sunset Complex Project, which includes components such as a storage reservoir, groundwater treatment plant, and pump station replacement and improvement project; (2) Drinking Water Main Replacement Project, which consists of replacing existing aging and leaking water mains in the Pasadena Water Service Area for up to five (5) years at an approximate replacement and relining rate of 2.25 miles/year; and (3) The Advanced Metering Infrastructure Project, which consists of replacing and retrofitting existing advanced water meters in the Pasadena Water Service Area (collectively, the "Project"); and

WHEREAS, the City has determined to finance the Project through the issuance by the Authority of an aggregate principal amount of notes in an amount not to exceed $111,050,791 (the "Notes"), pursuant to an Indenture of Trust to be entered into among the City, the Authority and The Bank of New York Mellon Trust Company, National Association, as trustee (the "Trustee"); and

WHEREAS, under the terms of an Installment Purchase Agreement between the City and the Authority (the "Installment Purchase Agreement") the Authority will sell the Project to the City and the City will agree to make installment payments to the Authority; and

WHEREAS, there has been presented to the City Council a WIFIA Loan Term Sheet (the "Term Sheet") together with a form of WIFIA Loan Agreement (the "WIFIA Loan Agreement") whereby the United States Environmental Protection Agency, an

agency of the United States of America, acting by and through the Administrator of the Environmental Protection Agency will purchase the Notes; and

WHEREAS, Section 5852.1 of the California Government Code requires that the City Council obtain from an underwriter, financial advisor or private lender and disclose, in a meeting open to the public, prior to authorization of the issuance of the Notes, good faith estimates of (a) the true interest cost of the Notes, (b) the sum of all fees and charges paid to third parties with respect to the Notes, (c) the amount of proceeds of the Notes expected to be received net of the fees and charges paid to third parties and any reserves or capitalized interest paid or funded with proceeds of the Notes, and (d) the sum total of all debt service payments on the Notes calculated to the final maturity of the Notes, plus the fees and charges paid to third parties not paid with the proceeds of the Notes; and

WHEREAS, in compliance with Section 5852.1 of the California Government Code, the City Council has obtained from PFM Financial Advisors LLC, the City's municipal advisor (the "Municipal Advisor") the required good faith estimates and such estimates are disclosed in the report presented to the City Council; and

WHEREAS, all acts, conditions and things required by the laws of the State of California to exist, to have happened and to have been performed precedent to and in connection with the consummation of the issuance of the Notes hereby do exist, have happened and have been performed in regular and due time, form and manner as required by law, and the City is now duly authorized and empowered, pursuant to each and every requirement of law, to consummate such issuance for the purpose, in the manner and upon the terms herein provided;

NOW, THEREFORE, the City Council of the City of Pasadena resolves as follows:

Section 1. Recitals True and Correct. The foregoing recitals are true and correct and the City Council so finds and determines.

Section 2. Funding Project; Approval of WIFIA Loan Term Sheet. The City Council hereby approves the issuance of the Notes by the Authority for the purposes of raising new money for the Project with the proceeds of the Notes on substantially the terms and conditions detailed in the documents presented at this meeting. The terms of the Notes and the manner of determining the interest rate on the Notes shall be as

described in the Term Sheet, which is hereby approved, and each Authorized Representative (as defined below) is authorized and directed to execute, acknowledge and deliver said Term Sheet on behalf of the City in substantially the form hereby approved with such changes therein as the officer executing the same may approve, such approval to be conclusively evidenced by the execution and delivery thereof.

Section 3. Approval of Installment Purchase Agreement. The agreement entitled "Installment Purchase Agreement" to be entered into by and between the City and the Authority, which provides generally for (i) the acquisition of the Project by the Authority, (ii) the purchase by the City from the Authority of the Project, and (iii) the payment by the City to the Authority of Installment Payments in amounts which will be sufficient to pay the principal of and interest owing on the Notes until the Notes are fully paid, is hereby approved and the Mayor, Vice-Mayor, the City Manager, Director of Finance and City Clerk (each an "Authorized Representative") are, and each such officer is, authorized and directed to execute, acknowledge and deliver said agreement on behalf of the City in substantially the form hereby approved with such changes therein as the officer executing the same may approve, such approval to be conclusively evidenced by the execution and delivery thereof.

Section 4. Approval of Indenture of Trust. The agreement entitled "Indenture of Trust" to be entered into by and among the City, the Authority and the Trustee named therein, is hereby approved and any Authorized Representative is authorized and directed to execute, acknowledge and deliver said agreement on behalf of the City in substantially the form hereby approved with such changes therein as the officer executing the same may approve, such approval to be conclusively evidenced by the execution and delivery thereof.

Section 5. Approval of Loan Agreement and Conditions of Approval. The form of WIFIA Loan Agreement presented at this meeting is hereby approved and any Authorized Representative is hereby authorized to accept, for and in the name of the City, such WIFIA Loan Agreement in substantially the form hereby approved with such changes therein as the Authorized Representative executing the same may approve, such approval to be conclusively evidenced by the execution and delivery thereof, provided that the WIFIA Loan Agreement and the provisions of the Installment Purchase Agreement, shall substantially conform to the provisions of the Term Sheet.

Section 6. Other Acts and Payment of Costs. The officers of the City are hereby authorized and directed, jointly and severally, to do any and all things and to execute and deliver any and all documents which they may deem necessary or advisable in order to consummate the issuance of the Notes, the financing of the Project or otherwise to effectuate the purpose of this Resolution, and such actions previously taken by such officers are hereby ratified and confirmed. The City Council hereby authorizes and approves the payment of professionals to provide services in connection with the issuance of the Notes and the WIFIA Loan, namely PFM Financial Advisors LLC and Best Best & Krieger LLP.

Section 7. Effective Date. This Resolution shall take effect from and after the date of its passage and adoption.

ADOPTED at a regular meeting of the City Council this 27th day of October, 2026, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

_____
Mark Jomsky
City Clerk

APPROVED AS TO FORM:

_____
Lisa Hosey
Assistant City Attorney

APPROVED AS TO FORM:

_____
Danny Kim, Partner
Best Best & Krieger LLP
Bond Counsel

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