ORDINANCE NO. 7294

AN ORDINANCE OF THE CITY OF PASADENA AUTHORIZING THE ISSUANCE BY THE CITY OF NOT TO EXCEED $17,370,000 AGGREGATE PRINCIPAL AMOUNT OF CITY OF PASADENA WATER REVENUE REFUNDING BONDS, 2017A SERIES, PAYABLE OUT OF THE WATER FUND, AND APPROVING THE EXECUTION AND DELIVERY OF A FIFTH SUPPLEMENT TO WATER REVENUE BOND INDENTURE, AN ESCROW AGREEMENT AND A CONTINUING DISCLOSURE AGREEMENT IN CONNECTION THEREWITH

WHEREAS, pursuant to Article XIV of the Charter (the "Charter") of the City of Pasadena (the "City"), the City Council of the City (the "City Council") is authorized to provide for the issuance of revenue bonds for the purpose of providing moneys for the acquisition and construction of additions to, and extensions and improvements of, the water system of the City, and of refunding bonds for the purposes of refunding any revenue bonds issued pursuant to such Article, by ordinance authorizing the issuance of such revenue bonds and/or refunding bonds; and

WHEREAS, the City has previously issued its $21,550,000 Water Revenue Bonds, 2007 Series (the "2007 Bonds") pursuant to Article XIV of the Charter, and a Water Revenue Bond Indenture, dated as of August 1, 2003, by and between the City and The Bank of New York Mellon Trust Company, N.A. (formerly known as BNY Western Trust Company), as trustee (the "Trustee") (the "Master Indenture"), as supplemented by a Second Supplement to Water Revenue Bond Indenture, dated as of April 1, 2007, by and between the City and the Trustee; and

WHEREAS, pursuant to Article XIV of the Charter, the City now proposes to issue its Water Revenue Refunding Bonds, 2017A Series (with such further designation as may be determined to identify such bonds, the "2017A Bonds") pursuant to the Master Indenture, as amended and supplemented, including as amended and supplemented by a Fifth Supplement to Water Revenue Bond Indenture, by and between the City and the Trustee (the "Fifth Supplement," and collectively with the Master Indenture as amended and supplemented, the "Indenture"), to provide moneys (i) to refund all of the 2007 Bonds, and (ii) to pay costs of issuance of the 2017A Bonds, said 2017A Bonds not to constitute an indebtedness of the City but to constitute obligations which shall be payable as to both principal and interest, and any premiums upon the redemption of any thereof prior to maturity, only from the Water Fund of the City and certain other funds as provided in the Indenture; and this Ordinance is for the purpose of additionally authorizing the issuance of such 2017A Bonds.

NOW, THEREFORE, the People of the City of Pasadena ordain as follows:

Section 1. Authorization to Issue 2017A Bonds; Purpose; Principal Amount.

(a) Pursuant to Article XIV of the Charter, the City Council does hereby authorize to be issued, upon the terms and conditions as hereinafter set forth, the 2017A Bonds in the

aggregate principal amount of not to exceed $17,370,000 for the refunding of all of the 2007 Bonds, including the payment of costs and expenses incidental thereto.

(b) This Ordinance shall constitute complete authority to issue the 2017A Bonds pursuant to the Indenture as provided herein.

Section 2. Issuance of 2017A Bonds. The 2017A Bonds shall be issued pursuant to and in accordance with the terms and conditions set forth in this Ordinance, and more specifically in the Indenture, including the Fifth Supplement.

Section 3. Date of Issuance; Interest Rates for the 2017A Bonds. The 2017A Bonds shall be dated their date of delivery. The interest rates to be payable on the 2017A Bonds shall not exceed such rates as will result in a true interest cost to the City of greater than 4.50% for the 2017A Bonds.

Section 4. Maturity Dates. The final maturity date for the 2017A Bonds shall be June 1, 2036. Subject to the preceding sentence, the 2017A Bonds shall mature and be payable on such dates as specifically set forth in the Fifth Supplement described in Section 6 hereof.

Section 5. Source of Payment. The 2017A Bonds shall not constitute an indebtedness of the City but shall constitute obligations which shall be payable as to both principal and interest, and any premiums upon the redemption of any thereof prior to maturity, only from the Water Fund of the City, as provided in Article XIV of the Charter, and certain other funds as authorized by Article XIV and provided in the Indenture.

