

INTRODUCED BY COUNCILMEMBER _____



CITY ATTORNEY

OAKLAND CITY COUNCIL
RESOLUTION NO. 78830 C. M. S.

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF OAKLAND APPROVING THE ISSUANCE OF NOT TO EXCEED \$70,000,000 AGGREGATE PRINCIPAL AMOUNT OF CITY OF OAKLAND SEWER REVENUE BONDS 2004 SERIES A TO FINANCE THE CONSTRUCTION AND INSTALLATION OF CERTAIN IMPROVEMENTS TO THE CITY'S SEWER SYSTEM; AUTHORIZING EXECUTION AND DELIVERY OF A MASTER INDENTURE AND A FIRST SUPPLEMENTAL INDENTURE; APPROVING THE FORM OF AN OFFICIAL NOTICE OF SALE AND AN OFFICIAL STATEMENT; AND AUTHORIZING THE EXECUTION OF DOCUMENTS AND THE TAKING OF ALL NECESSARY ACTIONS RELATING THERETO

WHEREAS, the City of Oakland (the "City") is a municipal corporation and charter city duly organized and existing under a charter pursuant to which the City has the right and power to make and enforce all laws and regulations in respect to municipal affairs and certain other matters in accordance with and as more particularly provided in Sections 3, 5 and 7 of Article XI of the Constitution of the State of California and Section 106 of the Charter of the City (the "Charter"); and

WHEREAS, the City Council of the City, acting under and pursuant to the powers reserved to the City under Sections 3, 5 and 7 of Article XI of the Constitution of the State of California and Sections 106 and 812 of the Charter adopted Ordinance No. _____ to authorize, and establish the procedures for, the sale and issuance of sewer revenue bonds by the City for the purpose of financing improvements to the City's sewer system (the "Sewer System"); and

WHEREAS, the City desires to approve the issuance of not to exceed \$70,000,000 in aggregate principal amount of its City of Oakland Sewer Revenue Bonds, 2004 Series A (the "Bonds") for the purpose of financing the construction and installation of certain improvements to the Sewer System; and

WHEREAS, there have been submitted and are on file with the City Clerk proposed forms of the Master Indenture (the "Master Indenture") dated as of December 1, 2004 between the City and Wells Fargo Bank, National Association, as trustee (the "Trustee"), the First Supplemental Indenture (the "First Supplemental Indenture") dated as of December 1, 2004 between the City and the Trustee, an Official Notice of Sale (the "Official Notice of Sale") and an Official Statement (the "Official Statement") with respect to the Bonds proposed to be issued by the City;

NOW THEREFORE, the City Council of the City of Oakland hereby finds, determines, declares and resolves as follows:

Section 1. All of the recitals set forth above are true and correct, and the City Council so finds and determines.

Section 2. The City Council hereby approves the issuance of the Bonds, in an aggregate principal amount not to exceed \$70,000,000, to finance the construction and installation of certain improvements to the Sewer System; provided, however the Bonds shall mature no later than January 1, 2035; and shall bear interest at a rate or rates not in excess of a true interest cost of 8% per annum.

Section 3. The proposed form of Master Indenture, tentatively dated as of December 1, 2004, by and between the City and the Trustee, on file with the City Clerk, is hereby approved. The City Administrator and the Director of the Finance and Management Agency (each, an "Authorized Representative") jointly and severally, or any such officer's designee, is hereby authorized and directed, for and in the name and on behalf of the City, to execute and deliver a master indenture in substantially said form, with such changes therein as such officers may require or approve, such approval to be conclusively evidenced by the execution and delivery thereof.

Section 4. The proposed form of First Supplemental Indenture, tentatively dated as of December 1, 2004, by and between the City and the Trustee, on file with the City Clerk, is hereby approved. The Authorized Representatives, jointly and severally, or any such officer's designee, are hereby authorized and directed, for and in the name and on behalf of the City, to execute and deliver a first supplemental indenture in substantially said form, with such changes therein as such officers may require or approve, such approval to be conclusively evidenced by the execution and delivery thereof.

Section 5. The proposed form of Official Notice of Sale inviting bids for the Bonds on file with the City Clerk is hereby approved and adopted as the Official Notice of Sale for the Bonds, with such additions, changes and corrections thereto as the Authorized Representative, or such officer's designee, shall require or approve, such approval to be conclusively evidenced by the execution and delivery thereof. The City Clerk is hereby authorized to cause to be published a notice of the proposed sale of the Bonds as required by law. The Authorized Representative, or such officer's designee, is hereby authorized and directed to award the sale of the Bonds to the best bidder as determined in accordance with the Official Notice of Sale.

Section 6. The proposed form of Official Statement relating to the Bonds (the "Official Statement"), on file with the City Clerk, is hereby approved. The Authorized Representative, or such officer's designee, is hereby authorized and directed, for and in the name and on behalf of the City, to execute and deliver an Official Statement in substantially said form, with such changes therein as such officer may require or approve, such approval to be conclusively evidenced by the execution and delivery thereof. Distribution of a preliminary Official Statement relating to the Bonds is hereby approved and the Authorized Representative, or such officer's designee, is hereby authorized and directed, to execute a certificate confirming that the preliminary Official Statement has been "deemed final" by the City for purposes of Securities and Exchange Commission Rule 15c2-12.

Section 7. The Authorized Representative, or such officer's designee, is hereby authorized on behalf of the City to execute a Continuing Disclosure Certificate containing such

covenants of the City as shall be necessary to comply with the requirements of Securities and Exchange Commission Rule 15c2-12.

Section 8. If the Authorized Representative, or such officer's designee, determines that it will be advantageous to the City to purchase municipal bond insurance or secure other credit enhancement with respect to some or all of the Bonds, such officer, or such officer's designee, is hereby authorized to do so at market rates.

Section 9. The Authorized Representative, or such officer's designee, is hereby authorized to engage Ross Financial as Financial Advisor, and Wells Fargo Bank, National Association as Trustee.

The Authorized Representative, or such officer's designee, is hereby also authorized and directed to appoint from time to time one or more agents, as s/he may deem necessary or desirable. To the extent permitted by applicable law, and under the supervision of the Authorized Representative, such agents may serve as paying agent, fiscal agent or registrar for the Bonds, or financial printer or verification agent or may assist the Authorized Representative in performing any or all of such functions and other duties as the Authorized Representative shall determine. Such agents shall serve under such terms and conditions, as the Authorized Representative shall determine. The Authorized Representative may remove or replace agents appointed pursuant to this section at any time.

Section 10. The Authorized Representative, or such officer's designee, is hereby authorized and directed to pay, or cause to be paid on behalf of the City, the costs of issuance associated with the Bonds.

Section 11. The officers and City Council members 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 and certificates which they deem necessary or advisable in order to consummate the execution and delivery of the documents mentioned herein and otherwise to effectuate the purposes of this Resolution and the transactions contemplated hereby.

Section 12. This Resolution shall take effect immediately upon its adoption.

OCT 5 2004

In Council, Oakland, California, _____, 2004

PASSED BY THE FOLLOWING VOTE:

AYES- BROOKS, BRUNNER, CHANG, NADEL, QUAN, REID, WAN AND PRESIDENT DE LA FUENTE -8

NOES- 0

ABSENT- 0

ABSTENTION- 0

ATTEST: 
CEDA FLOYD
City Clerk and Clerk of the Council
of the City of Oakland, California