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BEFORE THE CITY COUNCIL OF THE CITY OF PITTSBURG

In the Matter of:

Resolution of the City Council of the City of )  
Pittsburg Providing for the Issuance of City of )  
Pittsburg Limited Obligation Refunding Bonds )  
for Reassessment District No. 2011-1; Prescrib- )  
ing the Date and Form of the Bonds and ) RESOLUTION NO. 11-11694  
Prescribing the Redemption Provisions therefore; )  
Authorizing the Execution of the Bonds; Providing )  
for the Collection of Reassessments to Pay the )  
Principal of and Interest on the Bonds )

The City Council of the City of Pittsburg DOES RESOLVE as follows:

WHEREAS, this City Council (this "City Council") of the City of Pittsburg (the "City"), by proceedings duly had and taken, has previously provided for the issuance, sale and delivery of limited obligation improvement bonds (the "Prior 1915 Act Bonds") of three City assessment districts known as Marina Walk Assessment District No. 1998-01, San Marco Phase I Assessment District No. 2001-01 and Oak Hills South Units 5, 6 and 7 Assessment District No. 2001-02 (the "Prior Assessment Districts"), under and pursuant to the conditions and terms of the Improvement Bond Act of 1915 (Sections 8500 and following, California Streets and Highways Code; hereafter the "1915 Act"), the unmatured portion of which is now outstanding; and

WHEREAS, the Governing Board of the Pittsburg Infrastructure Financing Authority (the "Authority"), by proceedings duly had and taken, has previously provided for the issuance, sale and delivery of its 1998 reassessment revenue bonds (the "Prior Authority Bonds," and together with the Prior 1915 Act Bonds, the "Prior Bonds") known as the Authority's Reassessment Revenue Bonds, Series A and Subordinated Series B, under and pursuant to the Mark-Roos Local Bond Pooling Act of 1985 (Sections 6584 and following, California Government Code; hereafter the "Marks-Roos Act"), the unmatured portion of which is now outstanding; and

WHEREAS, the Prior 1915 Act Bonds are issued upon the security of unpaid assessments (the "Prior Assessments") levied in the Prior Assessment Districts, and the Prior Authority Bonds are issued upon the security of revenues generated by the collection of installments on account of unpaid reassessments (the "Prior Reassessments") levied by the City upon the parcels of land within the City's Reassessment District No. 1998-1 (the "Prior Reassessment District"); and

WHEREAS, this City Council has, by proceedings concluded this same date, established its Reassessment District No. 2011-1 (the "2011 Reassessment District") and has levied new reassessments (the "2011 Reassessments") upon the respective parcels of land having unpaid Prior Assessments and Prior Reassessments in accordance with the provisions of the Refunding Act of 1984 for 1915 Improvement Act Bonds, being Division 11.5 of the California Streets and Highways Code (the "1984 Act"), with the 2011 Reassessments superceding and supplanting the Prior Assessments and the Prior

Reassessments except to the limited extent provided by the 1984 Act with respect to the enforcement of delinquencies in the payment of the Prior Assessments or the Prior Reassessments; and

WHEREAS, this City Council wishes by this resolution to authorize issuance, sale and delivery of limited obligation refunding bonds (the "Local Obligations") pursuant to the 1984 Act for the purpose of refunding the remaining outstanding Prior Bonds and to provide for the posting and collection on the secured property tax roll of the County of Contra Costa (the "County") of annual installments on account of unpaid 2011 Reassessments as security for the Local Obligations; and

WHEREAS, in connection with the program for refunding the Prior Bonds (the "Refunding Program"), this City Council has determined pursuant to Section 6588(v) of the California Government Code to sell the Local Obligations to the Authority pursuant to a Local Obligation Purchase Contract, to be dated as of August 1, 2011 (the "Local Obligation Purchase Contract"), between the City and the Authority, and in furtherance thereof hereby finds and determines that such sale will result in significant public benefits including demonstrable savings in effective interest rate, bond preparation, bond underwriting discount, original issue discount or bond issuance costs and more efficient delivery of local agency services to residential development; and

WHEREAS, as a further component of the Refunding Program, the Authority intends to issue and sell its 2011 Reassessment Revenue Refunding Bonds, consisting of Series A and Subordinated Series B (collectively, the "2011 Authority Refunding Bonds"), pursuant to two Trust Agreements, each dated as of August 1, 2011 (the "Series A Trust Agreement" and the "Subordinated Series B Trust Agreement," and collectively, the "Trust Agreements"), by and among the Authority, the City and The Bank of New York Mellon Trust Company, N.A., as trustee (the "Trustee"), for the purpose of acquiring the Local Obligations, which shall thereupon become assets of the Series A Trust Estate (as said term is defined in the Series A Trust Agreement) (the "Series A Trust Estate"), and providing for the administration of and payment of the principal of and interest and redemption premiums, if any, on the respective series of the 2011 Authority Refunding Bonds.

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

Section 1. The foregoing recitals are true and correct, and this City Council so finds and determines.

Section 2. This City Council has reviewed all proceedings heretofore taken relative to the foregoing and has found, as a result of such review, and does hereby find and determine that all acts, conditions and things required by law to exist, to happen and to be performed precedent to and in the issuance of the Local Obligations under the 1984 Act as hereinafter authorized and provided do exist, have happened and have been performed in due time, form and manner as required by the 1984 Act and all other applicable laws, including without limitation of the satisfaction of the conditions specified by Section 9525 of the 1984 Act with respect to the establishment of the 2011 Reassessment

District, and the City is now authorized pursuant to each and every requirement of law to issue the Local Obligations in the manner and form as provided in this resolution.

Section 3. The Local Obligations shall represent and shall be issued upon the security of the 2011 Reassessments in accordance with the provisions of the 1984 Act to provide funds for refunding the Prior Bonds. The Local Obligations shall be issued as hereinafter set forth and shall be known as the "City of Pittsburg Limited Obligation Refunding Bonds, Reassessment District No. 2011-1." The Local Obligations shall be issued as fully registered bonds, shall be of the denomination of \$1.00 or any integral multiple of \$1.00, as shall be provided by the Local Obligation Purchase Contract (but not exceeding the principal amount of Local Obligations maturing at any one time), shall be dated their date of delivery, and shall mature and bear interest as shall be provided in the Local Obligation Purchase Contract; provided that, for the period during which the Local Obligations are held by the Trustee as assets of the Series A Trust Estate, the denominations of the Local Obligations may be established in such different amount or amounts as may be prescribed by the Authority in writing to the Trustee, and the entire issue of the Local Obligations may be represented by a single fully registered bond with principal amounts payable annually as mandatory partial redemptions of such single bond, with the principal amounts thusly made payable being structured to provide for annual debt service on the Local Obligations which corresponds as nearly as may be practicable to the annual debt service on the 2011 Authority Refunding Bonds.

