

RESOLUTION NO. CC 2025-__

**RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LA HABRA
APPROVING THE ISSUANCE BY THE LA HABRA UTILITY AUTHORITY OF
ITS LA HABRA UTILITY AUTHORITY (ORANGE COUNTY, CALIFORNIA)
WATER REVENUE REFUNDING BONDS, SERIES 2025, TO REFUND THE
OUTSTANDING LA HABRA UTILITY AUTHORITY (ORANGE COUNTY,
CALIFORNIA) REVENUE BONDS, SERIES 2013A, AND AUTHORIZING
CERTAIN OTHER ACTIONS IN CONNECTION THEREWITH**

WHEREAS, the La Habra Utility Authority (the “Authority”) has been created pursuant to a Joint Exercise of Powers Agreement, dated as of July 1, 2007, by and between the City of La Habra (the “City”) and the Redevelopment Agency of the City of La Habra (the “Former RDA”), as amended as of March 5, 2012, to substitute the La Habra Housing Authority in place of the Former RDA); and

WHEREAS, the Authority has issued its \$5,760,000 La Habra Utility Authority (Orange County, California) Water Revenue Bonds, Series 2010A (the “2010A Bonds”), for the purpose of financing the remodeling, expansion, improvement and equipping to the municipal water system owned by the City of La Habra and operated by the Authority (the “Water System”); and

WHEREAS, the Authority has also issued its \$13,915,000 La Habra Utility Authority (Orange County, California) Water Revenue Bonds, Series 2010B (Taxable Build America Bonds) (the “2010B Bonds” and, with the 2010A Bonds, the “2010 Bonds”), for the purpose of financing the remodeling, expansion, improvement and equipping to the Water System; and

WHEREAS, the 2010A Bonds and the 2010B Bonds were issued pursuant to that certain Water Revenue Bond Indenture, dated as of December 1, 2010 (the “Original Indenture”), by and between the Authority and The Bank of New York Mellon Trust Company, N.A., as trustee (the “Trustee”), as amended and supplemented by that certain First Supplemental Water Revenue Indenture, dated as of December 1, 2010, by and between the Authority and the Trustee (the “First Supplemental Indenture”); and

WHEREAS, the Authority has also issued its \$20,210,000 La Habra Utility Authority (Orange County, California) Revenue Bonds, Series 2013A (the “2013 Bonds”), on a parity with the 2010 Bonds, for the purpose of financing the remodeling, expansion, improvement and equipping to the Water System; and

WHEREAS, the 2013 Bonds were issued pursuant to the Original Indenture, as amended and supplemented by that certain Second Supplemental Water Revenue Indenture, dated as of October 1, 2013, by and between the Authority and the Trustee (the “Second Supplemental Indenture”); and

WHEREAS, the Authority has also issued its \$2,620,000 La Habra Utility Authority (Orange County, California) Refunding Water Revenue Bonds, Series 2019A (Federally Taxable) (the “2019A Bonds”), on a parity with the 2013 Bonds, for the purpose of refunding the 2010A Bonds; and

WHEREAS, the Authority has also issued its \$11,175,000 La Habra Utility Authority (Orange County, California) Refunding Water Revenue Bonds, Series 2019B (Tax-Exempt) (the “2019B Bonds” and, with the 2019A Bonds, the “2019 Bonds”), on a parity with the 2013 Bonds, for the purpose of refunding the 2010B Bonds; and

WHEREAS, the 2019A Bonds and the 2019B Bonds were issued pursuant to the Original Indenture, as amended and supplemented by that certain Third Supplemental Water Revenue Indenture, dated as of November 1, 2019, by and between the Authority and the Trustee (the “Third Supplemental Indenture”); and

WHEREAS, the 2010A Bonds and the 2010B Bonds are no longer outstanding; and

WHEREAS, due to prevailing interest rates in the municipal bond market and for other reasons, the Authority has determined to refund the 2013 Bonds; and

