

CITY OF LOS ANGELES

CALIFORNIA



ANTONIO R. VILLARAIGOSA
MAYOR

JUNE LAGMAY
City Clerk

HOLLY L. WOLCOTT
Executive Officer

When making inquiries relative to
this matter, please refer to the
Council File No.

Office of the
CITY CLERK

Council and Public Services
Room 395, City Hall
Los Angeles, CA 90012
General Information - (213) 978-1133
Fax: (213) 978-1040

SHANNON HOPPES
Council and Public Services
Division

www.cityclerk.lacity.org

May 7, 2013

To All Interested Parties:

The City Council adopted the action(s), as attached, under Council File No. 12-1861,
at its meeting held May 7, 2013.



City Clerk
srb

Mayor's Time Stamp
OFFICE OF THE MAYOR
RECEIVED
2013 MAY -7 PM 12:31
CITY OF LOS ANGELES

City Clerk's Time Stamp
CITY CLERK'S OFFICE
2013 MAY -7 PM 12:24
CITY CLERK
BY _____
DEPUTY

FORTHWITH

SUBJECT TO THE MAYOR'S APPROVAL

COUNCIL FILE NO. 12-1861

COUNCIL DISTRICT _____

COUNCIL APPROVAL DATE MAY 7, 2013

RE: AMENDED AND RESTATED FIFTEENTH SUPPLEMENTAL RESOLUTION AND AMENDED AND RESTATED OFFERING MEMORANDUM FOR THE LOS ANGELES WASTEWATER SYSTEM COMMERCIAL PAPER PROGRAM CREDIT FACILITIES

LAST DAY FOR MAYOR TO ACT MAY 17 2013
(10 Day Charter requirement as per Charter Section 341)

DO NOT WRITE BELOW THIS LINE - FOR MAYOR USE ONLY

APPROVED

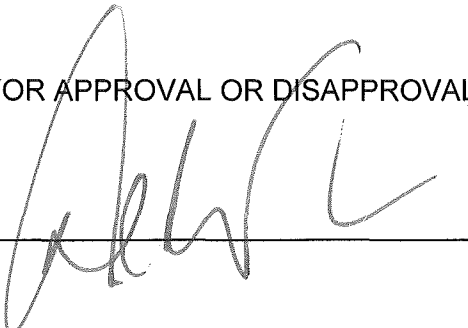
✓

*DISAPPROVED

*Transmit objections in writing pursuant to Charter Section 341

DATE OF MAYOR APPROVAL OR DISAPPROVAL MAY 07 2013

MAYOR



RECEIVED
CITY CLERK'S OFFICE
2013 MAY -7 PM 1:59
BY _____
CITY CLERK
DEPUTY

29

COMMUNICATION

File No. 12-1861

TO: THE COUNCIL OF THE CITY OF LOS ANGELES
FROM: COUNCILMEMBER JOSE HUIZAR, CHAIR
ENERGY AND ENVIRONMENT COMMITTEE

COMMUNICATION FROM CHAIR, ENERGY AND ENVIRONMENT COMMITTEE, and RESOLUTION relative to the amended and restated Fifteenth Supplemental Resolution and amended and restated Offering Memorandum for the Los Angeles Wastewater System Commercial Paper Program Credit facilities.

Recommendations for Council action, SUBJECT TO THE APPROVAL OF THE MAYOR:

1. ADOPT the accompanying Amended and Restated Fifteenth Supplemental RESOLUTION and Amended and Restated Offering Memorandum.
2. AUTHORIZE the City Administrative Officer (CAO) to execute the Letter Agreement with Bank of New York Mellon, Sumitomo Mitsui Banking Corporation, Samuel A. Ramirez and Co., Wells Fargo Bank, N.A., and Public Resources Advisory Group.
3. AUTHORIZE the CAO to make technical adjustments as necessary to implement the intent of the Mayor and Council actions.

Fiscal Impact Statement: The CAO reports that approval of the proposed recommendations will have no impact to the City's General Fund.

Debt Impact Statement: The CAO reports that there is no debt impact to the City's General Fund from the approval of the recommendations in this report.

Community Impact Statement: None Submitted.

Summary:

On May 1, 2013, the Chair of the Energy and Environment Committee considered an April 11, 2013 CAO report relative to a revised resolution and related documents for the Los Angeles Wastewater System Commercial Paper Program Credit facilities.

After consideration and having provided an opportunity for public comment, the Committee Chair moved to recommend approval of the recommendation as contained in the April 11, 2013 CAO report and detailed above. This matter is now submitted to Council for its consideration.

