

**RESOLUTION  
OF THE BOARD OF WATER AND POWER COMMISSIONERS  
OF THE CITY OF LOS ANGELES**

**Authorizing a Financing Program of Short Term  
Revenue Notes and the Issuance and Delivery  
From Time to Time of Revenue Notes Under Such Program**

**Resolution No. 4900**

WHEREAS, the Department of Water and Power of the City of Los Angeles (the "Department") is a proprietary department of the City of Los Angeles (the "City") established pursuant to the Charter of the City of Los Angeles (the "Charter"); and

WHEREAS, pursuant to the Charter, the Department operates the City's municipal water utility (the "Water System") and the City's municipal electric utility (the "Power System"); and

WHEREAS, pursuant to Section 609 of the Charter and Ordinance No. 172,353 of the City, as amended, constituting Article 6.5 of Chapter 1 of Division 11 of the Los Angeles Administrative Code (the "Procedural Ordinance"), the Department is authorized to establish a program of short term revenue bonds, notes and other evidences of indebtedness, and to issue revenue notes from time to time under such program; and

WHEREAS, the Department wishes to establish a continuing short term revenue bond financing program (the "Program") for the purpose of providing the Department with the ability and flexibility to borrow money to meet the Department's short term borrowing needs in connection with the Department's capital improvements to, and ongoing operations of, the Water System and the Power System by providing for the issuance under the Program from time to time of short term revenue notes (the "Notes") to finance all or a portion of such capital improvements and ongoing operations, and to refund or renew previously issued Notes and revenue bonds; and

WHEREAS, the Department is to issue the Notes from time to time to evidence and secure the obligation of the Department to repay drawings under one or more revolving credit agreements and any related fee agreement, if any (each, collectively, an "Agreement") with one or more banks, insurance companies or other financial institutions (each a "Lender") on such terms and conditions, and with such Lenders, as shall be approved by this Board of Water and Power Commissioners of the City of Los Angeles (the "Board");

**BE IT RESOLVED BY THE BOARD OF WATER AND POWER COMMISSIONERS OF THE CITY OF LOS ANGELES:**

**Section 1.** This Board hereby determines that the public interest and necessity demand that the Department should establish the Program, and the Program is hereby established, as a continuing short term revenue bond financing program for the purpose of providing the Department with the ability and flexibility to meet the Department's short term borrowing needs in connection with the Department's capital improvements to, and ongoing operations of, the Water System and the Power System and to refund or renew previously issued Notes and revenue bonds.

**Section 2.** This Board hereby authorizes the issuance of the Notes from time to time under the Program and pursuant to the provisions of Section 609 of the Charter and the Procedural Ordinance, including Section 11.28.7 thereof, for the purposes of meeting the Department's short term borrowing needs in connection with the Department's capital improvements to, and ongoing operations of, the Water System and the Power System and to refund or renew previously issued Notes and revenue bonds.

**Section 3.** The Notes are to be issued, privately sold, and delivered in one or more series or subseries to evidence and secure drawings made from time to time under one or more Agreements. The Notes shall evidence the obligation of the Department to repay borrowings and other obligations of the Department due under the Agreement, and the interest thereon. The form of each Agreement, and the Lender thereunder, shall be approved by this Board as provided in Section 11.28.5 of the Procedural Ordinance and each Agreement shall contain such provisions for making draws of funds thereunder, the source of payment (whether the Power Revenue Fund or the Water Revenue Fund) of the Note or Notes evidencing and securing such draws, the interest rate or rates or the manner of determining the interest rate or rates, the security, default, remedies and other terms and conditions as shall be approved by this Board; provided that the maximum stated annual interest rate payable by the Department in any year on amounts due under an Agreement, including the interest rate on Notes, shall be twenty percent (20%). For this purpose the annual interest rate shall be computed on the basis of a 360 day year and the actual number of days elapsed. The interest on a Note may be fixed or variable and may be taxable or tax exempt for federal income tax purposes.

**Section 4.** An Agreement may be a revolving credit agreement such that the amount that may be borrowed under the Agreement may be reinstated as provided in the Agreement upon payment of all or a portion of the drawings thereunder evidenced by one or more Notes. The Program is a program of short term revenue bonds under Section 11.28.7 of the Procedural Ordinance that includes the issuance of Notes to pay, renew, refund or extend previously issued Notes. The maximum principal amount of Notes authorized by this Resolution is not limited except that the maximum principal amount of Notes that may be outstanding at any one time shall not exceed Five Hundred Million Dollars (\$500,000,000.00).

**Section 5.** The maximum term for which any Note is to run (excluding any Note issued for the purpose of paying, renewing, refunding or extending such Note) shall be five years from the date of issuance of such Note.

**Section 6.** Notes shall be issued, privately sold and delivered to a Lender to evidence and secure drawings by the Department under one or more Agreements and the interest thereon.

**Section 7.** This Board has received a report (the "Report") of the Chief Financial Officer of the Department stating that such officer has determined that the issuance, private sale and delivery of Notes to a Lender under an Agreement pursuant to Section 6 hereof will be of benefit to, and in the financial interests of, the Department and providing the reasons therefor. As authorized by subsection (d) of Section 609 of the Charter and Section 11.28.4 of the Procedural Ordinance, this Board hereby authorizes such issuance, private sale and delivery of Notes to the Lenders.

**Section 8.** The authorization of the issuance of the Notes made by this Resolution is in addition to any and all other authorizations for the issuance of bonds, notes or other evidences of indebtedness on account of the Water System and the Power System heretofore made by resolution of this Board.


**Section 9.** The Secretary of this Board shall forthwith transmit certified copies of this Resolution, together with the Report of the Department's Chief Financial Officer, to the offices of the Mayor, the City Clerk and the City Administrative Officer (previously the Director of the Office of Administrative and Research Services) pursuant to Subsections (a) and (d) of Section 609 of the Charter and Sections 11.28.2 and 11.28.4 of the Procedural Ordinance.

**I HEREBY CERTIFY** that the foregoing is a full, true and correct copy of a resolution adopted by the Board of Water and Power Commissioners of the City of Los Angeles at its meeting held

OCT 20 2015

  
Secretary

APPROVED AS TO FORM AND LEGALITY  
MICHAEL N. FEUER, CITY ATTORNEY

OCT 05 2015  
BY   
PRISCILA CASTILLO KASHA  
DEPUTY CITY ATTORNEY