WHEREAS, Article 10 of Chapter 3 of Part 1 of Division 2 of Title 5 (commencing with section 53570) of the California Government Code authorizes the Authority to issue its refunding bonds for the purpose of refunding obligations of the Authority; and

WHEREAS, to refund the 2013 Bonds, the Authority has determined to issue its La Habra Utility Authority (Orange County, California) Revenue Refunding Bonds, Series 2025 (the “2025 Bonds”), as Additional Bonds under and pursuant to the Original Indenture and that certain Fourth Supplemental Water Revenue Indenture, by and between the Authority and the Trustee (the “Fourth Supplemental Indenture” and, with the Original Indenture, the First Supplemental Indenture, the Second Supplemental Indenture and the Third Supplemental Indenture, the “Indenture”), on a parity as to payment and security with the 2019 Bonds; and

WHEREAS, a form of preliminary official statement (the “Preliminary Official Statement”) to be distributed in connection with the public offering of the 2025 Bonds has been prepared; and

WHEREAS, Oppenheimer & Co. Inc. (the “Underwriter”) has presented the Authority with a form of bond purchase agreement, pursuant to which the Underwriter proposes to purchase the 2025 Bonds (such bond purchase agreement, in the form presented to this meeting, with such changes, insertions and omissions as are made pursuant to this Resolution, being referred to herein as the “Bond Purchase Agreement”); and

WHEREAS, there has been presented to this meeting forms of the follow documents:

1. Preliminary Official Statement; and
2. Bond Purchase Agreement; and

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF LA HABRA DOES FIND, DETERMINE AND RESOLVE AS FOLLOWS:

Section 1. The foregoing recitals are true and correct and the City Council of the City (the "City Council") hereby so finds and determines.

Section 2. The issuance and sale of the 2025 Bonds, in an aggregate principal amount not to exceed \$15,000,000, on a federally tax exempt basis, as specified in the Fourth Supplemental Indenture is hereby approved; *provided, however* that the 2025 Bonds shall have a final maturity date not later than November 1, 2043, and (ii) the total net interest cost to maturity of the 2025 Bonds shall not be in excess of the total net interest cost to maturity of the 2013 Bonds, resulting in not less than 5% net present value savings.

Section 3. The form of Bond Purchase Agreement presented to this meeting is hereby approved.

Section 4. The Preliminary Official Statement, in the form presented to this meeting is hereby approved for use in connection with the public offering of each series of the 2025 Bonds.

Section 5. The Mayor, the City Manager, the Finance Director and each other officer of the City, and each of them, is hereby authorized and directed to execute and deliver any and all documents and Instruments and to do and cause to be done any and all acts and things necessary or proper for carrying out the transactions contemplated by this Resolution.

Section 6. The City Clerk shall certify to the adoption of this Resolution, which shall be in full force and effect immediately upon its adoption. Notwithstanding the foregoing, such certification and any of the other duties and responsibilities assigned to the City Clerk pursuant to this Resolution may be performed by an Assistant City Clerk with the same force and effect as if performed by the Secretary hereunder.

PASSED, APPROVED AND ADOPTED this 21st day of April, 2025.

Rose Espinoza
Mayor

ATTEST:

Rhonda J. Barone, CMC
City Clerk

STATE OF CALIFORNIA }
COUNTY OF ORANGE } SS.
CITY OF LA HABRA }

I, Rhonda J. Barone, CMC, City Clerk for the City of La Habra, do hereby certify that the above and foregoing is a true and correct copy of Resolution No. CC 2025-__ introduced and adopted at a regular meeting of the City Council of the City of La Habra held on the 21st day of April, 2025, by the following vote:

AYES: COUNCILMEMBERS:
NOES: COUNCILMEMBERS:
ABSENT: COUNCILMEMBERS:
ABSTAIN: COUNCILMEMBERS:

Witness my hand and the official seal of the City of La Habra this 21st day of April, 2025.

Rhonda J. Barone, CMC
City Clerk