The Local Obligations shall bear interest from the interest payment date next preceding the date of authentication and registration thereof, unless such date of authentication and registration is on a day during the period from the sixteenth (16th) day of the month next preceding an interest payment date to such interest payment date, both inclusive, in which event they shall bear interest from such interest payment date, or unless such date of authentication and registration is on a day on or before the fifteenth (15th) day of the month next preceding the first interest payment date, in which event they shall bear interest from their dated date. Such interest shall be payable on March 2, 2012 and thereafter semiannually on March 2 and September 2 of each year until and at the respective maturity dates of the Local Obligations.

The principal of and the interest on and redemption premiums, if any, on the Local Obligations shall be payable in lawful money of the United States of America at the office of the City Finance Director (the "Finance Director's Office") of the City (the "Paying Agent"). The term "Finance Director's Office", as used in this resolution, means the office of the Paying Agent at Pittsburg City Hall, 65 Civic Avenue, Pittsburg, California 94565, or such other address as is designated by the Paying Agent in written notice filed with the Trustee and the owners of the Local Obligations if different from the Trustee. Payment of the interest on the Local Obligations due on or before the maturity or prior redemption thereof shall be made by check mailed to the registered owners of the Local Obligations or by wire transfer to any registered owner of \$1,000,000 or more in aggregate principal amount of the Local Obligations at their addresses as they appear at the close of business as of the fifteenth (15th) day of the month prior to each such interest payment date on the registration books maintained by the Paying Agent, and payment of the principal of and redemption premiums, if any, on the Local Obligations shall be made only upon surrender thereof by the registered owners thereof on their maturity dates or on redemption prior to maturity to the Paying Agent at the Finance Director's Office as defined above in this

Section 3; provided that for the period during which the Local Obligations constitute assets of the Series A Trust Estate, payment of the principal of and the interest and redemption premiums, if any, on the Local Obligations may be made by the City by wire transfer directly to the Trustee or in such other manner as best suits the needs of the Refunding Program as determined by the Trustee in its sole discretion.

Section 4. Redemption.

(a) Optional Redemption. Any Local Obligation may be redeemed in whole or in part in integral multiples of the prescribed minimum denomination of the Local Obligations on the second day of March or September in any year, at the option of the City, from any source of funds legally available for such purpose, upon payment of the redemption prices (expressed as a percentage of the principal amount thereof called for redemption), plus accrued interest to the date of redemption, as set forth in the Local Obligation Purchase Contract.

(b) Mandatory Partial Redemption of Term Bonds. In the event that any of the Local Obligations are issued as term bonds, then portions of the principal amount thereof shall be made payable annually, without premium, as mandatory partial redemptions of such term bonds in the amounts prescribed by the Local Obligation Purchase Contract.

(c) Extraordinary Redemption. The Local Obligations may be redeemed in whole or in part in integral multiples of the prescribed minimum denomination on the second day of March or September in any year from proceeds of prepayments of 2011 Reassessments upon payment of the redemption prices established in the same manner as for optional redemption under subsection (a) of this Section 4.

(d) Notice of Redemption. The City shall proceed pursuant to Part 11.1 of the 1915 Act in determining those Local Obligations or portions thereof to be redeemed and the manner of the redemption thereof, and notice of advance redemption of any Local Obligation shall be given by the City as provided in the 1915 Act.

(e) Declaration of Non-Obligation. This City Council declares and determines that it does not and will not obligate itself to advance funds from the City treasury to cure any deficiency which may occur at any time in the Redemption Fund created in Section 8 of this resolution.

Section 5. (a) Initially and for the period during which the Local Obligations remain assets of the Series A Trust Estate, the Local Obligations shall be registered to the Trustee, and shall be executed and delivered as serial bonds, term bonds or any combination thereof, as shall be prescribed by the Local Obligation Purchase Contract; and thereafter, such Local Obligations shall be transferrable pursuant to Section 8 of this resolution.

(b) The City and the Paying Agent shall be entitled to treat the person in whose name any such Local Obligation is registered as the owner thereof for all purposes hereof and any applicable laws, notwithstanding any notice to the contrary received by the Paying Agent or the City; and the City and the Paying Agent shall have no responsibility for transmitting payments to, communication with, notifying, or otherwise dealing with any persons other than the registered owners of such Local Obligations; and neither the City

nor the Paying Agent shall have any responsibility or obligation, legal or otherwise, to any other party, except the registered owner of any such Local Obligations.

(c) In the event that the Local Obligations cease to be assets of the Series A Trust Estate for any reason, the Local Obligations may become book-entry bonds and in such event shall then be registered in the name of "Cede & Co.," as nominee of The Depository Trust Company, New York, New York, and in such event shall be issued as one Local Obligation for each of the maturities of the Local Obligations.

In the event that the Local Obligations become book-entry bonds, The Depository Trust Company shall be appointed depository for the Local Obligations and registered ownership of the Local Obligations, or any portion thereof, may not thereafter be transferred except:

(i) To any successor of Cede & Co., as nominee of The Depository Trust Company, or its nominee, or to any substitute depository designated pursuant to clause (ii) of this section (a "substitute depository"); provided, that any successor of Cede & Co., as nominee of The Depository Trust Company or substitute depository, shall be qualified under any applicable laws to provide the services proposed to be provided by it;

(ii) To any substitute depository not objected to by the City, upon (1) the resignation of The Depository Trust Company or its successor (or any substitute depository or its successor) from its functions as depository, or (2) a determination by the City to substitute another depository for The Depository Trust Company (or its successor) because The Depository Trust Company or its successor (or any substitute depository or its successor) is no longer able to carry out its functions as depository; provided, that any such substitute depository shall be qualified under any applicable laws to provide the services proposed to be provided by it; or

(iii) To any person as provided below, upon (1) the resignation of The Depository Trust Company or its successor (or any substitute depository or its successor) from its functions as depository, or (2) a determination by the City to remove The Depository Trust Company or its successor (or any substitute depository or its successor) from its functions as depository.

