

**RESOLUTION NO. \_\_\_\_\_**

**RESOLUTION OF THE CITY COUNCIL OF THE CITY OF  
RIVERSIDE, CALIFORNIA, AUTHORIZING A SUBORDINATE LINE OF CREDIT FOR  
THE ELECTRIC SYSTEM IN AN AGGREGATE PRINCIPAL AMOUNT  
NOT TO EXCEED \$60,000,000 AND MAKING CERTAIN OTHER FINDINGS IN  
CONNECTION THEREWITH, AND APPROVING THE EXECUTION  
AND DELIVERY OF CERTAIN DOCUMENTS IN CONNECTION THEREWITH  
(NINETEENTH SUPPLEMENTAL RESOLUTION)**

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(NINETEENTH SUPPLEMENTAL RESOLUTION)**

**WHEREAS**, pursuant to Section 5922(c) of the California Government Code, the City of Riverside (the “**City**”) is authorized to enter into agreements to provide liquidity in connection with indebtedness of the City; and

**WHEREAS**, pursuant to Section 1108 of the City Charter (the “**City Charter**”), the City Council (the “**City Council**”) of the City is authorized to provide for the issuance of notes or other evidences of indebtedness by state law or by procedural ordinance for any City purpose; and

**WHEREAS**, the City Council of the City on April 20, 1982 adopted Ordinance No. 5001, as amended by Ordinance No. 5071 and Ordinance No. 6815 adopted by the City Council of the City on March 22, 1983 and July 26, 2005, respectively, providing the procedure for the issuance of such notes or other evidences of indebtedness; and

**WHEREAS**, pursuant to Resolution No. 17662 adopted by the City Council on January 8, 1991 (as amended and supplemented from time to time, the “**Master Resolution**”), the City Council has heretofore authorized the issuance of Subordinate Obligations (as defined in the Master Resolution) of the City by adoption of supplemental resolutions from time to time, with the payment of the principal, interest on, and any redemption premiums thereon being secured by and payable solely from the Net Operating Revenues (as defined in the Master Resolution) on a subordinate basis to Bonds (as defined in the Master Resolution); and

**WHEREAS**, pursuant to Resolution No. 17685 adopted by the City Council on February 19, 1991 (the “**First Supplemental Resolution**”), the City has issued its Electric Revenue Bonds, Issue of 1991 (the “**1991 Bonds**”); and

**WHEREAS**, pursuant to Resolution No. 18182 adopted by the City Council on February 23, 1993, as amended and restated by Resolution No. 18205 adopted by the City Council on March 23, 1993 (the “**Second Supplemental Resolution**”), the City has issued its Electric Refunding Revenue Bonds, Issue of 1993 (the “**1993 Bonds**”); and

**WHEREAS**, pursuant to Resolution No. 19262 adopted by the City Council on April 28, 1998 (the “**Third Supplemental Resolution**”), the City has issued its Electric Refunding/Revenue Bonds, Issue of 1998 (the “**1998 Bonds**”); and

**WHEREAS**, pursuant to Resolution No. 19967 adopted by the City Council on July 24, 2001 (the “**Fourth Supplemental Resolution**”), the City has issued its Electric Revenue Bonds, Issue of 2001 (the “**2001 Bonds**”); and

**WHEREAS**, pursuant to Resolution No. 20420 adopted by the City Council on May 27, 2003 (the **“Fifth Supplemental Resolution”**), the City has issued its Electric Refunding Revenue Bonds, Issue of 2003 (the **“2003 Bonds”**); and

**WHEREAS**, pursuant to Resolution No. 20674 adopted by the City Council on May 11, 2004 (the **“Sixth Supplemental Resolution”**), the City has issued its Electric Revenue Bonds, Issue of 2004A (the **“2004A Bonds”**); and

**WHEREAS**, pursuant to Resolution No. 20675 adopted by the City Council on May 11, 2004 (the **“Seventh Supplemental Resolution”**), the City has issued its Electric Revenue Bonds, Issue of 2004B (the **“2004B Bonds”**); and

**WHEREAS**, pursuant to Resolution No. 21035 adopted by the City Council on September 13, 2005 (the **“Eighth Supplemental Resolution”**), the City has issued its Electric Refunding/Revenue Bonds, Issue of 2005A (the **“2005A Bonds”**), and