Respectfully submitted,



COUNCILMEMBER JOSE HUIZAR, CHAIR
ENERGY AND ENVIRONMENT COMMITTEE

<u>MEMBER</u>	<u>VOTE</u>
HUIZAR:	YES
ZINE:	ABSENT
ALARCÓN:	ABSENT
KORETZ:	ABSENT
LABONGE	ABSENT

EV
12-1861_rpt_ee_5-1-13.doc

ADOPTED
MAY 07 2013
LOS ANGELES CITY COUNCIL
TO THE MAYOR FORTHWITH

Not Official Until Council Acts

ATTACHMENT A

AMENDED AND RESTATED FIFTEENTH SUPPLEMENTAL RESOLUTION

THE COUNCIL OF THE CITY OF LOS ANGELES

AMENDED AND RESTATED FIFTEENTH SUPPLEMENTAL RESOLUTION
Adopted by the Council of the City

SUPPLEMENTING AND AMENDING
THE WASTEWATER SYSTEM SUBORDINATE REVENUE BONDS
GENERAL RESOLUTION
and certain
SUPPLEMENTAL RESOLUTIONS thereto
Previously Adopted by the Council of the City

\$400,000,000
Maximum Aggregate Authorized Amount
City of Los Angeles
Wastewater System
Commercial Paper Revenue Notes

**AMENDED AND RESTATED
FIFTEENTH SUPPLEMENTAL RESOLUTION**

RELATED TO THE

\$400,000,000

**Maximum Aggregate Authorized Amount
City of Los Angeles
Wastewater System
Commercial Paper Revenue Notes**

WHEREAS, the Council (the "Council") of the City of Los Angeles (the "City") by resolutions submitted to the voters of the City and such voters have authorized the issuance of an aggregate amount of \$3,500,000,000 of indebtedness pursuant to the procedures set forth in the Revenue Bond Law of 1941, Government Code Sections 54300 *et seq.*, to finance a portion of a major wastewater system improvement program; and

WHEREAS, the Council determined that it was appropriate and beneficial to the City to issue a portion of the authorized indebtedness in the form of Subordinate Bonds (defined below), including commercial paper notes, and in connection therewith on March 26, 1991, the Council adopted a resolution entitled the "WASTEWATER SYSTEM SUBORDINATE REVENUE BONDS GENERAL RESOLUTION" (the "Subordinate General Resolution") which sets forth the basic terms under which the City may issue Subordinate Bonds (as defined in The Subordinate General Resolution); and

WHEREAS, on March 26, 1991, the Council also adopted a resolution designated as the "FIRST SUPPLEMENTAL RESOLUTION SUPPLEMENTING THE WASTEWATER SYSTEM SUBORDINATE REVENUE BONDS GENERAL RESOLUTION" (the "First Supplemental Resolution") to, among other actions, authorize the issuance of such Subordinate Bonds in the form of commercial paper notes which were designated therein as the "Commercial Paper Notes" (the "Commercial Paper Notes") in the maximum aggregate principal amount outstanding from time to time of \$130,000,000; and

WHEREAS, on August 13, 1996, the Council adopted a resolution entitled "SECOND SUPPLEMENTAL RESOLUTION SUPPLEMENTING AND AMENDING THE WASTEWATER SYSTEM SUBORDINATE REVENUE BONDS GENERAL RESOLUTION AND THE FIRST SUPPLEMENTAL RESOLUTION" (the "Second Supplemental Resolution") pursuant to which the Council, among other actions, increased the maximum authorized aggregate principal amount of Commercial Paper Notes to \$200,000,000; and

WHEREAS, on September 3, 1997, the Council adopted a resolution entitled "THIRD SUPPLEMENTAL RESOLUTION SUPPLEMENTING AND AMENDING THE WASTEWATER SYSTEM SUBORDINATE REVENUE BONDS GENERAL RESOLUTION AND THE FIRST SUPPLEMENTAL RESOLUTION AND THE WASTEWATER SYSTEM SECOND SUPPLEMENTAL RESOLUTION" (the "Third Supplemental Resolution") to,

among other actions, increase the maximum authorized amount of such Commercial Paper Notes from \$200,000,000 to \$400,000,000; and

WHEREAS, on August 15, 2000, the Council adopted a resolution entitled “FOURTH SUPPLEMENTAL RESOLUTION SUPPLEMENTING AND AMENDING THE WASTEWATER SYSTEM SUBORDINATE REVENUE BONDS GENERAL RESOLUTION AND CERTAIN SUPPLEMENTAL RESOLUTIONS THERETO” (the “Fourth Supplemental Resolution”) to, among other actions, substitute a letter of credit with a line of credit as the source of liquidity for the Commercial Paper Notes and to make certain other modifications to the then existing Supplemental Resolutions which added to the covenants and agreements of the City in such Supplemental Resolutions and which do not adversely affect the interests of the Bondholders; and