In the case of any transfer pursuant to clause (i) or clause (ii) above, upon receipt of the outstanding Local Obligations by the Paying Agent, together with a written Request of the City, a new Local Obligation for each maturity shall be executed and delivered in the aggregate principal amount of the Local Obligations then outstanding, registered in the name of such successor or such substitute depository, or their nominees, as the case may be, all as specified in such written Request of the City. In the case of any transfer pursuant to clause (iii) above, upon receipt of the outstanding Local Obligations by the Paying Agent together with a written Request of the City, new Local Obligations shall be executed and delivered in such denominations numbered in the manner determined by the Paying Agent and registered in the names of such persons as are requested in such written Request of the City, subject to the limitations of this paragraph (c) and the receipt of such a written Request of the City, and thereafter, the Local Obligations shall be transferred pursuant to the provisions set forth in this Resolution; provided, that the Paying Agent shall not be

required to deliver such new Local Obligations within a period of less than sixty (60) days.

So long as the outstanding Local Obligations are registered in the name of Cede & Co. or its registered assigns, the City and the Paying Agent shall cooperate with Cede & Co., as sole holder, or its registered assigns in effecting payment of the principal of and interest on the Local Obligations by arranging for payment in such manner that funds for such payments are properly identified and are made immediately available on the date they are due.

Section 6. The Local Obligations shall be in substantially the form attached as Exhibit A to this Resolution.

Section 7. The City Treasurer and the City Clerk are hereby authorized and directed, respectively, as such officers to execute each of the Local Obligations on behalf of the City, either manually or in facsimile, and the City Clerk is hereby authorized and directed to affix the official seal of the City thereto; and such signing and sealing as herein provided shall be a sufficient and binding execution of the Local Obligations by the City. In case either of such officers whose signature appears on the Local Obligations shall cease to be such officer before the delivery of the Local Obligations to the purchaser, such signature shall nevertheless be valid and sufficient for all purposes the same as though such officer had remained in office until the delivery of the Local Obligations. Only such of the Local Obligations as shall bear thereon a certificate of registration and authentication in the form hereinabove set forth, executed and dated by the Paying Agent, shall be entitled to any benefits hereunder or be valid or obligatory for any purpose, and such certificate shall be conclusive evidence that the Local Obligations so authenticated have been duly authorized, executed, issued and delivered hereunder and are entitled to the benefits hereof.

Section 8. The Paying Agent shall pay interest on the Local Obligations due on or before the maturity or prior redemption thereof to the registered owners thereof as their names appear at the close of business as of the fifteenth (15th) day of the month next preceding each interest payment date on the registration books required to be kept by the Paying Agent pursuant to this section as the registered owners thereof, such interest to be paid by check mailed to such registered owners or by wire transfer to any registered owner of \$1,000,000 or more in aggregate principal amount of the Local Obligations at their addresses as they appear at the close of business as of the fifteenth (15th) day of the month prior to each such interest payment date on the registration books maintained by the Paying Agent or at such other addresses as they may have filed in writing with the Paying Agent for that purpose, and to pay to such registered owners the principal of and redemption premiums, if any, on the Local Obligations upon presentation and surrender of the Local Obligations to the Paying Agent at the Corporate Trust Office of the Paying Agent as defined in Section 3 of this Resolution.

The Paying Agent will keep at the Paying Agent's Corporate Trust Office sufficient books for the registration, transfer and exchange of the Local Obligations, and upon presentation for such purpose the Paying Agent shall, under such reasonable regulations as he may prescribe, register or transfer or exchange Local Obligations on such books as hereinafter provided.

Any Local Obligation may be transferred or exchanged on such books by the registered owner thereof, in person or by his duly authorized attorney, upon payment by the person requesting such transfer or exchange of any tax or other governmental charge required to be paid with respect to such transfer or exchange and upon surrender of such Local Obligation for cancellation accompanied by delivery of a duly executed written instrument of transfer or exchange in a form approved by the Paying Agent. Whenever any Local Obligation or Local Obligations shall be surrendered for transfer or exchange, the City shall execute and the Paying Agent shall authenticate and deliver a new Local Obligation or Local Obligations of authorized denominations and of the same maturity date aggregating the principal amount of the Local Obligation or Local Obligations so surrendered. The City and the Paying Agent may deem and treat the registered owner of any Local Obligation as the absolute owner of such Local Obligation for the purpose of receiving payment thereof and for all other purposes, whether such Local Obligation shall be overdue or not, and neither the City nor the Paying Agent shall be affected by any notice or knowledge to the contrary; and payment of the interest on and principal of and redemption premium, if any, on such Local Obligation shall be made only to such registered owner as above provided, which payment shall be valid and effectual to satisfy and discharge liability on such Local Obligation to the extent of the sum or sums so paid.

Section 9. The 2011 Reassessments levied on the respective parcels in the 2011 Reassessment District, together with interest thereon computed at the rate specified in the Local Obligations (which interest shall begin to run from the date of the Local Obligations' except as may be provided otherwise in the Local Obligation Purchase Contract), shall, in accordance with and consistent with the 1915 Act, as incorporated in the 1984 Act, remain and constitute a trust fund for the redemption and payment of the principal of the Local Obligations and for the interest due thereon, and the 2011 Reassessments and each installment thereof and the interest and penalties thereon shall constitute a lien against the lots and parcels of land on which they are made until the same be paid. The City Finance Director shall cause to be furnished to the County Auditor of the County (the "County Auditor") and, as prescribed by the 1915 Act, as incorporated in the 1984 Act, the County Auditor shall keep records in the County Auditor's office showing, the several installments of principal and interest on the 2011 Reassessments which are to be collected in each year during the term of the Local Obligations; and an annual installment of the 2011 Reassessments shall be payable and shall be collected in each year corresponding in amount to the amount of Local Obligations unpaid and to accrue that year, which amount shall be sufficient to pay the Local Obligations as the same become due, and an annual installment of interest on the 2011 Reassessments shall be payable and shall be collected in each year corresponding in amount to the amount of interest which will accrue on the Local Obligations outstanding for such year, which amount shall be sufficient to pay the interest thereon that shall become due in the next succeeding March and September. The annual proportion of the unpaid principal of the 2011 Reassessments coming due in any year, together with the annual interest on the 2011 Reassessments, shall be payable in the same manner and at the same time and in the same installments as the general taxes on real property in the City are payable, and the annual installments on account of each unpaid 2011 Reassessment shall be payable and become delinquent on the same dates and in the same proportionate amounts and bear the same proportionate penalties and interest after delinquency as do general taxes on real property in the City.