**WHEREAS**, pursuant to Resolution No. 21036 adopted by the City Council on September 13, 2005 (the **“Ninth Supplemental Resolution”**), the City has issued its Electric Refunding/Revenue Bonds, Issue of 2005B (the **“2005B Bonds”**); and

**WHEREAS**, pursuant to Resolution No. 21611 adopted by the City Council on April 22, 2008 (the **“Tenth Supplemental Resolution”**), the City has issued its Variable Rate Refunding Electric Revenue Bonds, Issue of 2008A (the **“2008A Bonds”**), which remain outstanding; and

**WHEREAS**, pursuant to Resolution No. 21612 adopted by the City Council on April 22, 2008 (the **“Eleventh Supplemental Resolution”**), the City has issued its Variable Rate Refunding Electric Revenue Bonds, Issue of 2008B (the **“2008B Bonds”**); and

**WHEREAS**, pursuant to Resolution No. 21613 adopted by the City Council on April 22, 2008 (the **“Twelfth Supplemental Resolution”**), the City has issued its Variable Rate Refunding Electric Revenue Bonds, Issue of 2008C (the **“2008C Bonds”**), which remain outstanding; and

**WHEREAS**, pursuant to Resolution No. 21614 adopted by the City Council on April 22, 2008 (the **“Thirteenth Supplemental Resolution”**), the City has issued its Electric Revenue Bonds, Issue of 2008D (the **“2008D Bonds”**), which remain outstanding; and

**WHEREAS**, pursuant to Resolution No. 21934 adopted by the City Council on November 17, 2009 (the **“Fourteenth Supplemental Resolution”**), the City has issued its Electric Revenue Refunding Bonds, Issue of 2009A (the **“2009A Bonds”**), which remain outstanding; and

**WHEREAS**, pursuant to Resolution No. 22127 adopted by the City Council on November 23, 2010 (the **“Fifteenth Supplemental Resolution”**), the City has issued its Electric Revenue Bonds, Issue of 2010A (Federally Taxable Build America Bonds – Direct Payment) (the **“2010A Bonds”**), and its Electric Revenue Bonds, Issue of 2010B (Tax-Exempt; Bank Qualified) (the **“2010B Bonds”**), each of which remain outstanding; and

**WHEREAS**, pursuant to Resolution No. 22193 adopted by the City Council on April 5, 2011 (the **“Sixteenth Supplemental Resolution”**), the City issued its Variable Rate Refunding Electric Revenue Bonds, Issue of 2011A (the **“2011A Bonds”**), which remain outstanding; and

**WHEREAS**, pursuant to Resolution No. 22537 adopted by the City Council on June 18, 2013 (the “**Seventeenth Supplemental Resolution**”), the City issued its Refunding Electric Revenue Bonds, Issue of 2013A (the “**2013A Bonds**”) and its Taxable Electric Revenue Bonds, Issue of 2013B (the “**2013B Bonds**”), which remain outstanding; and

**WHEREAS**, pursuant to a resolution to be adopted by the City Council on January 22, 2019 (the “**Eighteenth Supplemental Resolution**”), the City intends to issue its City of Riverside Refunding Electric Revenue Bonds, Issue of 2019 (the “**2019 Bonds**”), which are expected to be issued on or about February 26, 2019; and

**WHEREAS**, the City desires to enter into a facility that will provide liquidity to the City in connection with its outstanding Electric System (as such term is defined in the Master Resolution) and water system indebtedness, finance working capital for the Electric System and the City’s water system, finance capital improvements of the Electric System and the City’s water system, and/or serve other lawful purposes of the City; and

**WHEREAS**, in connection with the foregoing, the City desires to establish a revolving line of credit and to borrow moneys from time to time from U.S. Bank National Association (the “**Bank**”) in a principal amount not to exceed \$60,000,000 at any time pursuant to a Revolving Credit Agreement (the “**Credit Agreement**”) between the City and the Bank in substantially the form submitted to this meeting and on file with the City Clerk; and

**WHEREAS**, the Credit Agreement establishes the basic terms and conditions under which the Bank will make loans to the City from time to time, which loans will be secured by certain Net Operating Revenues of the Electric System on a basis subordinate to Bonds, net operating revenues of the City’s water system and other available moneys (but only to the extent set forth in the Credit Agreement); and

