RESOLUTION NO. 2016-69

A RESOLUTION OF THE ALBANY CITY COUNCIL AUTHORIZING THE ISSUANCE AND SALE OF 2016 GENERAL OBLIGATION REFUNDING BONDS FOR THE PURPOSE OF REFUNDING OUTSTANDING BONDS, AND APPROVING RELATED DOCUMENTS AND OFFICIAL ACTIONS

WHEREAS, at an election held on November 5, 2002, more than two-thirds of the voters of the City of Albany (the "City") approved a proposition ("Measure F") authorizing the issuance by the City of general obligation bonds in the aggregate principal amount of $14,500,000, for the purpose of providing funds for safety, seismic improvements, recreational facilities and other improvements in the City; and

WHEREAS, pursuant to such authorization the City issued two series of bonds: (i) City of Albany General Obligation Bonds, Election of 2002, Series 2003, issued on June 24, 2003 in the aggregate principal amount of $8,000,000 (the "2003 Bonds (Measure F)"); and (ii) City of Albany General Obligation Bonds, Election of 2002, Series 2007, issued on August 14, 2007 in the aggregate principal amount of $6,500,000 (the “2007 Bonds (Measure F)”: and

WHEREAS, at an election held on November 5, 2006, more than two-thirds of the voters of the City approved a proposition ("Measure C") authorizing the issuance by the City of its general obligation bonds in the aggregate principal amount of $5,000,000, for the purpose of providing funds to ensure fire safety and emergency response capability; and

WHEREAS, pursuant to such authorization the City issued its City of Albany General Obligation Bonds, Election of 2006, Series 2007, on August 14, 2007 in the aggregate principal amount of $5,000,000 (the “2007 Bonds (Measure C)”; and
WHEREAS, pursuant to the Paying Agent Agreement for the 2003 Bonds (Measure F), dated as of June 1, 2003, between the City and BNY Western Trust Company, predecessor to The Bank of New York Trust Company, N.A. (the “Prior Bonds Paying Agent”), the City is authorized to redeem the 2003 Bonds (Measure F) in full on any date on or after August 1, 2012, at a redemption price equal to the par amount thereof, plus accrued interest to the redemption date, without premium; and

WHEREAS, pursuant to the Paying Agent Agreement for the 2007 Bonds (Measure F), dated as of August 1, 2007, between the City and the Prior Bonds Paying Agent, the City is authorized to redeem the 2007 Bonds (Measure F) in full on any date on or after August 1, 2017, at a redemption price equal to the par amount thereof, plus accrued interest to the redemption date, without premium; and

WHEREAS, pursuant to the Paying Agent Agreement for the 2007 Bonds (Measure C), dated as of August 1, 2007, between the City and the Prior Bonds Paying Agent, the City is authorized to redeem the 2007 Bonds (Measure C) in full on any date on or after August 1, 2017, at a redemption price equal to the par amount thereof, plus accrued interest to the redemption date, without premium; and

WHEREAS, collectively in this Resolution, the 2003 Bonds (Measure F), the 2007 Bonds (Measure F) and the 2007 Bonds (Measure C) are referred to as the "Prior Bonds"; and

WHEREAS, in order to realize debt service savings for the benefit of the taxpayers of the City, the City Council wishes at this time to authorize the issuance and sale of its City of Albany (County of Alameda, California) 2016 General Obligation Refunding Bonds (the "Refunding Bonds") for the purpose of refinancing the Prior Bonds; and
WHEREAS, the City Council wishes to authorize and direct staff, without further
authorization or approval by this City Council, to determine whether the Refunding
Bonds should be sold to an underwriter through a negotiated or competitive sale with
such determination to be based upon staff's conclusion, subject to compliance with the
parameters set forth in this Resolution; and

WHEREAS, the City Council is authorized to provide for the issuance and sale
of the Refunding Bonds under Articles 9 and 11 of Chapter 3 of Part 1 of Division 2 of
Title 5 of the California Government Code, commencing with Section 53550 of said
Code (the "Bond Law"); and

WHEREAS, the City Council of the City has duly considered such transactions
and wishes at this time to approve said transactions in the public interests of the City.

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

Section 1. Issuance of Refunding Bonds; Approval of Paying Agent Agreement.
The City Council hereby authorizes the issuance of the Refunding Bonds under the Bond
Law, in the maximum principal amount of $17,000,000, for the purpose of providing
funds to refund the Prior Bonds. The Refunding Bonds shall be issued under a Paying
Agent Agreement between the City and The Bank of New York Mellon Trust Company,
N.A., as paying agent, which is hereby approved in substantially the form on file with the
City Clerk together with any changes therein or additions thereto deemed advisable by the
City Manager or the Director of Finance and Administrative Services (each, an
"Authorized Officer"), and the execution thereof by an Authorized Officer shall be
conclusive evidence of the approval of such changes and additions. The City Council
hereby authorizes and directs an Authorized Officer to execute, and the City Clerk to
attest, said form of the Paying Agent Agreement for and in the name of the City. The
City Council hereby authorizes the delivery and performance of the Paying Agent Agreement.