Section 10. This City Council hereby covenants for the benefit of the registered owners of the Local Obligations and the registered owners of the 2011 Authority Refunding Bonds as follows:

(a) The City will monitor or cause to be monitored the records of the County Auditor and the Contra Costa County Tax Collector for the purpose of ascertaining the occurrence of any delinquency in the payment when due of any annual installment on account of each unpaid 2011 Reassessment.

(b) Not later than the first day of October following the end of each fiscal year, the City will prepare or cause to be prepared a summary of all delinquencies.

(c) Not later than the first day of February following the end of each fiscal year, the City will, by resolution of this City Council, order and cause to be commenced and thereafter diligently prosecuted to completion, a judicial foreclosure action regarding delinquent installments of the 2011 Reassessments whenever the summary specified in the foregoing subsection (b) demonstrates satisfaction of either of the following conditions:

(i) whenever the aggregate amount of all delinquent installments, including those for the just completed fiscal year and all prior fiscal years, exceeds five percent (5.0%) of the amount of the installments posted to the tax roll for the just completed fiscal year, then the City will initiate and prosecute foreclosure on all delinquencies irrespective of the amount of any individual delinquency; and

(ii) whenever the aggregate amount of all delinquent installments, including those for the just completed fiscal year and all prior fiscal years, on all parcels owned by the same owner exceed \$5,000, then the City will initiate and prosecute foreclosure on all delinquencies on all parcels owned by that owner.

(d) Notwithstanding the provisions of the foregoing subsection (c), the City shall not be obligated to initiate the foreclosure or foreclosures otherwise required by subsection (c) if the balance on deposit in the Reserve Funds for both the Series A and Subordinated Series B Bonds are equal to the respective Reserve Requirements.

Section 11. There is hereby created and established a fund to be known as the "City of Pittsburg Limited Obligation Refunding Bonds, Reassessment District No. 2011-1, Redemption Fund" (the "Redemption Fund"), which fund shall be kept by the Finance Director and shall constitute a trust fund for the benefit of the registered owners of the Local Obligations. All sums received by the Finance Director which are received from the collection of the 2011 Reassessments, and of the interest and penalties thereon, and including amounts paid to the City on account of any prepayment of a 2011 Reassessment lien (whether in whole or in part), shall upon receipt be deposited in said fund. At the time of the issuance of the Local Obligations, the City shall deposit in the Redemption Fund from the proceeds of sale of the Local Obligations the amount representing the capitalized interest, if any, and the accrued interest, if any, received on the delivery of the Local Obligations; provided that, in the event the amount representing capitalized interest on the two series of the 2011 Authority Refunding Bonds is deposited in a fund or account established by the Trustee under the Trust Agreements for such purpose, the foregoing requirement of a deposit in the Redemption Fund for the Local Obligation shall be deemed

satisfied. All sums to become due for the principal of and the interest on the Local Obligations shall be withdrawn by the Finance Director from said fund for transfer to the Paying Agent for use for the payment of the principal of and the interest on the Local Obligations, and the Local Obligations and the interest thereon shall not be paid out of any other funds. Any surplus remaining in said fund after payment of the principal of and the interest on the Local Obligations shall be applied as directed by the City.

Section 12. For the reason that a reserve fund is being established pursuant to the Trust Agreements for each of the two series of the 2011 Authority Refunding Bonds, no provision is made in this Resolution for a reserve fund with respect to the Local Obligations.

Section 13. There is hereby created and established a fund to be known as the "City of Pittsburgh Limited Obligation Refunding Bonds, Reassessment District No. 2011-1, Refunding Fund," which fund shall be kept by the Finance Director. From the proceeds of sale of the Local Obligations, the Finance Director shall deposit in the Refunding Fund that portion of such proceeds of sale which, when combined with other moneys available for the purpose, will provide an amount of money (the "Escrow Deposit"), to be determined by the Finance Director with the assistance of a verification agent, which is sufficient to fully fund the escrow fund to be established by the escrow agent appointed by the City (the "Escrow Agent") pursuant to a refunding escrow agreement (the "Refunding Escrow Agreement") to provide for the redemption of the Prior Bonds on the date specified by the Refunding Escrow Agreement (the "Redemption Date"); provided, however, that the Finance Director may provide for a direct deposit with the Escrow Agent of said Escrow Deposit by the Authority, as the original purchaser of the Local Obligations, on the date of delivery of the 2011 Authority Refunding Bonds to said original purchaser thereof. In the event of such direct deposit, the City shall not be required to establish the Refunding Fund pursuant to this Section 13.

Section 14. There is hereby created and established a fund to be known as the "City of Pittsburgh Limited Obligation Refunding Bonds, Reassessment District No. 2011-1, Expense Fund," which fund shall be kept by the Finance Director. All moneys collected by the City as administrative costs pertaining to administration of the 2011 Reassessments and the Local Obligations shall also be deposited in the Expense Fund. All money in the Expense Fund shall be disbursed on such dates and in such amounts as are necessary to pay all costs of administering the 2011 Reassessments and the Local Obligations (as provided under the 1915 Act, as incorporated in the 1984 Act), including all expenses incident to administering installments and prepayments collected on account of the unpaid 2011 Reassessments, apportioning the 2011 Reassessments if necessary in the event of division of any 2011 Reassessment parcel, and all expenses incident to the calling, retiring or paying of the Local Obligations, and including, but not limited to, reimbursement to the City for the time expended by City staff and the fees and expenses of all service providers retained by the City in connection therewith.

Section 15. There is hereby created and established a fund to be known as the "City of Pittsburgh Limited Obligation Local Obligations, Reassessment District No. 2011-1, Investment Earnings Fund," which fund shall be kept by the Finance Director. Proceeds of the investment of amounts in the various funds prescribed by this Resolution shall be deposited in the Investment Earnings Fund. As of June 30 of each year during the term of

the Local Obligations, the Finance Director shall determine or cause to be determined whether any portion of investment earnings must be rebated to the United States pursuant to Section 148 of the United States Internal Revenue Code and regulations adopted thereunder. Any amounts required to be rebated will be transferred to the Arbitrage Rebate Fund (to be established pursuant to Section 16 below), and the balance will be transferred as follows:

(a) To the extent that the balance in the Reserve Fund held by the Trustee with respect to either of the two series of the 2011 Authority Refunding Bonds is less than the Reserve Requirement, a transfer will be made from the Investment Earnings Fund to the Trustee for deposit in such Reserve Fund.

(b) The remaining balance in the Investment Earnings Fund, if any, will be transferred to the Redemption Fund established under this Resolution to be used for either (i) crediting (and thereby reducing) the next succeeding annual installments to be billed on account of unpaid 2011 Reassessments or (ii) the advance retirement of Local Obligations, as the Finance Director shall determine in the sole discretion of the Finance Director.