Section 6. Approval of Fifth Supplement. In order to prescribe the terms and conditions upon which the 2017A Bonds are to be issued, secured, executed, authenticated and held, the Fifth Supplement proposed to be executed and entered into by the City and the Trustee, in substantially the form attached hereto as Exhibit A, is hereby approved, and the Director of Finance (or, in the absence of the Director of Finance, his designee) is hereby authorized and directed, for and in the name and on behalf of the City, to execute, and the City Clerk is authorized to affix the official seal of the City to, and deliver the Fifth Supplement in substantially such form, with such changes (including, without limitation, such changes as may be requested by rating agencies providing a ratings on the 2017A Bonds) as may be approved by the Director of Finance (or, in the absence of the Director of Finance, his designee), acting on behalf of the City, subject to advice of counsel, such execution thereof to constitute conclusive evidence of the approval of the City of all changes from the form of the Fifth Supplement presented to this meeting.

Section 7. Approval of Continuing Disclosure Agreement. The Continuing Disclosure Agreement, proposed to be executed and entered into by and between the City and Digital Assurance Certification, L.L.C., in substantially the form attached hereto as Exhibit B, is hereby approved, and the Director of Finance (or, in the absence of the Director of Finance, his designee) is hereby authorized and directed, for and in the name and on behalf of the City, to execute and deliver the Continuing Disclosure Agreement in substantially said form, with such changes as may be approved by the Director of Finance (or, in the absence of the Director of Finance, his designee), acting on behalf of the City, subject to advice of counsel, such execution

thereof to constitute conclusive evidence of the approval of the City of all changes from the form of the Continuing Disclosure Agreement presented to this meeting.

Section 8. Approval of Escrow Agreement. The Escrow Agreement relating to the 2007 Bonds proposed to be executed and entered into by and between the City and The Bank of New York Mellon Trust Company, N.A., as the escrow agent, in substantially the form attached hereto as Exhibit C, is hereby approved, and the Director of Finance (or, in the absence of the Director of Finance, his designee) is hereby authorized and directed, for and in the name and on behalf of the City, to execute and deliver the Escrow Agreement in substantially said form, with such changes as may be approved by the Director of Finance (or, in the absence of the Director of Finance, his designee), acting on behalf of the City, subject to advice of counsel, such execution thereof to constitute conclusive evidence of the approval of the City of all changes from the form of the Escrow Agreement presented to this meeting.

Section 9. Official Action. All actions heretofore taken by the officers and agents of the City with respect to the issuance of the 2017A Bonds and the negotiation and execution of said agreements are hereby approved, confirmed and ratified. The City Manager, the Director of Finance, the City Treasurer, the City Clerk and any and all other officers of the City are hereby authorized and directed, for and in the name and on behalf of the City to do any and all things and take any and all actions, including, without limitation, the execution and delivery of any and all certificates, requisitions, agreements and other documents, which they, or any of them, may deem necessary or advisable in order to consummate the issuance, sale and delivery of the 2017A Bonds pursuant to the agreements described herein.

Section 10. Provisions Necessary and Desirable. The provisions of this Ordinance are deemed necessary and desirable to facilitate the issuance and sale of the 2017A Bonds authorized by this Ordinance.

Section 11. Publication. The City Clerk shall certify to the adoption of this Ordinance and shall cause this Ordinance to be published by title and summary.

Section 12. Effective Date. This Ordinance shall take effect on the date of publication pursuant to Section 11, subject only to the right of referendum provided in Section 1413 of the City Charter.

Signed and approved this 23rd day of January, 2017.

Mayor of the City of Pasadena, California

I HEREBY CERTIFY that the foregoing Ordinance was adopted by the City Council of the City of Pasadena at its regular meeting held January 30, 2017, by the following vote:

Ayes:	Councilmembers Gordo, Hampton, Kennedy, Madison, McAustin, Wilson, Vice Mayor Masuda, Mayor Tornek
Noes:	None
Absent:	None
Abstain:	None

Published: February 2, 2017
Pasadena Journal
Pasadena Weekly

APPROVED AS TO FORM:

for MBB

Michele Beal Bagneris
City Attorney

2/15/17

Mark Jomsky
City Clerk

APPROVED AS TO FORM:

Danny Kim, Partner
Norton Rose Fulbright US LLP
Bond Counsel

EXHIBIT A

PROPOSED FORM OF

FIFTH SUPPLEMENT TO

WATER REVENUE BOND INDENTURE

FIFTH SUPPLEMENT TO
WATER REVENUE BOND INDENTURE

by and between the

CITY OF PASADENA, CALIFORNIA

and

THE BANK OF NEW YORK MELLON TRUST COMPANY, N.A.

