

**RESOLUTION NO. 2013 – 11**

**RESOLUTION OF CITY COUNCIL OF THE CITY OF LEMOORE  
APPROVING THE FORM OF AND AUTHORIZING AND DIRECTING  
EXECUTION AND DELIVERY OF A LOAN AGREEMENT;  
APPOINTING CERTAIN FINANCIAL CONSULTANTS IN  
CONNECTION THEREWITH; AND PROVIDING FOR OTHER  
MATTERS PROPERLY RELATED THERETO**

WHEREAS, the City Council, after due investigation and deliberation, has determined that it is in the public interests of the City at this time to provide for the financing of the Chevron Solar project (the “Project”); and

WHEREAS, for the purpose of providing financing for the Project, Pinnacle Public Finance, Inc. (the “Lender”) has proposed in a proposal dated April 26, 2013, to make a tax-exempt loan (the “Loan”) to the City at an interest rate of 2.48% and in an amount not to exceed \$7,225,000 pursuant to terms and conditions of a Loan Agreement, dated as of May 1, 2013, by and between the Lender and the City (the “Loan Agreement”), a copy of which has been presented at this meeting and is on file with the City Clerk; and

WHEREAS, pursuant to the Loan Agreement, the City will make loan payments (the “Loan Payments”) from the net revenues of its water enterprise (the “Enterprise”) operations, sufficient in amount to pay back the debt service on the Loan from the Lender, as more particularly set forth in the Loan Agreement; and

WHEREAS, the City Council, with the aid of its staff, has reviewed the Loan Agreement, the form of which are on file with the City Clerk, and the Council wishes at this time to approve the foregoing document as being within the public interests of the City; and

WHEREAS, in order to efficiently accomplish the procurement of the Loan, and the execution and delivery of the Loan Agreement, the City desires to appoint a financial advisor, placement agent, and bond counsel to provide the necessary professional services in connection therewith; and

WHEREAS, the City Council wishes at this time to authorize all actions and proceedings relating to the procurement of the Loan, the execution and delivery of the Loan Agreement, and the acquisition and construction of the Project; 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 such financing authorized 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 financing for the purpose, in the manner and upon the terms herein provided.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Lemoore, as follows:

Section 1. The foregoing Findings are adopted as findings of the City Council as though set forth fully herein.

Section 2. The Mayor, Acting City Manager, Finance Director, City Clerk and any other person authorized by the Council to act on behalf of the City shall each be an "Authorized Representative" of the City for the purposes of structuring and providing for the issuance of the Loan Agreement, and are hereby authorized, jointly and severally, for and in the name of and on behalf of the City, to execute and deliver any and all documents and certificates that may be required to be executed in connection with the consummation of the Loan and the Project, and to do any and all things and take any and all actions which may be necessary or advisable, in their discretion, to effectuate the actions which the Council has approved in this Resolution.

Section 3. The Council hereby authorizes and approves the Loan from the Lender to the City pursuant to the terms and conditions of the April 26, 2013 proposal and the Loan Agreement. The Council hereby approves the Loan Agreement in substantially the form on file with the City Clerk, together with any additions thereto or changes therein (including, but not limited to, the final amount of the Loan, the final Loan payment schedule, and prepayment provisions) deemed necessary or advisable by the City Attorney and an Authorized Representative of the City. Any Authorized Representative of the City is hereby authorized and directed to execute, and the City Clerk is hereby authorized and directed to attest and affix the seal of the City to, the final form of the Loan Agreement for and in the name and on behalf of the City, and the execution thereof shall be conclusive evidence of the Council's approval of any such additions and changes. The Council hereby authorizes the delivery and performance of the Loan Agreement.

Section 4. The proceeds received by the City from the proceeds of the Loan shall be applied to pay certain costs of issuance (not to exceed \$68,000) and for the purpose of paying Project Costs, as defined in the Loan Agreement.

Section 5. The City Council hereby appoints The Weist Law Firm as Bond Counsel, Cooperman Associates as Financial Advisor, and Southwest Securities as Placement Agent in connection with the financing described in this Resolution. An Authorized Representative is authorized and directed to execute an agreement with each of such firms in the respective forms on file with the City Clerk. As provided in such agreements compensation payable to Financial Advisor, Placement Agent and Bond Counsel is entirely contingent upon the successful completion of the financing proceedings and shall be paid from a portion of the proceeds of the Loan pursuant to the Costs of Issuance set forth in the Loan Agreement, which is approved herein.

Section 6. The Mayor, Acting City Manager, Finance Director, City Clerk and all other officers of the City are each authorized and directed in the name and on behalf of the City to make any and all assignments, certificates, requisitions, agreements, notices, consents, instruments of conveyance, warrants and other documents which they or any of them might deem necessary or appropriate in order to consummate any of the transactions contemplated by this Resolution and the Loan Agreement. Whenever any officer of the City is authorized to execute or countersign any document or take any action contemplated by this Resolution and the Loan Agreement, such

execution, countersigning or action may be taken on behalf of such officer by any person designated by such officer to act on his or her behalf in the case such officer is absent or unavailable.

Section 7. The Council hereby finds and determines that it has taken all of the foregoing actions, and made all of the foregoing findings, in full compliance with the law, and that all prior proceedings taken with respect to the Project were duly considered, and are hereby considered valid and in conformity with the requirements of law.

Section 8. This Resolution shall take effect from and after the date of its passage and adoption.

Passed and adopted at a Regular Meeting of the City Council of the City of Lemoore held on the 7th day of May, 2013 by the following vote:

AYES:  
NOES:  
ABSTAINING:  
ABSENT:

APPROVED:

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William M. Siegel, Jr., Mayor

ATTEST:

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Kristie R. Baley, City Clerk

CERTIFICATE

STATE OF CALIFORNIA )  
COUNTY OF KINGS ) ss.  
CITY OF LEMOORE )

I, Kristie R. Baley, City Clerk of the City of Lemoore, do hereby certify the foregoing Resolution of the City Council of the City of Lemoore was duly passed and adopted at a Regular Meeting of the City Council held on May 7, 2013.

DATED: May 7, 2013

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Kristie R. Baley, City Clerk