The Finance Director is authorized to retain independent attorneys, accountants and other consultants to assist in complying with federal arbitrage and rebate requirements and restrictions.

Section 16. There is hereby created and established a fund to be known as the "City of Pittsburg Limited Obligation Refunding Bonds, Reassessment District No. 2011-1, Arbitrage Rebate Fund," which fund shall be kept by the Finance Director. Amounts in the Arbitrage Rebate Fund shall be invested in the same manner as amounts in the other funds and shall be held in trust for rebate to the United States at the times required by Section 148 of the United States Internal Revenue Code and regulations adopted thereunder.

Section 17. The City will not take or omit to take any action that would cause the interest on the Local Obligations to be included in gross income for federal income tax purposes. Without limiting the generality of the foregoing:

(a) The City will not directly or indirectly use or allow the use of more than 5% of the proceeds of the Local Obligations in the trade or business of any nongovernmental persons, and the City will not allow any actions to be taken that would result in the Local Obligations being treated as federally guaranteed pursuant to Section 149(b) of the Internal Revenue Code of 1986, as amended (the "Code"); and

(b) The City will not directly or indirectly use or allow the use of the proceeds of the Local Obligations in a manner that would cause the Local Obligations to be "arbitrage bonds" described in Section 148 of the Code, and in particular, the City will not invest or allow the investment of proceeds of the Local Obligations in investments with a yield materially higher than the yield on the Local Obligations except as described in the Tax Certificate executed in connection with the issuance of the 2011 Authority Refunding Bonds. In addition, the City will pay from time to time all amounts, if any, required to be rebated to the United States Government pursuant to Section 148(f) of the Code. If the City fails to expend all proceeds of the Local Obligations within six (6) months of the date

of issue thereof, or establishes any funds pledged to the payment of the Local Obligations other than as currently provided herein, the City shall contact nationally recognized bond counsel for advice relative to compliance with the rebate requirements of Section 148 of the Code.

Section 18. The City Clerk is directed to cause the Local Obligations to be typewritten, lithographed, printed or engraved, and to cause the blank spaces thereof to be filled in to comply with the provisions hereof, and to procure their execution either manually or in facsimile by the proper officers, and thereafter to deliver them, when so executed, to the Paying Agent, who shall authenticate them, and thereafter to deliver them to the Trustee, as the assignee of the Authority, which shall be the original purchaser thereof, upon receipt by the City of confirmation that the purchase price thereof has been paid in the manner prescribed by the Local Obligation Purchase Contract. The Treasurer and the City Clerk are further authorized and directed to make, execute and deliver to the Authority, as the original purchaser of the Local Obligations, a signature certificate in the form customarily required by purchasers of municipal bonds, certifying to the genuineness and due execution of the Local Obligations. The Treasurer and the City Clerk are authorized and directed to make, execute and deliver to the Authority, as the original purchaser of the Local Obligations, a no-litigation certificate in the form customarily required by purchasers of municipal bonds, certifying to all facts within their knowledge relative to any litigation which may or might affect the City or said officers or the Local Obligations. The Finance Director is further authorized and directed to make, execute and deliver to the Authority, as the original purchaser of the Local Obligations, a receipt in the form customarily required by purchasers of municipal bonds, evidencing the payment of the purchase price of the Local Obligations, which receipt shall be conclusive evidence that said purchase price has been paid in the manner provided by the Local Obligation Purchase Contract. Any purchaser or subsequent taker or holder of the Local Obligations is hereby authorized to rely upon and shall be justified in relying upon such signature certificate, such no-litigation certificate and such receipt with respect to the Local Obligations executed, sold and delivered pursuant to the authority of this Resolution.

Section 19. The City, acting on behalf of the Authority as issuer of the 2011 Authority Refunding Bonds, shall execute and deliver to the original purchasers of the 2011 Authority Refunding Bonds a continuing disclosure agreement in substantially the form set forth as an appendix in the Official Statement pertaining to the 2011 Authority Refunding Bonds.

Section 20. The officers of the City are hereby authorized and directed, jointly and severally, to do any and all things and to execute and deliver any and all documents and contracts which they may deem necessary or advisable in order to consummate the sale, execution and delivery of the Local Obligations and otherwise to carry out, give effect to and comply with the terms and intent of this Resolution and the Local Obligations, and any such actions heretofore taken by such officers in connection therewith are hereby ratified, confirmed and approved. Whenever in this Resolution an officer of the City is specified to perform any function, that officer may designate in writing another City officer or staff person to perform that function, and all references to such officer shall be deemed to include any such designee.

Section 21. This Resolution shall take effect immediately upon its adoption.

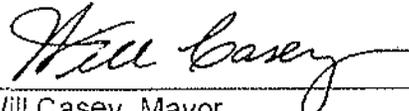
PASSED AND ADOPTED by the City Council of the City of Pittsburg at a regular meeting on the 1st day of August, 2011, by the following vote:

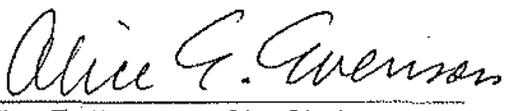
AYES: Evola, Johnson, Longmire, Parent, Casey

NOES: None

ABSTAINED: None

ABSENT: None

  
\_\_\_\_\_  
Will Casey, Mayor

  
\_\_\_\_\_  
Alice E. Evenson, City Clerk

August 8, 2011

State of California        )  
County of Contra Costa    )  
City of Pittsburg         )

I, Alice E. Evenson, City Clerk in and for said City Council, City of Pittsburg, County of Contra Costa, State of California, do hereby certify that the hereto attached and foregoing document is a full, true and correct copy of Resolution No. 11-11694, adopted at a regular meeting of the City Council on August 1, 2011, on file in this office of said City.

WITNESS, my hand, and Official Seal  
This 8<sup>th</sup> day of August, 2011.



Alice E. Evenson  
City Clerk

**CITY OF PITTSBURG  
LIMITED OBLIGATION REFUNDING BONDS  
REASSESSMENT DISTRICT NO. 2011-1**

**LOCAL OBLIGATION PURCHASE CONTRACT**

**Dated as of August 1, 2011**

City of Pittsburg  
2020 Railroad Avenue  
Pittsburg, California 94565

Ladies and Gentlemen:

The undersigned Pittsburg Infrastructure Financing Authority (the "**Authority**"), offers to enter into this Local Obligation Purchase Contract (the "**Local Obligation Purchase Contract**") with you, the City of Pittsburg (the "**City**"), which, upon acceptance, will be binding upon the City and the Authority. Except as otherwise provided herein, capitalized terms used herein shall have the meanings attributed to them in the Series A Trust Agreement and the Subordinated Series B Trust Agreement, each dated as of August 1, 2011 (collectively, the "**Trust Agreements**"), among the Authority, the City and The Bank of New York Mellon Trust Company, N.A., as trustee (the "**Trustee**").

