

Resolution No.

# STOCKTON PUBLIC FINANCING AUTHORITY

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**RESOLUTION AUTHORIZING THE ISSUANCE AND SALE OF STOCKTON PUBLIC FINANCING AUTHORITY WASTEWATER REVENUE REFUNDING BONDS (WASTEWATER REFUNDING PROJECT), DESIGNATED AS “SERIES 2024,” IN AN AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED \$32,000,000; APPROVING THE FORM OF AND AUTHORIZING THE EXECUTION AND DELIVERY OF AN INDENTURE, AN INSTALLMENT PURCHASE CONTRACT, A BOND PURCHASE CONTRACT AND AN OFFICIAL STATEMENT RELATING TO THE BONDS; AND APPROVING CERTAIN ACTIONS IN CONNECTION THEREWITH**

The City of Stockton (the “City”) and the former Redevelopment Agency of the City of Stockton entered into a Joint Exercise of Powers Agreement establishing the Stockton Public Financing Authority (the “Authority”), a California joint exercise of powers entity duly organized and existing under and pursuant to Chapter 5 of Division 7 of Title 1 of the Government Code of the State of California (commencing with section 6500), as amended, to provide financial assistance to the City; and

The City and the Authority previously entered into an Installment Purchase Contract, dated as of October 1, 2014 (the “2014 Installment Purchase Contract”), whereby the Authority agreed to sell certain improvements to the City’s wastewater system (the “Prior Projects”) to the City and the City agreed to purchase such improvements from the Authority; and

In connection with the 2014 Installment Purchase Contract, the Authority entered into an Indenture, dated as of October 1, 2014, by and between Computershare Trust Company, N.A. as successor to Wells Fargo Bank, National Association, as successor trustee, and the Authority and, in connection therewith, the Authority issued its Wastewater Revenue Refunding Bonds, Series 2014 (1998 Wastewater Project and 2003 Wastewater Project) in the aggregate principal amount of \$69,440,000 (the “2014 Bonds”) in October of 2014; and

The City now desires to refinance the Prior Projects by refunding the obligations of the City under the 2014 Installment Purchase Contract, and the Authority has determined to assist the City in the foregoing by prepaying all of the outstanding 2014 Bonds; and

To provide funds for the refinancing of the Prior Projects, the Authority desires to issue bonds tentatively designated as its Wastewater Revenue Refunding Bonds, Series 2024 (Wastewater Refunding Project) (the “2024 Bonds”); and

The Authority and the City desire to authorize the 2024 Bonds or any portion thereof to be sold in a public offering; and

The Authority and the City desire that the 2024 Bonds may be sold and issued in such series or subseries as may be necessary or desirable to effectuate the foregoing; and

In order to provide for the authentication and delivery of the 2024 Bonds, to establish and declare the terms and conditions upon which the 2024 Bonds are to be issued and secured and to secure the repayment thereof, it is proposed that the Authority and U.S. Bank Trust Company, National Association, as trustee (the "Trustee") enter into an Indenture (the "Indenture"); and

In order to implement the foregoing, the City and the Authority propose to enter into an Installment Purchase Contract (the "Installment Purchase Contract"); and

Under the Installment Purchase Contract, the City will be obligated to make installment payments to the Authority for the refinancing of the Prior Projects; and

Pursuant to section 5852.1 of the Government Code of the State of California, the Authority has received certain representations and good faith estimates from Hilltop Securities, LLC, an underwriter of the 2024 Bonds, including an estimate of costs associated with the issuance of the Bonds and the Authority has disclosed such good faith estimates as set forth on Exhibit 1 attached hereto; now, therefore,

BE IT RESOLVED BY THE STOCKTON PUBLIC FINANCING AUTHORITY, AS FOLLOWS:

Section 1. The method of refinancing the Prior Projects through the issuance by the Authority of the 2024 Bonds in the aggregate principal amount of not to exceed \$32,000,000, is hereby approved.

Section 2. The issuance of the 2024 Bonds in the aggregate principal amount of not to exceed \$32,000,000 on the terms and conditions set forth in and subject to the limitations specified in the Indenture, is hereby authorized and approved. The 2024 Bonds are authorized to be executed for and in the name and on behalf of the Authority by the manual or facsimile signature of the Chair or Executive Director of the Authority and attested to by the manual or facsimile signature of the Secretary of the Authority. The 2024 Bonds, when so executed and attested, are authorized to be delivered to the Trustee for authentication. The 2024 Bonds may be sold and issued in such series or subseries as may be necessary or desirable to effectuate the purposes of this resolution.