**WHEREAS**, the obligations payable by the City under the Credit Agreement shall be evidenced by one or more promissory notes (each, a “**Note**” and collectively, the “**Notes**”) executed by the City in favor of the Bank in substantially the form submitted to this meeting and on file with the City Clerk; and

**WHEREAS**, the City has determined that the Credit Agreement and the Notes shall constitute Subordinate Obligations of the City under the Master Resolution; and

**WHEREAS**, the execution and delivery of the Credit Agreement and the Notes are in the best interest of the City, and the health, safety and welfare of its residents, and are of benefit to the City and complies with all requirements of the Law (as such term is defined in the Master Resolution) and California law related thereto, including with respect to the principal amount, term and interest rate thereof; and

**WHEREAS**, a public hearing on the Credit Agreement and the Notes was duly noticed, held and conducted in accordance with the Law; and

**WHEREAS**, it is desirable that the City Council provide for the execution and delivery of the Credit Agreement and the Notes at this time;

NOW, THEREFORE, THE CITY COUNCIL DOES HEREBY RESOLVE, DETERMINE AND ORDER as follows:

## **ARTICLE I**

### **AUTHORIZATION OF CREDIT AGREEMENT**

**Section 1.01 Determinations.** This Nineteenth Supplemental Resolution is adopted in accordance with the provisions of the Master Resolution. The City Council hereby determines that the execution and delivery of the Credit Agreement and the Notes as Subordinate Obligations to provide liquidity to the City in connection with its outstanding Electric System and water system indebtedness, finance working capital for Electric System and the City's water system, finance capital improvements of the Electric System and the City's water system and/or serve other lawful purposes of the City is advisable from an economic and financial standpoint. The Notes shall not be in book-entry form and shall not have CUSIP numbers.

**Section 1.02 Definitions.** All terms which are defined in Section 1.02 of the Master Resolution shall, unless otherwise defined herein, have the same meanings, respectively, in this Nineteenth Supplemental Resolution. Unless the context otherwise requires, the terms defined in this Section shall, for all purposes of this Nineteenth Supplemental Resolution and of any certificate, opinion or other document herein mentioned, have the meanings herein specified, to be equally applicable to both the singular and the plural forms of any of the terms herein defined. Unless otherwise defined in this Nineteenth Supplemental Resolution, all terms used herein shall have the meanings assigned to such terms by the Law.

## **ARTICLE II**

### **APPLICATION; FUNDS; COVENANTS**

**Section 2.01 Application of the Proceeds of the Credit Agreement.** Unless otherwise specified in a Certificate of the Treasurer, the proceeds of any borrowings under the Credit Agreement and evidenced by the Notes shall be deposited with the Treasurer and shall be held in trust and set aside by the Treasurer to provide liquidity to the City in connection with its outstanding Electric System and water system indebtedness, finance working capital for the Electric System and the City's water system, finance capital improvements of the Electric System and the City's water system, and/or serve other lawful purposes of the City. The Treasurer is hereby authorized to create additional accounts or subaccounts to accomplish the purposes set forth in this Nineteenth Supplemental Resolution.

The moneys borrowed under the Credit Agreement and evidenced by the Notes shall be used and withdrawn by the Treasurer to provide liquidity to the City in connection with its outstanding Electric System and water system indebtedness, finance working capital for the Electric System and the City's water system, finance capital improvements of the Electric System and the City's water system, and/or serve other lawful purposes of the City.

## ARTICLE III

### APPROVAL OF CREDIT AGREEMENT AND OTHER ACTIONS

**Section 3.01 Approval of Credit Agreement.** The Treasurer (or any duly authorized designee thereof) is authorized, empowered and directed to execute and deliver the Credit Agreement in substantially the form submitted to this meeting and on file with the City Clerk with such changes therein as such officer shall deem appropriate and in the best interests of the City, as conclusively evidenced by his or her execution thereof.

**Section 3.02 Approval of Notes.** The Treasurer (or any duly authorized designee thereof) is authorized, empowered and directed to execute and deliver one or more Notes with the series designations and in substantially the forms attached as exhibits to the Credit Agreement with such changes therein as such officer shall deem appropriate and in the best interests of the City, as conclusively evidenced by his or her execution thereof; provided, however, that the total amount outstanding under the Notes (including amounts borrowed on behalf of the City's water system) at any time shall not exceed \$60,000,000. The Notes shall bear interest, mature and be payable and be subject to redemption as set forth in the exhibits to the Credit Agreement.