1. Purchase, Sale and Delivery of the Obligations.

(a) Subject to the terms and conditions and in reliance upon the representations, warranties and agreements set forth herein, the Authority hereby agrees to purchase from the City, and the City hereby agrees to sell to the Authority, all (but not less than all) of its Limited Obligation Refunding Bonds, Reassessment District No. 2011-1 (the "**Local Obligations**"), dated the date of their delivery, bearing interest payable on the dates and at the interest rates, and maturing on the dates and in the amounts set forth in Exhibit A attached hereto. Notwithstanding any other provision hereof or of the Local Obligation Resolution, so long as the Local Obligations are held by the Trustee, there shall be one Local Obligation for each maturity and series thereof in the denomination of the entire outstanding principal amount of such maturity of such series of Local Obligations.

The purchase price for the Local Obligations shall be an amount equal to the aggregate principal amount thereof. As authorized by Section 17 of Resolution No. 11-11694, adopted by the City Council of the City on August 1, 2011 (the "**Resolution**"), providing for the issuance and sale of and providing for the form and the terms and conditions of the Local Obligations, the Finance Director of the City (the "**Finance Director**") shall provide for a direct payment of the proceeds of sale of the Local Obligations to the Trustee to be applied in accordance with the Series A Trust Agreement to provide for the redemption on September 2, 2011, of the Prior Bonds (as said term is defined in the Series A Trust Agreement).

The Local Obligations shall be substantially in the form described in, shall be issued, executed, authenticated, secured and made payable, and shall be registered in the name of the Trustee, as assignee of the Authority, as provided in the Resolution, and upon payment of the

purchase price therefore shall be delivered to the Trustee for deposit into the Local Obligation Fund, to be established and maintained by the Trustee pursuant to Section 5.04 of the Series A Trust Agreement, and thereby made a part of the Series A Trust Estate (as said term is defined in the Series A Trust Agreement).

(b) At 8:00 a.m., California time, on August 25, 2011, or at such earlier or later time or date as shall be agreed by the City and the Authority (such time and date being herein referred to as the "Closing Date"), the City will deliver to the Trustee, as assignee of the Authority, at the offices of Meyers, Nave, Riback, Silver & Wilson, San Francisco, California (or such other location as may be designated by the Authority and approved by the City) the Local Obligations in definitive forms, duly executed by the City and authenticated by the Finance Director, as Paying Agent, and will deliver to the Trustee or the Authority, as the case may be, at said location, the other documents herein mentioned; and the Authority will accept such delivery and pay the total purchase price of the Local Obligations as set forth in paragraph (a) of this Section 1 by wire transfer payable as provided in the Trust Agreements (such delivery and payment being herein referred to as the "Closing"). The Local Obligations shall be made available to the Authority not later than one business day before the Closing Date for purposes of inspection.

2. Representations, Warranties and Agreements of the City. The City represents and warrants to and agrees with the Authority that:

(a) The City is and will be at the Closing Date a municipal corporation, duly organized and existing under the Constitution and laws of the State of California, with the full power and authority to issue the Local Obligations, and to carry out and consummate the transactions contemplated by this Local Obligation Purchase Contract, the Trust Agreements and the Resolution, and the Local Obligations, this Local Obligation Purchase Contract, the Trust Agreements and the Resolution are and will be at the Closing Date valid and binding obligations of the City;

(b) When delivered to the Trustee and paid for by the Authority at the Closing in accordance with the provisions of this Local Obligation Purchase Contract, the Local Obligations will have been duly authorized, executed, issued, authenticated and delivered and will constitute valid and binding obligations of the City in conformity with, and entitled to the benefit and security of, the Resolution;

(c) By official action of the City prior to or concurrently with the acceptance hereof, the City has adopted the Resolution, authorized and approved the execution and delivery of the Local Obligations, the Trust Agreements and this Local Obligation Purchase Contract, and authorized and approved the performance by the City of the obligations on its part contained in the Local Obligations, the Resolution, the Trust Agreements and this Local Obligation Purchase Contract and has authorized and approved the consummation by the City of all other transactions contemplated by this Local Obligation Purchase Contract;

(d) There is no action, suit, proceeding, inquiry or investigation, at law or in equity, before or by any court, governmental agency, public board or body, pending or, to the knowledge of the City, threatened against the City or its properties or operations (i) seeking to

restrain or enjoin the issuance, sale, execution or delivery of the Local Obligations, (ii) in any way contesting or affecting the validity or enforceability of the Local Obligations, the Resolution, the Trust Agreements or this Local Obligation Purchase Contract, any proceedings of the City taken concerning the issuance or sale of the Local Obligations, the collection of reassessments levied by the City in Reassessment District No. 2011-1 (the “**2011 Reassessment District**”) or the existence or powers of the City relating to the issuance of the Local Obligations or (iii) which, if determined adversely to the City or its interests, would have a material and adverse effect on the consummation of the transactions contemplated by or the validity of the Local Obligations, the Resolution, the Trust Agreements or this Local Obligation Purchase Contract or on the operations of the City;

(e) The adoption of the Resolution and the execution and delivery of the Local Obligations, the Trust Agreements and this Local Obligation Purchase Contract, and the consummation of the transactions therein and herein contemplated, and the fulfillment of or compliance with the terms and conditions thereof and hereof will not conflict with or constitute a violation or breach of or default (with due notice or the passage of time or both) under any applicable law or administrative rule or regulation, or any applicable court or administrative decree or order, or any indenture, mortgage, deed of trust, loan agreement, lease, contract or other agreement or instrument to which the City is a party or by which it or its properties are otherwise subject or bound, or result in the creation or imposition of any prohibited lien, charge or encumbrance of any nature whatsoever upon any of the property or assets of the City, which conflict, violation, breach, default, lien, charge or encumbrance might have consequences that would materially and adversely affect the consummation of the transactions contemplated by this Local Obligation Purchase Contract, the Resolution, the Trust Agreements, the Local Obligations or the operations of the City;