WHEREAS, on January 21, 2003, the Council adopted a resolution entitled “SIXTH SUPPLEMENTAL RESOLUTION SUPPLEMENTING AND AMENDING THE WASTEWATER SUBORDINATE REVENUE BONDS GENERAL RESOLUTION AND CERTAIN SUPPLEMENTAL RESOLUTIONS THERETO” (the “Sixth Supplemental Resolution”) to substitute a new line of credit agreement (the “2003 Credit Agreement”) for the credit agreement then in place with respect to the Commercial Paper Notes; and

WHEREAS, on June 25, 2010, the Council adopted a resolution entitled “ELEVENTH SUPPLEMENTAL RESOLUTION SUPPLEMENTING AND AMENDING THE WASTEWATER SYSTEM SUBORDINATE REVENUE BONDS GENERAL RESOLUTION AND CERTAIN SUPPLEMENTAL RESOLUTIONS THERETO” (the “Eleventh Supplemental Resolution” and together with the First Supplemental Resolution, the Second Supplemental Resolution, the Third Supplemental Resolution, the Fourth Supplemental Resolution, the Fifth Supplemental Resolution and the Sixth Supplemental Resolution, the “Previous CP Supplemental Resolutions”) to (i) substitute a new Line of Credit Agreement, dated as of June 1, 2010 (the “2010 Credit Agreement” and, as amended by Amendment No. 1 (defined below) and Amendment No. 2 (defined below), the “Prior Credit Agreement”), by and among the City, State Street Bank and Trust Company (“State Street”), California State Teachers’ Retirement System (“CalSTRS”), and Wells Fargo Bank, National Association (“Wells” and collectively with State Street and CalSTRS, the “2010 Banks”) for the 2003 Credit Agreement; (ii) reappoint Morgan Stanley & Co., Incorporated and Barclays Capital, Inc. (collectively, the “2010 Dealers”) as dealers for the Commercial Paper Notes; (iii) approve a form of Offering Memorandum for the Commercial Paper Notes; and (iv) approve the terms and form of an Amended and Restated Issuing and Paying Agent Agreement, dated as of June 1, 2010 (the “2010 Paying Agent Agreement”) with U.S. Bank National Association, as issuing and paying agent (the “Issuing and Paying Agent”), for the Commercial Paper Notes; and

WHEREAS, pursuant to an Amendment No. 1 to Line of Credit Agreement, dated as of June 1, 2012 (“Amendment No. 1”), by and among the City and the 2010 Banks, the parties to the 2010 Credit Agreement amended the 2010 Credit Agreement to eliminate CalSTRS as a party thereto, to terminate CalSTRS’ Available Commitment thereunder and to make other conforming amendments; and

WHEREAS, pursuant to Amendment No. 2 to Line of Credit Agreement, dated as of September 1, 2012 (“Amendment No. 2”), by and among the City, Wells and State Street, the parties amended Schedule I to the 2010 Credit Agreement to add Wells Fargo Bank, National Association (“Wells Fargo Securities”) and Samuel A. Ramirez & Co., Inc. (“Ramirez”) to the schedule of dealers; and

WHEREAS, pursuant to two separate dealer agreements, each dated as of September 1, 2012, the City has appointed each of Wells Fargo Securities and Ramirez as a non-exclusive dealer to replace the 2010 Dealers in connection with the offering and sale of the Commercial Paper Notes; and

WHEREAS, effective June 12, 2012, pursuant to Section 2.7 of the Prior Credit Agreement, State Street and Wells each extended the Commitment Expiration Date (as defined in the Prior Credit Agreement) with respect to their respective commitments under the Prior Credit Agreement, to December 28, 2012; and