as Trustee

RELATING TO THE CITY OF PASADENA, CALIFORNIA

WATER REVENUE REFUNDING BONDS, 2017A SERIES

Dated as of March 1, 2017

(Supplement to the Water Revenue
Bond Indenture dated as of August 1, 2003)

FIFTH SUPPLEMENT TO

WATER REVENUE BOND INDENTURE

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Fifth Supplement to Water Revenue Bond Indenture
(Supplement to the Water Revenue Bond Indenture
dated as of August 1, 2003)
Authorizing the Issuance of
$_____
Aggregate Principal Amount of
City of Pasadena, California
Water Revenue Refunding Bonds, 2017A Series

This FIFTH SUPPLEMENT TO WATER REVENUE BOND INDENTURE, dated as of March 1, 2017 (the "Fifth Supplement"), by and between the CITY OF PASADENA, CALIFORNIA (the "City"), a municipal corporation and chartered city duly organized and existing under the Constitution and laws of the State of California, and THE BANK OF NEW YORK MELLON TRUST COMPANY, N.A. (successor to BNY Western Trust Company), as trustee (the "Trustee"),

W I T N E S S E T H :

WHEREAS, this Fifth Supplement is supplemental to the Water Revenue Bond Indenture, dated as of August 1, 2003 (as amended and supplemented, the "Indenture"), by and between the City and the Trustee, providing for the issuance of City of Pasadena, California, Water Revenue Bonds (the "Bonds"); and

WHEREAS, the Indenture provides that the City may issue additional Bonds as well as refunding bonds from time to time as authorized by a Supplemental Indenture; and

WHEREAS, pursuant to the Indenture, there has been issued, *inter alia*, $21,550,000 aggregate principal amount of City of Pasadena, California Water Revenue Bonds, 2007 Series (the "2007 Bonds"), of which $17,370,000 principal amount is now outstanding and unpaid; and

WHEREAS, pursuant to Article XIV of the Charter and Ordinance No. _____ of the City, adopted on January 30, 2017, the City proposes to issue its Water Revenue Refunding Bonds, 2017A Series (the "2017A Bonds") pursuant to the Indenture, as supplemented by this Fifth Supplement, to provide moneys for the refunding of all of the outstanding 2007 Bonds, said 2017A Bonds not to constitute an indebtedness of the City but to constitute obligations which shall be payable as to both principal and interest, and any premiums upon the redemption of any thereof prior to maturity, only from the revenues of the Water System; provided, however, that this shall not preclude the payment thereof from the proceeds of bonds issued to refund said bonds under said Article XIV or any other law of the State of California nor preclude the use of any sum received as premium or accrued interest on the sale of the bonds to pay principal and interest thereof, nor payment from certain other funds or moneys as provided under said Article XIV; and

WHEREAS, the City Council has determined, that it is necessary and required that the City enter into this Fifth Supplement in order to establish and declare, in conjunction with the Indenture, the terms and conditions upon which the 2017A Bonds shall be issued; and

WHEREAS, the City Council has determined that all acts, conditions and things required by law to exist, to have happened and to have been performed precedent to and in connection with the execution and the entering into of this Fifth Supplement do exist, have happened and have been performed in regular and due time, form and manner as required by law, and the parties hereto are now duly authorized to execute and enter into this Fifth Supplement;

NOW, THEREFORE, the parties hereto agree, as follows:

ARTICLE XVI

THE 2017A BONDS

SECTION 16.01. Definitions. The terms defined in this Section shall, for all purposes of this Fifth Supplement and of any certificate, opinion or other document herein mentioned, have the meanings herein specified, to be equally applicable to both the singular and plural forms of any of the terms herein defined. Terms defined in the Indenture not otherwise defined herein shall have the meanings specified therein.

"Escrow Agent" means The Bank of New York Mellon Trust Company, N.A., as escrow agent under the Escrow Agreement.

"Escrow Agreement" means the Escrow Agreement, dated as of March 1, 2017, between the City and the Escrow Agent, relating to the defeasance and redemption of the 2007 Bonds.

"2007 Bonds" means the City of Pasadena, California Water Revenue Bonds, 2007 Series.

"2017A Bonds" means the City of Pasadena, California Water Revenue Refunding Bonds, 2017A Series, as described in Section 16.02(A) hereof.

SECTION 16.02. Authorization; Terms of the 2017A Bonds.