(f) The City is not in breach of or default under any applicable law or administrative regulation of the State of California or the United States or any applicable judgment or decree or any loan agreement, indenture, bond, note, resolution, agreement or other instrument to which the City is a party or is otherwise subject, which breach or default may have consequences that would materially and adversely affect the consummation of the transactions described in the Resolution, the Trust Agreements, the Local Obligations or this Local Obligation Purchase Contract, and no event has occurred and is continuing which, with the passage of time or the giving of notice, or both, would constitute such a breach or default under any such instrument;

(g) All approvals, consents, authorizations, certifications and other orders of any governmental authority, board, agency or commission having jurisdiction, and all filings with any such entities, which would constitute conditions precedent to or the failure to obtain which would materially adversely affect the performance by the City of its obligations hereunder or under the Resolution, the Trust Agreements or the Local Obligations, have been duly obtained and no further consent, approval, authorization or other action or filing with or by any governmental or regulatory authority having jurisdiction over the City is or will be required for the issue and sale of the Local Obligations or the consummation by the City of the other transactions described in this Local Obligation Purchase Contract, the Resolution, the Trust Agreements or the Local Obligations;

(h) The reassessments constituting the security for the Local Obligations have been duly and lawfully levied in proceedings conducted and completed by the City under and pursuant to the Refunding Act of 1984 for 1915 Act Improvement Bonds (being Division 11.5 of the Streets and Highways Code) and, by virtue of the recordation in the official records of the Contra Costa County Recorder on August 18, 2011, of the reassessment diagram and the notice of reassessment for the 2011 Reassessment District, such reassessments constitute a valid and legally binding lien on the respective parcels of land in the 2011 Reassessment District upon which a reassessment has been levied;

(i) In the proceedings for the establishment of the 2011 Reassessment District, the City has authorized and will annually levy and collect, as a component of the installments otherwise billable on account of the principal of and the interest on each reassessment, an amount in addition to amounts necessary to pay debt service on the Local Obligations, on account of expenses of the City in the administration of the reassessments and the Local Obligations which are not otherwise recovered by the City, all in accordance with the proceedings for the establishment of the original assessment districts which have been made a part of the 2011 Reassessment District.

(j) The City acknowledges that the annual debt service payable on the Local Obligations, which will be payable to the Trustee as assignee of the Authority with respect to the Local Obligations, and which will constitute "Revenues" when received by the Trustee, will exceed the corresponding debt service on the Authority's 2011 Series A and Subordinated Series B Reassessment Revenue Refunding Bonds, issued pursuant to the respective Trust Agreements. This excess is identified in Section 5.05(b) of the Series A Trust Agreement as "Revenue Fund Surplus." In addition to the agreement of the City in the foregoing subsection (i) of this Section 2 to provide for the annual levy and collection of installments on account of the unpaid reassessments, the City further agrees to credit or cause to be credited to the annual installment to be collected on account of each unpaid reassessment, commencing with the installments to be posted and collected on the property tax roll for 2012-2013, a pro-rata share of the anticipated Revenue Fund Surplus.

(k) The execution and delivery of this Local Obligation Purchase Contract by the City shall constitute a representation by the City to the Authority that the representations, warranties and agreements contained in this Section 2 are true as of the date hereof; provided that as to all matters of law the City is relying on the advice of counsel to the City; and provided further that no member of the City Council shall be individually liable for the breach of any representation, warranty or agreement contained herein.

3. Conditions to the Obligations of the Authority. The obligations of the Authority to accept delivery of and pay for the Local Obligations on the Closing Date shall be subject, at the option of the Authority, to the accuracy in all material respects of the representations, warranties and agreements on the part of the City contained herein as of the date hereof and as of the Closing Date, to the accuracy in all material respects of the statements of the officers and other officials of the City made in any certificates, or other documents furnished pursuant to the provisions hereof, and to the performance by the City of its obligations to be performed hereunder at or prior to the Closing Date and to the following additional conditions:

(a) At the Closing Date, the Resolution, the Trust Agreements and this Local Obligation Purchase Contract shall be in full force and effect in the form heretofore submitted to the Authority and there shall have been taken in connection with the issuance of the Local Obligations and with the transactions contemplated thereby and by this Local Obligation Purchase Contract, all such actions as, in the opinion of Meyers, Nave, Riback, Silver & Wilson, as City Attorney for the City (the "City Attorney") shall be necessary and appropriate, as set forth in the form of opinion attached hereto as Exhibit B;

(b) At the Closing Date, the Resolution, the Trust Agreements and this Local Obligation Purchase Contract shall not have been amended, modified or supplemented, except as may have been agreed to by the Authority;

(c) At or prior to the Closing Date, the Authority and the Trustee shall have received the following documents, in each case satisfactory in form and substance to the Authority:

- (1) A certified copy of the Resolution;
- (2) An executed copy each of the Trust Agreements;
- (3) An opinion of the City Attorney, dated the Closing Date and addressed to the City and the Authority, in substantially the form attached hereto as Exhibit B;
- (4) Such additional certificates, proceedings, instruments and other documents as the Authority or the City Attorney may reasonably request to evidence compliance by the City with legal requirements, the truth and accuracy, as of the Closing Date, of the representations of the City contained herein, and the due performance or satisfaction by the City at or prior to such time of all agreements then to be performed and all conditions then to be satisfied by the City.

If the City shall be unable to satisfy the conditions to the Authority's obligations contained in this Local Obligation Purchase Contract, this Local Obligation Purchase Contract shall terminate and neither the Authority nor the City shall have any further obligation hereunder; provided that, the Authority may but shall not under any circumstances be required to waive any of such conditions.

4. Expenses. All expenses and costs of the City and the Authority incident to the authorization, issuance and sale of the Local Obligations including fees and expenses of consultants, the Trustee, the Paying Agent, the appraiser, fees and expenses of Bond Counsel and counsel for the City, shall be paid by the City. All ongoing Expenses shall be paid by the City to the Trustee as described in Section 2(i) above. The City agrees that it will pay the underwriting fees and expenses incurred by the Authority in connection with the sale of the Authority's Reassessment Revenue Refunding Bonds, Series A and Subordinated Series B (collectively, the "**Refunding Bonds**").

5. Notices. Any notice or other communication to be given to the City under this Local Obligation Purchase Contract may be given by delivering the same in writing at the City's address set forth above, Attention: Finance Director, and any such notice or other

communications required to be given to the Authority may be given by delivering the same in writing to the Authority at 65 Civic Avenue, Pittsburg, CA 94565, Attention: Treasurer/Controller. The approval of the Authority when required hereunder or the determination of their satisfaction as to any document referred to herein shall be in writing signed by the Authority and delivered to the City.