**Section 3.03 Further Action.** The City Manager, the Treasurer, the Deputy Treasurer, the Public Utilities General Manager, the Finance Director and the Assistant Finance Director of the City (or any duly authorized designee of any of such officers) and each of them is hereby authorized, empowered and directed to execute such other documents in addition to those enumerated herein and take such other actions as they deem necessary or advisable in order to carry out and perform the purposes of this Nineteenth Supplemental Resolution and the Credit Agreement (including, but not limited to otherwise revising, supplementing or clarifying the provisions of this Nineteenth Supplemental Resolution as the Treasurer may deem advisable). Such actions heretofore taken by such officers or their designees are hereby ratified, confirmed and approved.

## ARTICLE IV

### MISCELLANEOUS

**Section 4.01 Credit Agreement and Notes Subject to the Master Resolution.** Except as expressly provided in this Nineteenth Supplemental Resolution, every term and condition contained in the Master Resolution shall apply to this Nineteenth Supplemental Resolution and to the Credit Agreement and the Notes with the same force and effect as if it were herein set forth at length, with such omissions, variations and modifications thereof as may be appropriate to make the same conform to this Nineteenth Supplemental Resolution.

**Section 4.02 Severability of Invalid Provisions.** If any one or more of the provisions contained in this Nineteenth Supplemental Resolution or in the Credit Agreement and the Notes shall for any reason be held to be invalid, illegal or unenforceable in any respect, then such provision or provisions shall be deemed severable from the remaining provisions contained in this Nineteenth Supplemental Resolution and such invalidity, illegality or unenforceability shall not affect any other provision of this Nineteenth Supplemental Resolution, and this Nineteenth Supplemental Resolution shall be construed as if such invalid, illegal or unenforceable provision had never been contained herein. The City Council hereby declares that it would have adopted this Nineteenth Supplemental Resolution and each and every other Section, paragraph, sentence, clause or phrase hereof and

authorized the issuance of the 2019 Bonds pursuant thereto irrespective of the fact that any one or more Sections, paragraphs, sentences, clauses or phrases of this Nineteenth Supplemental Resolution may be held illegal, invalid or unenforceable.

**Section 4.03 Article and Section Headings and References Interpretation.** The headings or titles of the several Articles and Sections hereof, and any table of contents appended to copies hereof, shall be solely for convenience of reference and shall not affect the meaning, construction or effect of this Nineteenth Supplemental Resolution.

All references herein to “Article,” “Sections” and other subdivisions are to the corresponding Articles, Sections or subdivisions of this Nineteenth Supplemental Resolution; the words “herein,” “hereof,” “hereby,” “hereunder” and other words of similar import refer to this Nineteenth Supplemental Resolution as a whole and not to any particular Article, Section or subdivision hereof. Words of the masculine gender shall mean and include words of the feminine and neuter genders.

**Section 4.04 Governing Law.** This Nineteenth Supplemental Resolution shall be construed and governed in accordance with the laws of the State of California.

**Section 4.05 Effective Date of Nineteenth Supplemental Resolution.** This Nineteenth Supplemental Resolution shall take effect upon the approval of a majority of the members of the City Council, all as provided in the Law.

ADOPTED by the City Council this \_\_\_\_\_ day of \_\_\_\_\_, 2019.

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WILLIAM R. BAILEY, III  
Mayor of the City of Riverside

ATTEST:

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COLLEEN J. NICOL  
City Clerk of the City of Riverside



I, Colleen J. Nicol, City Clerk of the City of Riverside, California, hereby certify that the foregoing resolution was duly and regularly adopted by the City Council of said City at its meeting held on the \_\_\_\_ day of \_\_\_\_\_, 2019, by the following vote, to wit:

Ayes:

Noes:

Absent:

Abstain:

IN WITNESS WHEREOF I have hereunto set my hand and affixed the official seal of the City of Riverside, California, this \_\_\_\_ day of \_\_\_\_\_, 2019.

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COLLEEN J. NICOL  
City Clerk of the City of Riverside