

RESOLUTION NO. _____

**RESOLUTION OF THE CITY OF SANTA CLARA, CALIFORNIA AUTHORIZING
THE EXECUTION OF A SECOND AMENDMENT TO REIMBURSEMENT
AGREEMENT AND A SECOND AMENDED AND RESTATED FEE LETTER
RELATING TO THE CITY'S VARIABLE RATE DEMAND ELECTRIC REVENUE
BONDS, SERIES 2008 B; AND AUTHORIZING CERTAIN OTHER ACTIONS
RELATING THERETO**

BE IT RESOLVED BY THE CITY OF SANTA CLARA AS FOLLOWS:

WHEREAS, the City is a duly constituted charter city of the State of California authorized to exercise the powers granted by its Charter; and

WHEREAS, Section 1321(e) of the City's Charter authorizes the City to issue revenue bonds for the purpose of financing the generation, production, transmission and distribution of electric energy; and

WHEREAS, on May 8, 1984, City Council adopted Resolution No. 4796 entitled "A Resolution of the City Council of the City of Santa Clara Establishing Procedures for the Authorization, Issuance and Sale of Electric Utility Revenue Bonds," as amended by Resolution No. 4804, adopted on May 29, 1984, and as amended by Resolution No. 7313, adopted on April 25, 2006; and on April 30, 1985, City Council adopted Resolution No. 4934 entitled "A Resolution of the City Council of the City of Santa Clara Establishing Procedures for the Authorization, Issuance and Sale of Refunding Electric Utility Revenue Bonds," as amended by Resolution No. 4966, adopted on July 9, 1985, as supplemented by Resolution No. 4967, adopted on July 9, 1985, and as amended by Resolution No. 7314, adopted on April 25, 2006 (collectively, the "Procedural Resolution"); and

WHEREAS, pursuant to the City Charter and the Procedural Resolution, the City has previously issued its \$86,600,000 Variable Rate Demand Subordinated Electric Revenue Bonds, Series 2008 B (which bonds have been re-designated Variable Rate Demand Electric Revenue Bonds,

Series 2008 B), of which \$54,580,000 principal amount is currently outstanding (the “Series 2008 B Bonds”), pursuant to a Subordinated Electric Revenue Bond Indenture, dated as of March 1, 1998 (the “Original Subordinated Electric Revenue Bond Indenture”), by and between the City and BNY Western Trust Company (which has been succeeded by The Bank of New York Mellon Trust Company, N.A.), as Trustee, as amended and supplemented by a Fifth Supplemental Subordinated Electric Revenue Bond Indenture, dated as of May 1, 2008 (the “Fifth Supplement”), by and between the City and Trustee (which Original Subordinated Electric Revenue Bond Indenture has been amended and restated as the Amended and Restated Electric Revenue Bond Indenture, dated as of March 1, 2011 (hereinafter, the “Indenture”)); and

WHEREAS, the Series 2008 B Bonds were issued as variable rate demand obligations in a weekly interest rate mode and subject to remarketing upon tender by the owners thereof; and

WHEREAS, credit and liquidity support for the Series 2008 B Bonds is currently provided in the form of a letter of credit (the “Letter of Credit”) issued by MUFG Bank, Ltd. (formerly known as The Bank of Tokyo-Mitsubishi UFJ, Ltd.), acting through its New York Branch (the “Bank”), pursuant to the terms of a Reimbursement Agreement, dated as of November 1, 2012 (the “Reimbursement Agreement”), as amended by the First Amendment to Reimbursement Agreement, dated September 30, 2015, each by and between the City and the Bank; and

WHEREAS, the Letter of Credit is currently scheduled to expire by its terms on October 30, 2018 (the “Stated Expiration Date”); and

WHEREAS, the City has requested the Bank to extend the Stated Expiration Date of the Letter of Credit, and the Bank has agreed to extend the Stated Expiration Date to January 29, 2019, on substantially similar terms, with only such changes as are set forth in the Second Amendment to Reimbursement Agreement and the Second Amended and Restated Fee Letter, each in the form as presented to this meeting; and

WHEREAS, the City Council has reviewed all proceedings previously taken relative to the transactions contemplated by the foregoing, and has found as a result of such review, and hereby determines and declares that all conditions, things and acts required by law to exist, happen or be performed precedent to the transactions contemplated by the foregoing do exist, and were performed in due time, form and manner as required by law, and the City Council is now authorized to undertake the transactions contemplated by the foregoing;

NOW THEREFORE, BE IT FURTHER RESOLVED BY THE CITY OF SANTA CLARA AS FOLLOWS:

1. Approval of Second Amendment to Reimbursement Agreement and Second Amended and Restated Fee Letter. The City Manager of the City (the “City Manager”) or a duly authorized designee thereof is hereby authorized and directed to execute for and on behalf of the City, the Second Amendment to Reimbursement Agreement and the Second Amended and Restated Fee Letter relating thereto with the Bank, in substantially the forms submitted to this meeting, with such changes therein as the City Manager or the Director of Finance of the City (the “Director of Finance”) shall approve after consultation with the City Attorney of the City (the “City Attorney”) and Norton Rose Fulbright US LLP, the City’s Bond Counsel (“Bond Counsel”), such approval to be evidenced by the execution and delivery thereof. The Second Amendment to Reimbursement Agreement and the Second Amended and Restated Fee Letter, as executed and delivered, are hereinafter referred to respectively as the “Second Amendment to Reimbursement Agreement” and the “Second Amended and Restated Fee Letter” and such Second Amendment to Reimbursement Agreement and Second Amended and Restated Fee Letter are each hereby approved.

2. Additional Actions. The City Manager, the Director of Finance, the Chief Electric Utility Officer, the Acting City Clerk and any and all other officers of the City are hereby authorized and

directed, individually and collectively, to do any and all things and to execute and deliver such other agreements, documents and certificates (including, but not limited to, providing for the giving of written directions and notices or the securing of any required third party consents or approvals required by the Indenture or the Fifth Supplement or other documents related to the Series 2008 B Bonds or otherwise in connection with the transactions contemplated by this Resolution) as may be necessary, convenient, or advisable and otherwise to carry out, give effect to and comply with the terms and intent of this Resolution, the Indenture, the Fifth Supplement, the Reimbursement Agreement and the amendments thereto, including the Second Amendment to Reimbursement Agreement, the Second Amended and Restated Fee Letter and the transactions herein authorized. All such actions heretofore taken by such officers or their designees are hereby ratified, confirmed and approved.

3. Effective Date. This resolution shall become effect immediately.

I HEREBY CERTIFY THE FOREGOING TO BE A TRUE COPY OF A RESOLUTION PASSED AND ADOPTED BY THE CITY OF SANTA CLARA, CALIFORNIA, AT A REGULAR MEETING THEREOF HELD ON THE 28 DAY OF AUGUST, 2018, BY THE FOLLOWING VOTE:

AYES: COUNCILORS:

NOES: COUNCILORS:

ABSENT: COUNCILORS:

ABSTAINED: COUNCILORS:

ATTEST: _____
JENNIFER YAMAGUMA
ACTING CITY CLERK
CITY OF SANTA CLARA

Attachments incorporated by reference: None