WHEREAS, on December 11, 2012, the Council adopted a resolution entitled, “FIFTEENTH SUPPLEMENTAL RESOLUTION SUPPLEMENTING AND AMENDING THE WASTEWATER SYSTEM SUBORDINATE REVENUE BONDS GENERAL RESOLUTION AND CERTAIN SUPPLEMENTAL RESOLUTIONS THERETO PREVIOUSLY ADOPTED BY THE COUNCIL OF THE CITY” (the “Original Fifteenth Supplemental Resolution”) to (i) authorize the replacement of the Prior Credit Agreement and (a) authorize the execution and delivery of the Reimbursement Agreement, dated as of December 1, 2012, by and between the City and The Bank of New York Mellon, a New York state banking corporation (“BNYM”) and the related Fee Letter, dated December 18, 2012, by and between the City and BNYM, pursuant to which BNYM issued its irrevocable transferable direct pay letter of credit, dated December 18, 2012, and (b) authorize the execution and delivery of the Reimbursement Agreement, dated as of December 1, 2012, by and between the City and Sumitomo Mitsui Banking Corporation acting through its New York Branch (“Sumitomo”) and the related Fee Letter, dated December 18, 2012 by and between the City and Sumitomo, pursuant to which Sumitomo issued its irrevocable transferable direct pay letter of credit, dated December 18, 2012, (ii) authorize the execution and delivery of the Dealer Agreements with the Dealers; (iii) authorize the execution and delivery of the Amended and Restated Paying Agent Agreement, and (iv) give to any Authorized City Representative the discretion and approval to appoint successor or replacement dealers from the City’s approved underwriting pool if it is determined to be in the best interest of the City; and

WHEREAS, the City now desires to amend and restate the Original Fifteenth Supplemental Resolution in its entirety with this Amended and Restated Fifteenth Supplemental Resolution in order to make technical clarifications requested by the rating agencies, which were inadvertently omitted from the Original Fifteenth Supplemental Resolution; and

WHEREAS, Section 11.02 of the Subordinate General Resolution permits the City by supplemental resolution to amend and supplement the Subordinate General Resolution and any Supplemental Resolution thereto provided that certain conditions set forth in Section 11.02 of the Subordinate General Resolution have been met, and the City has been advised by bond counsel

that the proposed terms of this Amended and Restated Fifteenth Supplemental Resolution do not adversely affect the interests of the Bondholders and all such conditions have been met;

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

**ARTICLE I
SUPPLEMENT AND AMENDMENT TO DEFINITIONS CONTAINED
IN THE PREVIOUS CP SUPPLEMENTAL RESOLUTIONS**

The Previous CP Supplemental Resolutions are hereby amended to supplement and modify the definitions of the terms contained in the Previous CP Supplemental Resolutions, and the Original Fifteenth Supplemental Resolution is hereby amended and restated, replaced in its entirety and superceded by this Amended and Restated Fifteenth Supplemental Resolution. All capitalized terms in this Amended and Restated Fifteenth Supplemental Resolution that are not otherwise designated or defined below or in the preambles above shall have the meanings ascribed to them in the Subordinate General Resolution, the Original Fifteenth Supplemental Resolution and the Previous CP Supplemental Resolutions, the provisions of which, except as otherwise provided herein, are hereby ratified and confirmed or in the respective Credit Agreement (as defined below), as appropriate.

“Amended and Restated Issuing and Paying Agent Agreement” means that certain amended and restated issuing and paying agent agreement as authorized for execution pursuant to Section 4.03 hereof, and as subsequently amended and supplemented, including as amended and supplemented by the Letter Agreement.

“Authorized City Representative means any of the Mayor, the City Treasurer, the City Clerk, and the City Administrative Officer or any Assistant City Administrative Officer.

“Bank” means, individually, each of The Bank of New York Mellon and Sumitomo Mitsui Banking Corporation, acting through its New York Branch, or their respective successors and assigns, and “Banks” means, collectively, The Bank of New York Mellon and Sumitomo Mitsui Banking Corporation, acting through its New York Branch, or their respective successors and assigns, as Banks under the respective Credit Agreement.

“Bank Notes” shall have the meaning ascribed to such term in the respective Credit Agreement, and as subsequently amended and supplemented, including as amended and supplemented by the Letter Agreement.

“Credit Agreement” means, individually and collectively, as applicable, those certain Reimbursement Agreements, each dated as of December 1, 2012, by and between the City and the respective Bank, as authorized for execution pursuant to Section 3.01 hereof and any and all modifications, amendments and supplements thereto, including as amended and supplemented by the Letter Agreement.

“Credit Facility” means, individually and collectively, as applicable, those certain irrevocable transferable direct pay letters of credit issued by the respective Bank, and any and all modifications, amendments and supplements thereto, including the Letter Agreement.

“Dealer” means any of Wells Fargo Bank, National Association and Samuel A. Ramirez & Co., Inc. or any subsequent successor or assign to any one or more of such entities as permitted under the respective Dealer Agreements, or any other dealer for all or part of the Commercial Paper Notes which is appointed by the City and has entered into a Dealer Agreement.