(A) A fifth Series of Bonds to be issued under the Indenture is hereby created. Such Series shall be known as the "City of Pasadena, California Water Revenue Refunding Bonds, 2017A Series." The 2017A Bonds shall be issued in the aggregate initial principal amount of $_____ in accordance with the law and this Indenture for the purposes of (i) refunding the 2007 Bonds, and (ii) paying the Costs of Issuance in connection with the issuance and delivery of the 2017A Bonds.

(B) The 2017A Bonds shall be issued in fully registered form and shall be initially registered in the name of "Cede & Co.," as nominee of The Depository Trust Company. The 2017A Bonds shall be evidenced by one 2017A Bond maturing on each of the maturity dates as set forth in subsection 16.02(C) in a denomination corresponding to the total principal amount of the 2017A Bonds of such maturity. Each 2017A Bond may be assigned by the Trustee a

distinctive number or letter and number, and a record of the same shall be maintained by the Trustee. Registered ownership of the 2017A Bonds, or any portion thereof, may not thereafter be transferred except as set forth in Section 16.11.

(C) The 2017A Bonds shall be dated the date of delivery, shall be bonds which are Current Interest Indebtedness, shall be issued in denominations of $5,000 or any integral multiple thereof, and shall bear interest from the date thereof at the following rates per annum and shall mature on June 1 in the following years in the following amounts:

Maturity Date (June 1)	Principal Amount	Interest Rate

The 2017A Bonds maturing on June 1, 20___ through June 1, 20___, inclusive, are designated Serial Bonds. The 2017A Bonds maturing on June 1, 20___ and June 1, 20___ are designated Term Bonds.

Interest on the 2017A Bonds shall be payable semiannually on June 1 and December 1 of each year, commencing June 1, 2017, in lawful money of the United States of America by check mailed by first-class mail on each interest payment date to the Owner thereof as of the close of business on the fifteenth (15th) day of the calendar month immediately preceding such interest payment date; provided, that upon the written request of an Owner of one million dollars ($1,000,000) or more in aggregate principal amount of 2017A Bonds received by the Trustee prior to the applicable Record Date (which such request shall remain in effect until rescinded in writing by such Owner), interest shall be paid by wire transfer in immediately available funds. Interest on the 2017A Bonds shall be computed on the basis of a 360-day year of twelve 30-day months. The principal of and premium, if any, on the 2017A Bonds are payable when due upon

presentation thereof at the Corporate Trust Office of the Trustee, in lawful money of the United States of America.

So long as the 2017A Bonds are maintained in book-entry form, payments of principal, premium, if any, and interest shall be made by the Trustee to the DTC by wire transfer.

The Trustee shall provide to Bondholders CUSIP number identification, with appropriate dollar amounts for each CUSIP number, on all redemption payments and interest payments, whether by check or by wire transfer.

SECTION 16.03. Redemption of 2017A Bonds.

(A) The 2017A Bonds maturing on or before June 1, 20___ are not subject to call for redemption prior to maturity. The 2017A Bonds maturing on or after June 1, 20___ shall be subject to redemption prior to their respective stated maturities, at the option of the City, from any source of available funds, as a whole or in part on any date on or after June 1, 20___, at a Redemption Price equal to the principal amount of the 2017A Bonds called for redemption together with accrued interest thereon to the date of redemption, without premium.

(B) The 2017A Bonds maturing on June 1, 20___ shall also be subject to redemption prior to their stated maturity, in part, by lot, from mandatory sinking fund payments as specified below, commencing on June 1, 20___, at a Redemption Price equal to the principal amount thereof plus accrued interest thereon to the date fixed for redemption, without premium.

Term 2017A Bonds Due June 1, 20___

Mandatory Sinking Fund Payment Dates (June 1)	Mandatory Sinking Fund Payments

† Final Maturity.

The 2017A Bonds maturing on June 1, 20___ shall also be subject to redemption prior to their stated maturity, in part, by lot, from mandatory sinking fund payments as specified below, commencing on June 1, 20___, at a Redemption Price equal to the principal amount thereof plus accrued interest thereon to the date fixed for redemption, without premium.

Term 2017A Bonds Due June 1, 20___

Mandatory Sinking Fund Payment Dates (June 1)	Mandatory Sinking Fund Payments

† Final Maturity.