6. Parties In Interest; Governing Law. This Local Obligation Purchase Contract is made solely for the benefit of the City, the Authority and the Trustee and no other persons, partnership, association or corporation shall acquire or have any right hereunder or by virtue hereof. This Local Obligation Purchase Contract shall be governed by the laws of the State of California.

7. Pledge; Assignment. The City hereby approves the Trust Agreements and the pledge and assignment of all of the Authority's right, title and interest in this Local Obligation Purchase Contract and the Local Obligations to the Trustee under the Series A Trust Agreement, to be an asset of the Series A Trust Estate, for the benefit of the Owners of the Refunding Bonds (as provided in the Trust Agreements).

8. Limitation on Liability. The Authority shall incur no liability hereunder or by reason hereof or arising out of the transactions contemplated hereby, and shall be under no obligation to purchase the Local Obligations hereunder, except from proceeds of the Refunding Bonds available therefor held by the Trustee under, and subject to the conditions set forth in, the Trust Agreements. The City shall incur no liability hereunder or by reason hereof or arising out of the transactions contemplated hereunder, except as otherwise provided in Sections 4 and 5 hereof, or be obligated to make any payments with respect to the Local Obligations, except from amounts pledged to the payment of the Local Obligations (including reassessments levied and collected in the 2011 Reassessment District) pursuant to the terms thereof.

2.

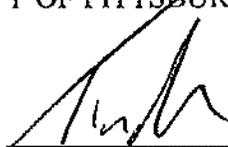
9. Counterparts. This Local Obligation Purchase Contract may be signed in two or more counterparts; all such counterparts, when signed by all parties, shall constitute but one single agreement.

PITTSBURG INFRASTRUCTURE  
FINANCING AUTHORITY

By: 

Its: Treasurer/Controller

ACCEPTED AND AGREED TO:  
CITY OF PITTSBURG

By: 

Its: Finance Director

Exhibit A

**Maturity Schedule of the Local Obligations**

<b>Maturity (September 2)</b>	<b>Principal</b>	<b>Interest Rate</b>
2012	\$ 782,458	5.627%
2013	826,411	5.632%
2014	888,329	5.636%
2015	951,223	5.639%
2016	994,176	5.640%
2017	1,044,106	5.637%
2018	1,141,000	5.634%
2019	1,201,910	5.630%
2020	1,280,800	5.619%
2021	923,195	5.603%
2022	980,195	5.606%
2023	891,335	5.610%
2024	948,335	5.614%
2025	599,016	5.619%
2026	634,016	5.630%
2027	674,016	5.643%
2028	719,016	5.663%
2029	634,136	5.700%
2030	674,136	5.700%
2031	724,136	5.700%

Exhibit B

[Form of City Attorney Opinion]

Closing Date

Governing Board  
Pittsburg Infrastructure Financing Authority  
65 Civic Avenue  
Pittsburg, CA 94565

City Council  
City of Pittsburg  
65 Civic Avenue  
Pittsburg, CA 94565

RE: CITY OF PITTSBURG  
LIMITED OBLIGATION REFUNDING BONDS  
REASSESSMENT DISTRICT NO. 2011-1

Ladies and Gentlemen:

The undersigned is the duly qualified and acting City Attorney of the City of Pittsburg (the "City"), and in connection with the issuance and delivery of \_\_\_\_\_ dollars (\$ \_\_\_\_\_) principal amount of the City of Pittsburg Limited Obligation Refunding Bonds, Reassessment District No. 2011-1 (the "**Local Obligations**"), I have examined originals (or copies certified or otherwise identified to my satisfaction) of such documents, records and other instruments as I deem necessary or appropriate for the purposes of this opinion, including, without limitation, Resolution No. \_\_\_\_\_ adopted by the City Council of the City on August 1, 2011 (the "**Resolution**") and the Bond Purchase Agreement dated as of August \_\_, 2011 (the "Bond Purchase Agreement"), between the City and Piper Jaffray & Co. and Stinson Securities, LLC (the "**Underwriters**").

Based upon the foregoing, it is our opinion that:

1. The City is duly organized and validly existing as a municipal corporation under the Constitution and laws of the State of California, with full legal right, power and authority to issue the Local Obligations and to perform all of its obligations under the Local Obligation Purchase Contract dated as of August 1, 2011 (the "**Local Obligation Purchase Contract**"), between the City and the Authority.

2. The Resolution has been duly adopted by the City Council of the City and constitutes valid and binding obligations of the City.

3. The Local Obligation Purchase Contract, the Trust Agreements, dated as of August 1, 2011, among the City, the Pittsburg Infrastructure Financing Authority and The Bank of New York Mellon Trust Company, N.A., as trustee, and the Local Obligations have been duly authorized, executed, authenticated and delivered by the City, and the Resolution, the

Local Obligation Purchase Contract, the Trust Agreements and the Local Obligations are valid and binding obligations of the City enforceable in accordance with their respective terms except as such enforcement may be limited by bankruptcy, insolvency and other similar laws affecting the creditors' rights generally and by equitable principles if equitable remedies are sought.

4. There is no action, suit or proceeding at law or in equity, before or by any court, regulatory agency, public board or body, pending or, to the best of my knowledge, threatened against or affecting the existence of the City or the titles of its officers to their respective offices, or seeking to restrain or enjoin the issuance, sale or delivery of the Local Obligations, the application of the proceeds thereof in accordance with the Resolution or the Trust Agreements, or the collection or application of the reassessments and the interest thereon to pay the principal of and interest on the Local Obligations, or in any way contesting or affecting the validity or enforceability of the Local Obligations, the Resolution, the Trust Agreements, the Local Obligation Purchase Contract, or the powers of the City or its authority with respect to the Local Obligations, the Resolution, the Trust Agreements, the Local Obligation Purchase Contract, or any action on the part of the City contemplated by any of said documents, nor to my knowledge is there any basis therefor.

This opinion is limited to the laws of the State of California, and we assume no responsibility as to the applicability or the effect of the laws (including securities, blue sky and insolvency laws) of any other jurisdiction or of federal or state income tax laws. This opinion is limited to the matters stated herein, and no opinion is implied beyond the matters expressly stated. This opinion is given for your use and benefit only in connection with transactions described herein, and it may not be relied upon in any other transaction or by any other person, nor may copies be delivered to any person other than your counsel without our prior written consent.

Very truly yours,

MEYERS, NAVE, RIBACK, SILVER & WILSON  
City Attorney of the City of Pittsburg

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