“Dealer Agreement” means, with respect to each Dealer, the Dealer Agreement dated as of December 1, 2012, by and between the City and any such Dealer, and any and all modifications, amendments and supplements thereto, including the Letter Agreement, or any other Dealer Agreement entered into by the City and a Dealer with respect to the Commercial Paper Notes.

“Fee Letter” means, individually and collectively, as applicable, those certain Fee Letters, each dated as of December 18, 2012, by and between the City and the respective Bank, as authorized for execution pursuant to Section 3.01 hereof and any and all modifications, amendments and supplements thereto.

“Letter Agreement” means that certain Letter Agreement, dated May 1, 2013, by and among the City, Sumitomo, BNYM, Wells Fargo Securities, Ramirez, U.S. Bank National Association, and Public Resources Advisory Group.

“Related Bank” means the Bank whose Credit Facility is to support the payment of specific Series or subseries of Commercial Paper Notes.

“Reimbursement Obligations” shall have the meaning set forth in the respective Credit Agreement.

“Series” means any series of Commercial Paper Notes.

ARTICLE II AUTHORIZATION AND SECURITY

The Commercial Paper Notes, the Reimbursement Obligations and City’s obligations to pay the Bank Notes together with interest thereon under the respective Credit Agreement are hereby designated as “Subordinate Bonds” issued under the terms of the Subordinate General Resolution and are secured by and entitled to the security and the rights granted by the Subordinate General Resolution. The Commercial Paper Notes will be issued in two Series, each Series in the maximum principal amount as set forth in the Amended and Restated Issuing and Paying Agent Agreement, and a particular Series may be issued bearing interest at tax-exempt and/or taxable rates. The Commercial Paper Notes of each Series may be further designated by subseries as directed by the City.

The City’s obligation to pay principal of and interest on the Commercial Paper Notes, to pay the Reimbursement Obligations and to pay each Bank Note and to pay interest thereon in accordance with the terms of the respective Credit Agreement (collectively, the “Second Lien Obligations”) shall be and are special obligations of the City and the City shall be obligated to pay the Second Lien Obligations solely from the Revenues and from amounts in the SCM Fund, the CP Debt Service Fund and the CP Construction Funds into which the Revenues and

proceeds of the Commercial Paper Notes are deposited; provided that the payment of the Second Lien Obligations from the Revenues and from amounts in the SCM Fund shall be subordinate to the payment of the Senior Lien Bonds, and shall be on a parity with the City's obligations with respect to any Subordinate Bonds that are outstanding from time to time. THE GENERAL FUND OF THE CITY IS NOT LIABLE FOR THE PAYMENT OF THE PRINCIPAL OF, INTEREST ON OR PREMIUM, IF ANY, ON THE SECOND LIEN OBLIGATIONS. NEITHER THE FULL FAITH AND CREDIT NOR THE TAXING POWER OF THE CITY IS PLEDGED TO PAY THE SECOND LIEN OBLIGATIONS.

In addition to the lien granted to secure Subordinate Bonds under the Subordinate General Resolution (and referred to in Section 3.02 hereof), to secure the payment of the Second Lien Obligations, the City hereby pledges to the Holders of the Commercial Paper Notes and to the Banks, and places a first lien upon and assigns to the Holders of the Commercial Paper Notes and to the Banks, the proceeds of the issue of subsequent Commercial Paper Notes, the proceeds of drawings under the related Credit Facility, and all moneys and securities held in the CP Debt Service Fund and the CP Construction Funds. All amounts in the CP Debt Service Fund which have become due and payable but have not been presented for payment shall be held in trust solely as security for such specific Second Lien Obligations and shall be used to pay only such Second Lien Obligations and shall not be pledged as security for or be available to pay other obligations.