Section 2. Refinancing of Prior Bonds. The City Council hereby authorizes and approves the refunding of the Prior Bonds from the proceeds of the Refunding Bonds. The refunding of the Prior Bonds shall be accomplished under an Escrow Agreement between the City and The Bank of New York Mellon Trust Company, N.A, as successor to the Prior Bonds Paying Agent, in substantially the form on file with the City Clerk together with any changes therein or additions thereto deemed advisable by an Authorized Officer, and the execution thereof by an Authorized Officer shall be conclusive evidence of the approval of such changes and additions. The City Council hereby authorizes and directs an Authorized Officer to execute the final form of the Escrow Agreement for and in the name of the City. The City Council hereby authorizes the delivery and performance of the Escrow Agreement.

Section 3. Sale of Refunding Bonds. The City Council hereby authorizes the sale of the Refunding Bonds by competitive public bidding or by a negotiated sale, as determined by a Authorized Officer, in accordance with the provisions of the Official Notice of Sale or Bond Purchase Agreement, as applicable, in substantially the form on file with the City Clerk, together with such additions thereto and changes therein as may be approved by an Authorized Officer. The terms and conditions of the offering and the competitive public sale of the Refunding Bonds shall be as specified in the Official Notice of Sale or the terms and conditions of the offering and the negotiated sale of the Refunding Bonds as specified in the Bond Purchase Agreement. A City Representative, on behalf of the City, is hereby authorized and directed to accept the best responsible bid for the purchase of the Refunding Bonds, determined in accordance with the Official Notice of Sale or Bond Purchase Agreement, as applicable, and if applicable, to execute and deliver the Bond Purchase Agreement for and in the name and on behalf of the City, in substantially the form on file with the City Clerk, with such changes therein, deletions therefrom and
additions thereto as the Authorized Officer shall approve, such approval to be
conclusively evidenced by the execution and delivery of the Bond Purchase Agreement.
Sale of the Refunding Bonds by competitive public bidding shall be awarded, or all bids
shall be rejected, not later than 24 hours after the expiration of the time prescribed for the
receipt of proposals unless such time of award is waived by the successful bidder.

Notwithstanding the foregoing, the Refunding Bonds shall not be sold unless the
principal amount of the Refunding Bonds does not exceed $17,000,000, the true interest
cost of the Refunding Bonds results in net present value savings of at least 5.0% of the
principal amount of the Prior Bonds, and in the case of a negotiated sale the underwriter’s
discount does not exceed 1.0% of the principal amount of the Refunding Bonds.

The City Council hereby authorizes and directs Bond Counsel to publish a notice of the
City’s intention to sell the Refunding Bonds, in the event of competitive public bidding,
in form and substance acceptable to Bond Counsel, in The Bond Buyer once at least 5
days prior to the date fixed for receipt of bids, in accordance with Section 53692 of the
California Government Code. The City Council further hereby authorizes and directs the
City Clerk to cause the publication of such notice in a newspaper of general circulation
circulated within the City once at least 10 days prior to the date fixed for receipt of bids,
in accordance with Sections 53569 and 53583 of the California Government Code.

Section 4. Official Statement. The City Council hereby approves and deems final within
the meaning of Rule 15c2-12 of the Securities Exchange Act of 1934, the preliminary
Official Statement describing the Refunding Bonds in the form on file with the City
Clerk, with such changes as may be approved by an Authorized Officer upon consultation
with Bond Counsel. Any Authorized Officer is hereby individually authorized, at the
request of the original purchaser of the Refunding Bonds, to execute an appropriate
certificate affirming the City's determination that the preliminary Official Statement has
been deemed final within the meaning of such Rule. Distribution of the preliminary
Official Statement by the financial advisor to prospective bidders on the Refunding
Bonds is hereby approved. Any Authorized Officer is hereby individually authorized and
directed to approve any changes in or additions to a final form of the Official Statement,
and the execution thereof by such Authorized Officer shall be conclusive evidence of
approval of any such changes and additions. The City Council hereby authorizes the
distribution of the final Official Statement by the original purchaser of the Refunding
Bonds. An Authorized Officer shall execute the final Official Statement in the name and
on behalf of the City.

Section 5. Official Actions. The Mayor, the City Manager, the Director of Finance and
Administrative Services, the City Clerk and any and all other officers of the City are
hereby authorized and directed, for and in the name and on behalf of the City, to do any
and all things and take any and all actions, including execution and delivery of any and all
assignments, certificates, requisitions, agreements, notices, consents, instruments of
conveyance, warrants and other documents, which they, or any of them, may deem
necessary or advisable in order to consummate the transactions described herein.
Whenever in this resolution any officer of the City is authorized to execute or countersign
any document or take any action, 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 if such officer is absent or unavailable.

Section 6. Effective Date. This Resolution shall take effect from and after the date of its
passage and adoption.

PASSED AND ADOPTED by the City Council of the City of Albany on this 6th day of
September, 2016, by the following votes:

AYES: Council Mbrs: Barnes, McQuaid, Nason, Pitch

Mayor Maass
NOES: none
ABSENT: none

ATTEST:

City Clerk

PETER MAASS, MAYOR
City of Albany

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PASSED AND APPROVED BY THE COUNCIL OF THE CITY OF ALBANY,
the 6th day of September, 2016, by the following votes:

AYES:  Council Members Barnes, McQuaid, Nason, Pilch and Mayor Maass
NOES: none
ABSENT: none
ABSTAINED: none
RECUSED: none

WITNESS MY HAND AND THE SEAL OF THE CITY OF ALBANY, this
7th day of September, 2016.

/Eileen Harrington/

Eileen Harrington
DEPUTY CITY CLERK

The City of Albany is dedicated to maintaining its small town ambiance, responding to the needs of a diverse community, and providing a safe, healthy and sustainable community.