SECTION 16.04. Selection of 2017A Bonds for Redemption. Whenever provision is made in this Fifth Supplement for the redemption of less than all of the 2017A Bonds, the maturities of the 2017A Bonds to be redeemed shall be specified by the City. In the case of partial redemption of less than all of the 2017A Bonds of any maturity, the Trustee shall select the particular 2017A Bonds to be redeemed, from all 2017A Bonds of the respective maturity not previously called for redemption, in authorized denominations, by lot in any manner which the Trustee in its sole discretion shall deem appropriate. The Trustee shall promptly notify the City in writing of the 2017A Bonds so selected for redemption. Upon an optional redemption of a portion of any Term 2017A Bonds pursuant to Section 16.03(A), the principal amount of such Term 2017A Bonds being redeemed shall be allocated against the scheduled mandatory sinking fund payments for such Term 2017A Bonds in such manner as the City may direct and the City shall provide the Trustee a revised sinking fund payment schedule.

SECTION 16.05. Notice of Redemption of 2017A Bonds. The City shall notify the Trustee at least forty-five (45) days (or such shorter time as the Trustee shall agree) prior to the redemption date for 2017A Bonds pursuant to Section 16.03(A). Notice of redemption shall be given in the form and in accordance with the terms of the Indenture, provided, however, that with respect to the 2017A Bonds, if by the date of mailing of notice of any optional redemption the City shall not have deposited with the Trustee moneys sufficient to redeem all the 2017A Bonds called for redemption, then such notice shall additionally state that it is expressly conditioned upon and subject to the availability of funds for such purpose not later than the opening of business on the redemption date and shall be of no effect unless funds sufficient for such purpose are available. The lack of available funds for such optional redemption shall not constitute an Event of Default under this Indenture.

SECTION 16.06. Partial Redemption of 2017A Bonds. Upon surrender of any 2017A Bond redeemed in part only, the City shall execute and the Trustee shall authenticate and deliver to the Owner thereof, at the expense of the City, a new 2017A Bond of authorized

denominations, and of the same maturity and interest rate, equal in aggregate principal amount to the unredeemed portion of the 2017A Bond surrendered.

SECTION 16.07. Form of 2017A Bonds. The 2017A Bonds and the certificate of authentication and registration to be executed thereon shall be in substantially the form set forth as Exhibit A hereto. The 2017A Bond designation letters and numbers, maturity dates, principal amounts, and interest rates shall be inserted therein in conformity with Section 16.01.

SECTION 16.08. Issuance of 2017A Bonds. At any time after the execution and delivery of this Fifth Supplement, the City may execute and the Trustee shall authenticate and deliver the 2017A Bonds in the aggregate principal amount of $_____ upon the Order of the City.

SECTION 16.09. Application of Proceeds of 2017A Bonds. The proceeds of the sale of the 2017A Bonds in the amount of $_____ (computed as $_____ aggregate principal amount of the 2017A Bonds, plus $_____ original issue premium, and less $_____ Underwriter's discount) shall be received by the Trustee on behalf of the City and together with certain other amounts as described below, held in trust and set aside as follows:

(i) Immediately upon receiving the proceeds of the sale of the 2017A Bonds, the Trustee shall transfer to the Escrow Agent $_____ which shall be applied, together with $_____ transferred by the Trustee to the Escrow Agent from the Parity Reserve Fund (relating to the 2007 Bonds), towards the defeasance of the 2007 Bonds pursuant to the Escrow Agreement; and

(ii) Immediately upon receiving the proceeds of the sale of the 2017A Bonds, the Trustee shall deposit in the 2017A Bonds Costs of Issuance Fund the amount of $_____, to be applied in accordance with Section 16.10 hereof.

SECTION 16.10. Establishment and Application of 2017A Bonds Costs of Issuance Fund. There is hereby established a fund to be held by the Trustee known as the "2017A Bonds Costs of Issuance Fund," into which shall be deposited a portion of the proceeds of the sale of the 2017A Bonds pursuant to Section 16.09. The moneys in the 2017A Bonds Costs of Issuance Fund shall be used to pay Costs of Issuance related to the 2017A Bonds from time to time and shall be disbursed by the Trustee upon delivery to the Trustee of a requisition, substantially in the form attached hereto as Exhibit B, executed by an officer of the City. Each requisition shall be sufficient evidence to the Trustee of the facts stated therein and the Trustee shall have no duty to confirm the accuracy of such facts. On the date that is 180 days following the date of issuance and delivery of the 2017A Bonds, or upon the earlier receipt by the Trustee of a written request of the City certifying that all Costs of Issuance related to the 2017A Bonds have been paid or provided for, the Trustee shall transfer any remaining amounts in the 2017A Bonds Costs of Issuance Fund to the Debt Service Fund and the Trustee shall then close the 2017A Bonds Costs of Issuance Fund.