Section 3. The form of the Indenture (attached as Exhibit 2), a copy of which is on file in the office of the Secretary of the Authority or his or her designee (the "Secretary") and submitted to this meeting, is hereby approved. The Chair, the Executive Director, any Deputy City Manager of the City on behalf of the Executive Director, and the Treasurer and the designees of any of them (each, an "Authorized Officer"), each acting

alone, are hereby authorized and directed, for and in the name of and on behalf of the Authority, to execute the Indenture, and the Secretary is authorized to attest thereto, with such additions and changes therein as the Authorized Officer executing the same shall approve, with the advice of counsel, as being in the best interests of the Authority, such approval to be conclusively evidenced by the execution and delivery thereof.

Section 4. The form of the Installment Purchase Contract (attached as Exhibit 3), a copy of which is on file in the office of the Secretary and submitted to this meeting, is hereby approved. The Authorized Officers, each acting alone, are hereby authorized and directed, for and in the name of and on behalf of the Authority, to execute the Installment Purchase Contract, and the Secretary is authorized to attest thereto, with such additions and changes therein as the Authorized Officer executing the same shall approve, with the advice of counsel, as being in the best interests of the Authority, such approval to be conclusively evidenced by the execution and delivery thereof; provided, that the installment payments to be contained in the Installment Purchase Contract shall be determined or approved by the Treasurer of the Authority or the designee thereof (the "Treasurer") upon the sale of the 2024 Bonds, but the principal portions thereof shall not exceed \$32,000,000 in aggregate principal amount and the final installment payments shall be due not later than September 1, 2029.

Section 5. The form of a Bond Purchase Contract (attached as Exhibit 4) relating to the sale of the 2024 Bonds (the "Bond Purchase Contract"), among Hilltop Securities Inc., on behalf of itself and as representative (the "Representative") of Oppenheimer & Co. Inc. of the underwriters of the 2024 Bonds (the "Underwriters"), the Authority and the City, a copy of which is on file in the office of the Secretary and submitted to this meeting, is hereby approved. The Authorized Officers, each acting alone, are hereby authorized and directed, for and in the name and on behalf of the Authority, to execute and deliver the Bond Purchase Contract, and the Secretary is authorized to attest thereto, with such additions and changes therein as the Authorized Officer executing the same shall approve, with the advice of counsel, as being in the best interests of the Authority, such approval to be conclusively evidenced by the execution and delivery thereof; provided, that the debt service savings achieved from the refunding of the 2014 Bonds shall be at least \$150,000 per year.

Section 6. The form of a preliminary official statement (attached as Exhibit 5) relating to the 2024 Bonds (the "Preliminary Official Statement"), a copy of which is on file in the office of the Secretary and submitted to this meeting, is hereby approved, with such additions and changes as may be approved, with the advice of counsel, by any Authorized Officer. The Authorized Officers, each acting alone, are hereby authorized on behalf of the Authority to the Underwriters of the 2024 Bonds that the Preliminary Official Statement is deemed "final" (as it relates to the Authority) for the purposes of Rule 15c2-12 promulgated under the Securities Exchange Act of 1934 (the "Rule") (except for the omission of certain final pricing, rating and related information as permitted by the Rule). The Authorized Officers, each acting alone, are hereby authorized and directed to execute and deliver to the Authority and, the Underwriters a final Official Statement (the "Official Statement") in substantially the form of the Preliminary Official Statement, with such additions and changes as the Authorized Officer executing the same shall approve,



Section 10. This Resolution shall take effect immediately upon its adoption.

Section 11. The City Manager is hereby authorized to take whatever actions are necessary and appropriate to carry out the intent of this Resolution.

PASSED, APPROVED AND ADOPTED July 9, 2024.

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KEVIN J LINCOLN II, Chairman  
Stockton Public Financing Authority

ATTEST:

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KATHERINE ROLAND, CMC, CPMC  
Interim Secretary Stockton Public Financing Authority