ARTICLE III
AUTHORIZATION OF CREDIT FACILITY AND CREDIT AGREEMENT AND
OBLIGATIONS UNDER THE CREDIT AGREEMENT

Section 3.01. Authorization of Credit Facility and Credit Agreement. The Council hereby determines that the marketability of the Commercial Paper Notes will be enhanced if the City provides assurance to the purchasers of the Commercial Paper Notes that the City has ready access to sufficient funds to pay maturing Commercial Paper Notes by providing credit support for the Commercial Paper Notes. The Council hereby determines that the payment, interest rate, currency, security, default, remedy and other terms and conditions of two separate reimbursement agreements and the repayment of Reimbursement Obligations and any Bank Notes and interest thereon shall be as set forth in this Amended and Restated Fifteenth Supplemental Resolution and in the respective Credit Agreement, the respective Credit Facility and the respective Bank Notes. The Council hereby approves the terms of each Credit Agreement, each Fee Letter, each Credit Facility and the Bank Notes, forms of which are on file with the City Clerk, and the Council hereby authorizes any one or more of the Authorized City Representatives to execute and deliver the respective Credit Agreement, the respective Fee Letter and the respective Bank Notes in substantially such forms, but with such modifications and changes therein as the Authorized City Representatives executing such documents shall approve, and to incur the obligations represented thereby and authorizes the incurrence of the obligations therein and approves the form of each Credit Facility. The execution and delivery of the respective Credit Agreement and the respective Fee Letter by an Authorized City Representative shall be conclusive proof of the approval of any modifications and changes therein by the Authorized City Representative executing such document and by this Council.

Section 3.02. Obligations Under the Credit Agreement. The City's obligations to repay Reimbursement Obligations and the Bank Notes and to pay interest thereon as set forth in the respective Credit Agreement are issued under, secured by and subject to the terms of the Subordinate General Resolution and are secured on a basis subordinate to the Senior Lien Bonds and on a parity with all Outstanding Subordinate Bonds, as provided in the Subordinate General Resolution. The City's obligations to pay the Reimbursement Obligations and the Bank Notes and to pay interest thereon as set forth in the respective Credit Agreement are special obligations of the City payable only from the Revenues, the SCM Fund, the CP Debt Service Fund, the CP Construction Funds and the proceeds of the Commercial Paper Notes and not from the general fund of the City and the City is not obligated to repay Advances or any Bank Notes nor the interest thereon from any other source. The Second Lien Obligations shall be paid as and when due from the SCM Fund for purposes of, subject to and in accordance with Section 5.03 and Section 6.06 of the Subordinate General Resolution, and from the other funds and accounts described above. The City shall create and maintain or cause the Issuing and Paying Agent to create and maintain funds and accounts for the purpose of making payments on the Second Lien Obligations as and when due under the respective Credit Agreements; the Revenues and other funds shall be deposited in and used and withdrawn from such funds and accounts as set forth in this Amended and Restated Fifteenth Supplemental Resolution, the Amended and Restated Issuing and Paying Agent Agreement and in the respective Credit Agreements with respect to such payments on Second Lien Obligations.

Section 3.03. Drawings. The Issuing and Paying Agent is hereby authorized and directed on each day any Commercial Paper Note of any Series and subseries matures to deliver to the Related Bank no later than 10:00 a.m. New York City time a drawing certificate (as provided in the related Credit Facility) and accompanying documentation and to take such action as necessary to comply with the terms of the related Credit Facility, if required, and to demand payment be made under such Credit Facility on such maturity date at such time and in such amount not in excess of the Stated Amount so as to be timely and sufficient to pay the entire amount of principal and interest becoming due on all Commercial Paper Notes on such date; provided that, in each case any certificates of the Issuing and Paying Agent shall be signed by one who states therein that such person is a duly authorized officer of the Issuing and Paying Agent.

**ARTICLE IV
DEALERS; OFFERING MEMORANDUM;
PAYING AGENT AGREEMENT; LETTER AGREEMENT**

Section 4.01. Dealers. The City hereby reappoints, as Dealers, Wells Fargo Bank, National Association and Samuel A. Ramirez & Co., Inc., and the City will enter into a Dealer Agreement with each of the Dealers.

The Council hereby authorizes any one or more of the Authorized City Representatives to execute and deliver the Dealer Agreements in substantially the form presented to this session of the Council with such modifications thereto as the Authorized Representative executing such Dealer Agreement shall approve. The execution and delivery of such Dealer Agreements by an Authorized City Representative shall be conclusive proof of the approval of any modifications therein by the Authorized City Representative executing such document and by this Council.

The Council hereby authorizes any one or more of the Authorized City Representatives the discretion and approval to take all action required and otherwise necessary to replace one or more of the Dealers with any dealer from the City's approved underwriting pool if it is determined to be in the best interest of the City.

Section 4.02. Offering Memorandum. There has been presented to this session of the Council a form of Offering Memorandum describing the Commercial Paper Notes and providing certain information concerning the City and the SCM Fund. The Council hereby authorizes the distribution of such Offering Memorandum in connection with the offer and sale of the Commercial Paper Notes, with such modifications and changes therein as the Authorized City Representatives shall approve. The execution and delivery of the Offering Memorandum by an Authorized City Representative shall be conclusive proof of the approval of any modifications and changes therein by the Authorized City Representative executing such document.