SECTION 16.11. Use of Depository. Notwithstanding any provision of the Indenture or this Fifth Supplement to the contrary:

(A) The 2017A Bonds shall be issued in fully registered form, in authorized denominations and shall be initially registered in the name of "Cede & Co.," as nominee of The Depository Trust Company, as Securities Depository, and shall be evidenced by one 2017A Bond maturing on each of the maturity dates as set forth in subsection 16.02(C) in a denomination corresponding to the total principal amount of the 2017A Bonds of such maturity. Each 2017A Bond shall be assigned by the Trustee a distinctive number or letter or letter and number, and a record of the same shall be maintained by the Trustee.

Registered ownership of the 2017A Bonds, or any portions thereof, may not thereafter be transferred except:

(i) To any successor of The Depository Trust Company or its nominee, or to any substitute depository designated pursuant to clause (ii) of this subsection (A) (a "Substitute Depository"); provided that any successor 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 Trustee, 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 that 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 Substitute Depository or its successor) from its functions as depository; provided that no Substitute Depository which is not objected to by the Trustee can be obtained, or (2) a determination by the City that it is in the best interests of the City to remove The Depository Trust Company or its successor (or any Substitute Depository or its successor) from its function as depository.

(B) In the case of any transfer pursuant to clause (i) or clause (ii) of subsection 16.11(A), upon receipt of all Outstanding 2017A Bonds by the Trustee, together with a Certificate of the City to the Trustee, a single new 2017A Bond for each maturity shall be executed and delivered, registered in the name of such successor or such Substitute Depository, or their nominees, as the case may be, all as specified in such Certificate of the City. In the case of any transfer pursuant to clause (iii) of subsection 16.11(A) hereof, upon receipt of all Outstanding 2017A Bonds by the Trustee together with a Certificate of the City to the Trustee, new 2017A Bonds shall be executed and delivered in such denominations and registered in the names of such persons as are requested in such a Certificate of the City, subject to the limitations of Section 16.02 hereof; provided the Trustee shall not be required to deliver such new 2017A Bonds within a period less than 60 days from the date of receipt of such a Certificate of the City.

(C) In the case of partial redemption, cancellation or an advance refunding of any 2017A Bonds evidencing all or a portion of the principal maturing in a particular year, The Depository Trust Company shall make an appropriate notation on the 2017A Bonds indicating the date and amounts of such reduction in principal, in form acceptable to the Trustee.

(D) The City and the Trustee shall be entitled to treat the person in whose name any 2017A Bond is registered as the Owner thereof for all purposes of the Indenture and any applicable laws, notwithstanding any notice to the contrary received by the Trustee or the City; and the City and the Trustee shall have no responsibility for transmitting payments to, communication with, notifying, or otherwise dealing with any beneficial owners of the 2017A Bonds. Neither the City nor the Trustee will have any responsibility or obligations, legal or otherwise, to the beneficial owners or to any other party including The Depository Trust Company or its successor (or Substitute Depository or its successor), except to the Owner of any 2017A Bond.

(E) So long as all Outstanding 2017A Bonds are registered in the name of "Cede & Co." or its registered assign, the City and the Trustee shall cooperate with "Cede & Co.," as sole registered Owner, and its registered assigns in effecting payment of the principal of and redemption premium, if any, and interest on the 2017A Bonds 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 16.12. Amendment to Certain Provisions of the Indenture. The following amendment to the Indenture shall become effective at such time as this Fifth Supplement shall be executed and delivered by the City and the Trustee.

(A) With respect to the 2017A Bonds, Section 8.03(L) of the Indenture is hereby amended in its entirety as follows:

"(L) The Trustee shall have the right to accept and act upon instructions, including funds transfer instructions ("Instructions") given pursuant to this Fifth Supplement and delivered using Electronic Means ("Electronic Means" shall mean the following communications methods: e-mail, facsimile transmission, secure electronic transmission containing applicable authorization codes, passwords and/or authentication keys issued by the Trustee, or another method or system specified by the Trustee as available for use in connection with its services hereunder); provided, however, that the City shall provide to the Trustee an incumbency certificate listing officers with the authority to provide such Instructions ("Authorized Officers") and containing specimen signatures of such Authorized Officers, which incumbency certificate shall be amended by the City whenever a person is to be added or deleted from the listing. If the City elects to give the Trustee Instructions using Electronic Means and the Trustee in its discretion elects to act upon such Instructions, the Trustee's understanding of such Instructions shall be deemed controlling. The City understands and agrees that the Trustee cannot determine the identity of the actual sender of such Instructions and that the Trustee shall conclusively presume that directions that purport to have been sent by an Authorized Officer listed on the incumbency certificate provided to the Trustee have been sent by such Authorized Officer. The City shall be responsible for ensuring that only Authorized Officers transmit such Instructions to the Trustee and that the City and all Authorized Officers are solely responsible to safeguard the use and confidentiality of

