

MOUNTAIN VIEW CAPITAL IMPROVEMENTS FINANCING AUTHORITY  
RESOLUTION NO. FA-\_\_  
SERIES 2018

A RESOLUTION OF THE BOARD OF DIRECTORS  
OF THE CITY OF MOUNTAIN VIEW CAPITAL IMPROVEMENTS  
FINANCING AUTHORITY APPROVING AN INSTALLMENT SALE AGREEMENT  
AND ASSIGNMENT AGREEMENT AND APPROVING  
FINAL FORM OF FINANCING DOCUMENTS AND  
OFFICIAL ACTIONS

BE IT RESOLVED by the City of Mountain View Capital Improvements Financing Authority (the "Financing Authority") that:

WHEREAS, the Financing Authority is a joint exercise of powers authority established pursuant to a Joint Exercise of Powers Agreement, dated February 25, 1992, by and between the City of Mountain View (the "City") and the Mountain View Shoreline Regional Park Community; and

WHEREAS, the Financing Authority was established to provide for the acquisition, construction, and improvement of public improvements of the City, among other things; and

WHEREAS, the City operates an enterprise system for the collection, transmission, treatment, and disposal of wastewater within the service area of the City (the "Wastewater System"); and

WHEREAS, the City owns and operates facilities and property for the collection and transmission of wastewater; and

WHEREAS, the City transmits its wastewater for treatment to a system of transmission, treatment, and disposal of wastewater (the "Joint System") owned and administered by the City of Palo Alto; and

WHEREAS, the Joint System is governed by an agreement entitled "Basic Agreement Between the City of Palo Alto, the City of Mountain View and the City of Los Altos for Acquisition, Construction and Maintenance of a Joint Sewer System," dated October 10, 1968 (the "Basic Agreement"), which Basic Agreement has been previously supplemented and amended (as the Basic Agreement has been supplemented or amended, the "Joint Agreement"):

(i) "Addendum No. 1 to Basic Agreement between the City of Palo Alto, the City of Mountain View and the City of Los Altos," dated December 5, 1977;

(ii) "Addendum No. 2 to Basic Agreement between the Cities of Palo Alto, Mountain View, and Los Altos for Acquisition, Construction and Maintenance of a Joint Sewer System," dated January 14, 1980;

(iii) "Addendum No. 3 to an Agreement by and between the Cities of Palo Alto, Mountain View and Los Altos for Acquisition, Construction and Maintenance of a Joint Sewer System," dated April 9, 1985;

(iv) "An Industrial Waste Control and Pretreatment Enforcement Agreement by and between the City of Palo Alto and the City of Mountain View, A Contributing Jurisdiction, Supplemental to the Basic Agreement dated October 10, 1968, as amended," dated October 31, 1989;

(v) "Addendum No. 4 to the Agreement by and between the Cities of Mountain View, Los Altos, and Palo Alto," dated May 30, 1991;

(vi) "Addendum No. 5 to Basic Agreement between the Cities of Palo Alto, Mountain View and Los Altos for Acquisition, Construction and Maintenance of a Joint Sewer System," dated July 31, 1992;

(vii) "Addendum No. 6 to Basic Agreement between the City of Palo Alto, the City of Mountain View and the City of Los Altos for Acquisition, Construction and Maintenance of a Joint Sewer System," dated March 16, 1998 (the "Sixth Addendum");

(viii) "Addendum No. Seven to the Basic Agreement between the City of Palo Alto, the City of Mountain View and the City of Los Altos for the Acquisition, Construction and Maintenance of a Joint Sewer System," dated April 15, 2009; and

(ix) Addendum No. Eight to the Basic Agreement between the City of Palo Alto, the City of Mountain View and the City of Los Altos for the Acquisition, Construction and Maintenance of a Joint Sewer System," dated October 17, 2016; and

WHEREAS, the City is entitled to use a portion of the capacity of the Joint System under the Joint Agreement; and

WHEREAS, the City wishes to finance the acquisition and installation of improvements to the Wastewater System (the "Project"); and

WHEREAS, to accomplish the financing for the Project, the City has requested the Financing Authority to enter into certain installment sale agreement financing documents; and

WHEREAS, the City's installment payment obligation under the installment sale agreement financing documents will be secured by a pledge of net revenues of the Wastewater System on a parity basis with the City's obligation under the Joint Agreement to pay its proportionate share of debt service on obligations incurred by the City of Palo Alto to finance the Joint System; and

WHEREAS, there has been presented to the Board of Directors for approval that certain Installment Sale Agreement by and between the City, as purchaser, and the Financing Authority, as seller (the "Installment Sale Agreement"), pursuant to which the City will make installment payments to the Financing Authority for the purchase price of the Project; and

WHEREAS, there also has been presented to the Board of Directors for approval that certain Assignment Agreement (the "Assignment Agreement") by and between the Financing Authority, as assignor, and Opus Bank (the "Assignee"), as assignee, pursuant to which the Financing Authority will assign to the Assignee substantially all of the Financing Authority's rights, title, and interest under the Installment Sale Agreement; and

WHEREAS, in connection therewith, it is in the public interest and for the common benefit and municipal purpose that the Board of Directors authorize and direct execution of the Installment Sale Agreement, the Assignment Agreement, and certain other financing documents in connection therewith; and

WHEREAS, the documents below specified have been filed with the Board of Directors, and the Board of Directors, with the aid of its staff, has reviewed said documents;

NOW, THEREFORE, IT IS ORDERED, as follows:

Section 1. Installment Sale Agreement. The Board of Directors hereby approves the Installment Sale Agreement relating to the financing of the Project, between the City and the Financing Authority, in the form thereof on file with the Secretary together with any changes therein or additions thereto deemed advisable by the Manager or the Treasurer (each, an "Authorized Officer"); provided that the execution thereof by an Authorized Officer shall be conclusive evidence of the approval of any such changes or additions. An Authorized Officer is hereby authorized and directed for and in the name and on behalf of the Financing Authority to execute, and the Secretary is hereby authorized and directed to attest, the final form of the Installment Sale Agreement.

Section 2. Assignment by Financing Authority. The Board of Directors hereby approves the assignment by the Financing Authority of its rights under the Installment Sale Agreement, including the right to receive the Installment Payments, to the Assignee. The Board of Directors hereby approves the Assignment Agreement in the form thereof on file with the Secretary together with any changes therein or additions thereto deemed advisable by an Authorized Officer; provided that the execution thereof by an Authorized Officer shall be conclusive evidence of the approval of any such changes or additions. An Authorized Officer is hereby authorized and directed for and in the name and on behalf of the Financing Authority to execute, and the Secretary is hereby authorized and directed to attest, the final form of the Assignment Agreement.

Section 3. Official Actions. The President, the Manager, the Treasurer, the Secretary and all other officers of the Financing Authority are each authorized and directed in the name and on behalf of the Financing Authority to make any and all assignments, certificates, requisitions, agreements, notices, consents, instruments of conveyance, warrants, and other documents, which they or any of them deem necessary or appropriate in order to consummate any of the transactions contemplated by the agreements and documents approved under this Resolution. Whenever in this Resolution any officer of the Financing Authority 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 in the case such officer is absent or unavailable.

Section 4. Effective Date. This Resolution shall take effect immediately upon its passage and adoption.

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