Section 4.03. Amended and Restated Issuing and Paying Agent Agreement. The Council hereby reappoints U.S. Bank National Association as issuing and paying agent for the Commercial Paper Notes and authorizes any one or more of the Authorized City Representatives to enter into an amended and restated issuing and paying agent agreement with the Issuing and Paying Agent to provide for the drawing and payment arrangements contemplated by the Credit Facility. The Council hereby approves the terms of the Amended and Restated Issuing and Paying Agent Agreement, a form of which was presented to the session of Council when the Council approved the Original Fifteenth Supplemental Resolution, as modified by the Letter Agreement, and hereby authorizes any one or more of the Authorized City Representatives to execute and deliver the Amended and Restated Issuing and Paying Agent Agreement in the form presented to this Council, but with such modifications and changes therein as the Authorized City Representatives executing such document shall approve. The execution and delivery of the Amended and Restated Issuing and Paying Agent Agreement by an Authorized City Representative shall be conclusive proof of the approval of any modifications and changes therein by the Authorized City Representative executing such document by this Council.

Section 4.04. Letter Agreement. The Council hereby approves the terms of the Letter Agreement, a form of which has been presented to this session of the Council, and hereby authorizes any one or more of the Authorized City Representatives to execute and deliver the Letter Agreement in the form presented to this Council, but with such modifications and changes therein as the Authorized City Representatives executing such document shall approve. The execution and delivery of the Letter Agreement by an Authorized City Representative shall be conclusive proof of the approval of any modifications and changes therein by the Authorized City Representative executing such document by this Council.

**ARTICLE V
NOTICES AND OTHER ACTIONS REGARDING
SUBSTITUTION OF CREDIT FACILITY**

The Council hereby ratifies all action taken by the Authorized City Representatives under the Original Fifteenth Supplemental Resolution, including the substitution of the Banks for the 2010 Banks and the replacement of the Prior Credit Agreement with each Credit Facility issued pursuant to the respective Credit Agreement and the entry into all documents relating thereto,

including the Credit Agreements and the Fee Letters with each respective Bank, and the Council hereby ratifies and confirms any such actions taken by the Authorized City Representatives prior to adoption of the Original Fifteenth Supplemental Resolution, including but not limited to, causing notice of the substitution and replacement to have been provided to the Dealers, the Issuing and Paying Agent and the Holders of the Commercial Paper Notes.

ARTICLE VI NON-PARITY OBLIGATIONS

Section 6.01. Priority of Payments; Obligations under the respective Credit Agreements and Fee Letters Not Constituting Parity Obligations; Pledge of Revenues.

Obligations under the respective Credit Agreements and the Fee Letters other than the obligation to pay the principal of and interest on the Commercial Paper Notes and the Reimbursement Obligations and the obligation to pay the Bank Notes and interest thereon (collectively, the "Other Obligations") shall be and are special, limited obligations of the City and shall be subordinated obligations pursuant to Section 6.06 of the Subordinate General Resolution payable solely from Revenues on a basis junior and subordinate to the Subordinate Bonds as to the lien on and source and security for payment from the Revenues. To secure the payment of all Other Obligations, the City hereby pledges and places a third lien upon the Revenues as defined in the Subordinate General Resolution and the Revenues held in the SCM Fund including the earnings on such Revenues, subject to the provisions of the General Resolution, the Subordinate General Resolution and this Amended and Restated Fifteenth Supplemental Resolution permitting the application thereof for the purposes and on the terms and conditions set forth therein and subject to the prior pledge and, assignment and lien thereon granted by the General Resolution to secure the Senior Lien Bonds and the prior subordinate pledge and assignment thereof and lien thereon granted by the Subordinate General Resolution to secure the Subordinate Bonds. The pledge of and lien on Revenues granted hereby to secure Other Obligations shall rank on a parity with the pledge of and third lien on such Revenues granted under the Fourteenth Supplemental Resolution supplementing the Wastewater System Subordinate Revenue Bonds General Resolution with respect to the particular obligations identified thereunder, and shall be subordinate only to the Senior Lien Bonds and the Subordinate Bonds. Nothing in this Amended and Restated Fifteenth Supplemental Resolution shall be deemed to limit the ability of the City to create additional liens on and pledges of the Revenues on a parity with the pledge of and lien on such Revenues granted hereby to secure the Other Obligations, provided that the terms and conditions of the General Resolution, the Subordinate Resolution and this Amended and Restated Fifteenth Supplemental Resolution are met.