applicable user and authorization codes, passwords and/or authentication keys upon receipt by the City. The Trustee shall not be liable for any losses, costs or expenses arising directly or indirectly from the Trustee's reliance upon and compliance with such Instructions notwithstanding such directions conflict or are inconsistent with a subsequent written instruction. The City agrees: (i) to assume all risks arising out of the use of Electronic Means to submit Instructions to the Trustee, including without limitation the risk of the Trustee acting on unauthorized Instructions, and the risk of interception and misuse by third parties; (ii) that it is fully informed of the protections and risks associated with the various methods of transmitting Instructions to the Trustee and that there may be more secure methods of transmitting Instructions than the method(s) selected by the City; (iii) that the security procedures (if any) to be followed in connection with its transmission of Instructions provide to it a commercially reasonable degree of protection in light of its particular needs and circumstances; and (iv) to notify the Trustee immediately upon learning of any compromise or unauthorized use of the security procedures."

(B) Reference to Section 2.07 in the Section 13.12(B) of the Second Supplement to Water Revenue Bond Indenture is hereby corrected as follows:

"(B) The first sentence of Section 5.05 is hereby amended to read as follows:"

SECTION 16.13. Terms of 2017A Bonds Subject to the Indenture. Except as in this Fifth Supplement expressly provided, every term and condition contained in the Indenture shall apply to the Fifth Supplement and to the 2017A Bonds with the same force and effect as if the same were herein set forth at length, with such omissions, variations and modifications thereof as may be appropriate to make the same conform to the Fifth Supplement.

The Fifth Supplement and all the terms and provisions herein contained shall form part of the Indenture as fully and with the same effect as if all such terms and provisions had been set forth in the Indenture. The Indenture is hereby ratified and confirmed and shall continue in full force and effect in accordance with the terms and provisions thereof, as supplemented and amended hereby, subject to the next sentence.

SECTION 16.14. Effective Date of Fifth Supplement. The Fifth Supplement shall take effect upon its execution and delivery.

SECTION 16.15. Execution in Counterparts. The Fifth Supplement may be executed in several counterparts, each of which shall be deemed an original, and all of which shall constitute but one and the same instrument.

[Remainder of Page Intentionally Left Blank]

IN WITNESS WHEREOF, the parties hereto have executed the Fifth Supplement by their officers thereunto duly authorized as of the day and year first written above.

CITY OF PASADENA

By: _____
Matthew Hawkesworth
Director of Finance

(Seal)

ATTEST:

By: _____
Mark Jomsky

APPROVED AS TO FORM:

By: _____
Michele Beal Bagneris
City Attorney

APPROVED AS TO FORM:

By: _____
Danny Kim, Partner
Norton Rose Fulbright US LLP
Bond Counsel

THE BANK OF NEW YORK MELLON TRUST COMPANY, N.A., as Trustee

By: _____
Authorized Officer

EXHIBIT A

(FORM OF 2017A Bond)

No. ___ $_____

CITY OF PASADENA, CALIFORNIA

WATER REVENUE REFUNDING BONDS, 2017A SERIES

Maturity Date	Interest Rate Per Annum	Dated Date	CUSIP
June 1, _____		Date of Delivery	

REGISTERED OWNER: CEDE & CO.

PRINCIPAL AMOUNT:

The CITY OF PASADENA, CALIFORNIA a municipal corporation and chartered city duly organized and existing under the Constitution and the laws of the State of California (the "City"), for value received, hereby promises to pay (but only out of the Pledged Revenues and funds hereinafter referred to) to the registered owner named above or registered assigns, on the maturity date specified above (subject to any right of prior redemption or payment as provided in the hereinafter mentioned Indenture), the principal sum specified above together with interest thereon from the dated date specified above until the principal hereof shall have been paid, at the interest rate per annum specified above, payable semiannually on June 1 and December 1 in each year commencing June 1, 2017. Interest hereon is payable in lawful money of the United States of America by (except as otherwise provided in the hereinafter mentioned Indenture) check mailed by first-class mail on each interest payment date to the registered owner as of the close of business on the 15th day of the calendar month immediately preceding such interest payment date. The principal hereof and premium, if any, hereon are payable when due upon presentation hereof at the Corporate Trust Office (as defined in the Indenture) of The Bank of New York Mellon Trust Company, N.A. (successor to BNY Western Trust Company), as trustee (together with any successor as trustee under said Indenture, the "Trustee"), in lawful money of the United States of America.

