

RESOLUTION NO. _____

A RESOLUTION OF THE COUNCIL OF THE CITY OF FRESNO, CALIFORNIA, TO APPROVE AND TO AUTHORIZE THE DIRECTOR PUBLIC UTILITIES TO SIGN A FINANCING APPLICATION FOR FINANCIAL ASSISTANCE AGREEMENT WITH THE CALIFORNIA STATE WATER RESOURCES CONTROL BOARD FOR THE NORTHEAST SURFACE WATER TREATMENT FACILITY

WHEREAS, the City of Fresno (the "City") desires to finance the cost of constructing certain public facilities and improvements relating to its Northeast Surface Water Treatment Facility (the "Project"); and

WHEREAS, the City intends to finance the construction of the Project or portions of the Project with moneys provided by the State of California, acting by and through the State Water Resources Control Board; and

WHEREAS, pursuant to Section 5852.1 of the California Government Code, the City has received certain representations and good faith estimates from its Financial Advisor for the Project and has disclosed such good faith estimates as set forth in this resolution.

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

1. The Council finds that all of the recitals herein are true and correct.
2. The Director of the Department of Public Utilities (the "Authorized Representative") or designee is hereby authorized and directed to sign and file, for and on behalf of the City, a Financial Assistance Application for a financing agreement from the State Water Board for the planning, design, and construction of the Project.

3. This Authorized Representative, or designee, is designated to provide the assurances, certifications, and commitments required for the financial assistance application, including executing a financial assistance agreement from the State Water Board and any amendments or changes thereto.

4. The Authorized Representative, or designee, is designated to represent the City in carrying out the City's responsibilities under the financing agreement, including certifying disbursement requests on behalf of the Entity and compliance with applicable state and federal laws.

5. The Council approves the financing agreement, attached hereto as Attachment A, to finance the cost of the Project.

6. Pursuant to Government Code Section 5852.1, the City has disclosed the required representations and good faith estimates as set forth in Attachment B to this Resolution.

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STATE OF CALIFORNIA)
COUNTY OF FRESNO) ss.
CITY OF FRESNO)

I, YVONNE SPENCE, City Clerk of the City of Fresno, certify that the foregoing resolution was adopted by the Council of the City of Fresno, at a regular meeting held on the _____ day of _____ 2019.

AYES :
NOES :
ABSENT :
ABSTAIN :

YVONNE SPENCE, CRM MMC
City Clerk

By: _____

Deputy

APPROVED AS TO FORM:
DOUGLAS T. SLOAN
City Attorney

By: _____
Brandon M. Collet Date
Senior Deputy City Attorney

Attachment A - Installment and Sale Agreement
Attachment B - Disclosures

PUBLIC DISCLOSURES
RELATING TO CONDUIT REVENUE OBLIGATIONS

Pursuant to California Government Code Section 5852.1, KNN Public Finance (Municipal Advisor) identified below has provided the following required information to City of Fresno (City) as conduit financing provider, prior to the Authority's regular meeting (Meeting) of its governing board (Council) at which Meeting the Board will consider the authorization of conduit revenue obligations (Obligations) as identified below.

1. Name of Municipal Advisor: KNN Public Finance
2. Authority Meeting Date: August 22, 2019
3. Name of Obligations: \$18,331,700
4. Advisor (mark one) engaged by The City's Municipal Advisor provided the City with the required good faith estimates relating to the Obligations as follows:
 - (A) The true interest cost of the Obligations, which means the rate necessary to discount the amounts payable on the respective principal and interest payment dates to the purchase price received for Obligations (to the nearest ten-thousandth of one percent): 1.80%.
 - (B) The finance charge of the Obligations, which means the sum of all fees and charges paid to third parties: \$0.
 - (C) The amount of proceeds received by the public body for sale of the Obligations less the finance charge of the Obligations described in subparagraph (B) and any reserves or capitalized interest paid or funded with proceeds of the Obligations: \$14,000,000.
 - (D) The total payment amount, which means the sum total of all payments the Municipal Advisor will make to pay debt service on the Obligations plus the finance charge of the Obligations described in subparagraph (B) not paid with the proceeds of the Obligations (which total payment amount shall be calculated to the final maturity of the Obligations): \$18,331,700.
5. The good faith estimates provided above were presented to the City Council of the City of Fresno.

The foregoing estimates constitute good faith estimates only. The actual principal amount of the Obligations issued and sold, the true interest cost thereof, the finance charges thereof, the amount of proceeds received therefrom and total payment amount with respect thereto may differ from such good faith estimates due to a variety of factors. The actual interest rates borne by the Obligations and the actual amortization of the Obligations will depend on market interest rates at the time of sale thereof. Market interest rates are affected by economic and other factors beyond the control of the Municipal Advisor.

The Authority is authorized to make this document available to the public at the Meeting of the Authority.

Dated: _____