Such Other Obligations shall be paid as and when due from the SCM Fund subject to and in accordance with Section 5.03 and Section 6.06 of the Subordinate General Resolution. The City shall create and maintain or cause the Issuing and Paying Agent to create and maintain funds and accounts for the purpose of making payments on Other Obligations and other payments; provided the Revenues may be used to fund such funds and accounts only if the conditions for the use of excess amounts in the SCM Fund are met as provided in Section 5.03 of the Subordinate General Resolution. Subject to the foregoing, Revenues shall be deposited in and used and withdrawn from such funds and accounts as set forth in this Amended and Restated Fifteenth Supplemental Resolution and the respective Credit Agreements, with respect to such payments on Other Obligations.

Section 6.02. Rate Covenant. The City further acknowledges that all Other Obligations shall constitute payments described under Section 6.03(a)(3) of the Subordinate General Resolution.

Section 6.03. Tests for Issuance of Subordinate Bonds. The City agrees that with respect to any money obligations included in Other Obligations, for purposes of calculating Maximum Annual Debt Service for compliance with Section 3.11 of the Subordinate General Resolution, such obligations will be treated as interest coming due in the year in which such obligations are first payable.

ARTICLE VII AMENDMENT OF FIRST SUPPLEMENTAL RESOLUTION

The first two paragraphs of Section 3.03 of the First Supplemental Resolution shall be amended and restated in their entirety to read as follows:

Section 3.03. Terms of the Commercial Paper Notes; Signature. The Commercial Paper Notes shall be dated the date of their respective authentication and issuance; shall be issued in bearer form or registered to bearer; shall be issued in minimum denominations of \$100,000 and \$1,000 increments in excess thereof; and interest on the Commercial Paper Notes shall be separately stated by rate and amount on the face of each Commercial Paper Note. Commercial Paper Notes of a subseries shall bear interest from their respective dates, at either the applicable tax-exempt or taxable rates, payable on their respective maturity dates.

Commercial Paper Notes (i) shall bear interest payable at maturity at an annual rate not in excess of 12% per annum (calculated, with respect to Commercial Paper Notes bearing interest at tax-exempt rates, on the basis of a year consisting of 365 or 366 days and actual number of days elapsed, and, with respect to Commercial Paper Notes bearing interest at taxable rates, on the basis of a year consisting of 360 days and actual number of days elapsed) or such lesser rate permitted by the Revenue Bond Law at the time of issuance of the respective Commercial Paper Note, (ii) shall mature not more than 270 days after their respective issuance dates, but in no event later than 15 days prior to the Termination Date of the related Credit Facility and (iii) shall be sold at a price of not less than 100% of the principal amount thereof. The stated interest rate, maturity date and other terms of each Commercial Paper Note, so long as not inconsistent with the terms of this Amended and Restated Fifteenth Supplemental Resolution, shall be as set forth in the Issuance Request required by Section 3.08 hereof directing the issuance of such Commercial Paper Note.

ARTICLE VIII MISCELLANEOUS

Section 8.01. Additional Actions. All actions heretofore taken by any officers, employees, agents or directors of the City, with respect to the negotiation, execution and delivery of each Credit Agreement and each Fee Letter and the Bank Notes, or in connection with any


amendment thereto, including the Letter Agreement, and the making of any filings with the Municipal Securities Rulemaking Board, are hereby approved, confirmed and ratified; and the officers of the City and their authorized representatives, and each of the foregoing acting alone is, hereby authorized and directed, for and in the name and on behalf of the City, to do any and all things and to take any and all actions, and to execute and deliver such documents, agreements and certificates, which they, or any of them, may deem necessary or advisable to effectuate the purposes of this Amended and Restated Fifteenth Supplemental Resolution.

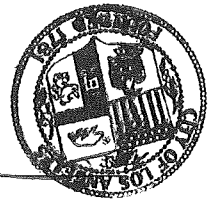
Section 8.02. The Provisions of the Previous CP Supplemental Resolutions. Unless the context indicates otherwise or unless otherwise amended herein, the provisions in the Previous CP Supplemental Resolutions shall be incorporated herein by this reference and shall apply to this Amended and Restated Fifteenth Supplemental Resolution and all of the Commercial Paper Notes authorized pursuant hereto.

Section 8.03. Effective Date. This Amended and Restated Fifteenth Supplemental Resolution shall take effect from and upon its adoption.

I hereby certify that the foregoing Resolution was duly adopted by the Council of the City of Los Angeles this 7th day of May, 2013.

JUNE LAGMAY
City Clerk

By: 
Deputy



Approved as to Form
CARMEN A. TRUTANICH
City Attorney

By: _____
Assistant City Attorney