

1 RESOLUTION NO. RES-07-0114

2  
3 A RESOLUTION OF THE CITY COUNCIL OF THE  
4 CITY OF LONG BEACH AUTHORIZING AND APPROVING  
5 THE ISSUANCE OF BONDS BY THE LONG BEACH BOND  
6 FINANCE AUTHORITY; AUTHORIZING AND APPROVING  
7 CONTRACTS, AGREEMENTS AND OTHER DOCUMENTS  
8 AND ACTIONS RELATING THERETO, AND DELEGATING  
9 AUTHORITY TO OFFICERS IN CONNECTION THEREWITH  
10

11 WHEREAS, the City of Long Beach (the "City") is a municipal corporation  
12 and charter city duly organized and existing under its charter (the "Charter") and the  
13 Constitution of the State of California (the "State"); and

14 WHEREAS, it is necessary and desirable and furthers the public interest to  
15 acquire a long-term supply of natural gas which will result in significant redirection in  
16 effective user chargers and more efficient delivery of city gas services to residential and  
17 commercial development; and

18 WHEREAS, the Long Beach Bond Finance Authority (the "Authority") has  
19 been established as a separate entity under the California Joint Exercise of Powers Act  
20 for the purpose, among others, of assisting the City in connection with any financing to be  
21 undertaken by the City; and

22 WHEREAS, the City proposes to enter into a Natural Gas Supply  
23 Agreement in the form presented to the City Council (the "Supply Agreement"), between  
24 the City and the Authority; and

25 WHEREAS, in connection with the sale of the Authority's Bonds, the  
26 Authority will distribute a Preliminary Official Statement which will be substantially in the  
27 form presented to the City Council (the "Preliminary Official Statement"), and will  
28 distribute a final Official Statement (the "Official Statement") which will be substantially in

OFFICE OF THE CITY ATTORNEY  
ROBERT E. SHANNON, City Attorney  
333 West Ocean Boulevard, 11th Floor  
Long Beach, CA 90802-4664

1 the form of the Preliminary Official Statement, as distributed, with the terms of the Bonds  
2 inserted; and

3 WHEREAS, certain information concerning the City will be contained in the  
4 Preliminary Official Statement and the final Official Statement; and

5 WHEREAS, under the Supply Agreement the City has agreed to make  
6 available certain financial and operating information as provided in the Continuing  
7 Disclosure Agreement in the form attached to the Preliminary Official Statement as  
8 Appendix G (the "Continuing Disclosure Agreement"); and

9 WHEREAS, the City has determined that it is to the City's advantage and in  
10 the public interest of the inhabitants of the City, to enter into the Supply Agreement and  
11 the Continuing Disclosure Agreement;

12 NOW, THEREFORE, the City Council of the City of Long Beach resolves as  
13 follows:

14 Section 1. Findings and Determinations. The City Council hereby finds  
15 and determines that the foregoing recitals are true and correct.

16 Section 2. Approval of Authority Financing. The City Council hereby  
17 approves the issuance by the Authority of not to exceed \$1,300,000,000 principal amount  
18 of Natural Gas Purchase Revenue Bonds in one or more series (collectively, the  
19 "Bonds").

20 Section 3. Approval of Supply Agreement. The Supply Agreement, in  
21 substantially the form presented to the City Council, is hereby approved. The Mayor, City  
22 Manager, Director of Financial Management, and Treasurer, and any Acting Director of  
23 Financial Management or Acting Treasurer (the "Designated Officers"), each acting  
24 singly, is hereby authorized to execute and deliver to the Authority, the Supply  
25 Agreement in the name of and on behalf of the City, in substantially the form presented to  
26 the City Council, with such changes, insertions and deletions (subject to the provisions of  
27 the next sentence) as may be approved by the Designated Officers executing the Supply  
28 Agreement, said execution being conclusive evidence of such approval, and the City

1 Clerk is hereby authorized to attest thereto. The term of the Supply Agreement shall not  
2 extend beyond November 15, 2037; the amount of the natural gas originally scheduled to  
3 be purchased under the Supply Agreement shall not be more than 265 billion cubic feet;  
4 and the Contract Price for natural gas delivered under the Supply Agreement in any  
5 Delivery Month shall not exceed the Index Price per MMBtu for such Delivery Month less  
6 a discount not less than \$0.25.

7           Section 4.    Approval of Official Statement. The City Council hereby  
8 approves the information concerning the City contained in the form of the Preliminary  
9 Official Statement presented to the City Council (the "City Information"). Each of the  
10 Designated Officers, acting singly, is hereby authorized to approve, in the name of and  
11 on behalf of the City, any changes to the City Information deemed necessary or  
12 appropriate by such Designated Officer. The City Council hereby authorizes the inclusion  
13 of the City Information, as changed pursuant to this Section, in the Preliminary Official  
14 Statement and the final Official Statement and to deem such information final for  
15 purposes of Rule 15c2-12 of the Securities and Exchange Commission.

16           Section 5.    Approval of Continuing Disclosure Agreement. The  
17 Continuing Disclosure Agreement, in substantially the form attached to the Preliminary  
18 Official Statement as Appendix G, is hereby approved. Each of the Designated Officers,  
19 acting singly, is hereby authorized to execute and deliver to the Trustee, the Continuing  
20 Disclosure Agreement in the name of and on behalf of the City in substantially the form  
21 attached to the Preliminary Official Statement as Appendix G, with such changes,  
22 insertions and deletions as may be approved by the Designated Officer executing such  
23 Continuing Disclosure Agreement, said execution being conclusive evidence of such  
24 approval, and the City Clerk is hereby authorized to attest thereto.

25           Section 6.    Official Actions. The Designated Officers, the City Clerk and  
26 any and all other officers of the City are hereby authorized and directed, for and in the  
27 name and on behalf of the City, to do any and all things and take any and all actions,  
28 including execution and delivery of any and all documents and certificates which they, or

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1 any of them, may deem necessary or advisable in order to consummate the transactions  
2 contemplated herein and perform the obligations of the City under any of the documents  
3 authorized herein.

4 Section 7. Capitalized terms used herein and not otherwise defined shall  
5 have the meanings given such terms in the form of the Supply Agreement attached  
6 hereto.

7 Section 8. This resolution shall take effect immediately upon its adoption  
8 by the City Council, and the City Clerk shall certify the vote adopting this resolution.

9 I hereby certify that the foregoing resolution was adopted by the City  
10 Council of the City of Long Beach at its meeting of August 21, 2007, by the  
11 following vote:

12 Ayes: Councilmembers: B. Lowenthal, S. Lowenthal, DeLong,  
13 O'Donnell, Schipske, Andrews,  
14 Reyes Uranga, Gabelich, Lerch.

15 \_\_\_\_\_  
16 Noes: Councilmembers: None.

17 \_\_\_\_\_  
18 Absent: Councilmembers: None.

19 \_\_\_\_\_  
20 \_\_\_\_\_  
21  \_\_\_\_\_  
22 City Clerk

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28 HAM:fl  
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