This bond is one of a duly authorized issue of City of Pasadena, California Water Revenue Bonds (the "Bonds") of the series and designation indicated on the face hereof. Said authorized issue of Bonds is not limited in aggregate principal amount, except as otherwise provided in said Indenture, and consists or may consist of one or more series of varying denominations, dates, maturities, interest rates and other provisions, as in said Indenture provided, all issued and to be issued pursuant to the provisions of Article XIV of the Charter of the City (the "Charter"). This Bond is issued pursuant to a Water Revenue Bond Indenture, dated as of August 1, 2003, by and between the City and the Trustee, providing for the issuance of the Bonds, and a Fifth Supplement to Water Revenue Bond Indenture, dated as of March 1,

2017 (the "Fifth Supplement"), by and between the City and the Trustee, authorizing the issuance of a series of bonds (the "2017A Bonds") of which this Bond is one (said indenture as amended and supplemented, including as supplemented by the Fifth Supplement collectively, the "Indenture"). Reference is hereby made to the Indenture for a description of the terms under which the 2017A Bonds are issued and to be issued, the provisions with regard to the nature and extent of the Pledged Revenues (as that term is defined in the Indenture), and the rights of the registered owners of the 2017A Bonds; and all the terms of the Indenture are hereby incorporated herein and constitute a contract between the City and the registered owner from time to time of this Bond, and to all the provisions thereof the registered owner of this Bond, by its acceptance hereof, consents and agrees.

This Bond does not constitute an indebtedness of the City of Pasadena but is an obligation payable, as to both principal and interest, and any premium upon the redemption hereof prior to maturity, exclusively from the Water Fund and certain other funds as provided in the Indenture, but this shall not preclude the payment hereof from the proceeds of bonds issued to refund the 2017A Bonds, not preclude the use of any sum received as premium or accrued interest on the sale of the 2017A Bonds to pay principal and interest hereof, nor payment from certain other funds or moneys as provided in Subdivision D of Section 1414 of Article XIV of the Charter. The Water Fund is established in and by the Charter, and under the provisions of said Charter all money derived from the Water System of the City is required to be deposited in the Water Fund and used only for the purpose set forth in said Charter, including the payment of the Bonds.

The 2017A Bonds and the other Parity Debt (as defined in the Indenture) hereafter issued by the City are payable from, and are secured by a pledge of and lien on, the Pledged Revenues and all amounts held by the Trustee under the Indenture (except for amounts held in the Rebate Fund), subject only to the provisions of the Indenture permitting the application thereof for the purposes and on the terms and conditions provided in the Indenture.

The Bonds are revenue obligations of the City and are payable as to both principal and interest, and any premium upon redemption thereof, exclusively from Pledged Revenues and certain other funds pledged under the Indenture. The Bonds are special, limited obligations of the City. The Bonds shall not be deemed to constitute a debt or liability of the City, the State of California or of any political subdivision thereof within the meaning of any constitutional or statutory provision, or a pledge of the faith and credit of the City, the State of California or of any political subdivision thereof, but shall be payable, except to the extent of certain amounts held under the Indenture pledged therefor, solely from Pledged Revenues. Neither the faith and credit nor the taxing power of the City, the State of California or of any political subdivision thereof is pledged to the payment of the principal of, premium, if any, or the interest on the Bonds. The issuance of the Bonds shall not directly or indirectly or contingently obligate the City, the State of California or any political subdivision thereof to levy or to pledge any form of taxation whatsoever therefor or to make any appropriation for their payment.

The 2017A Bonds maturing on or before June 1, 20___ are not subject to call for redemption prior to maturity. The 2017A Bonds maturing on or after June 1, 20___ shall be subject to redemption prior to their respective stated maturities, at the option of the City, from any source of available funds, as a whole or in part on any date on or after June 1, 20___ (by

such maturities as may be specified by the City and by lot within a maturity), at a Redemption Price equal to the principal amount of the 2017A Bonds called for redemption together with accrued interest thereon to the date of redemption, without premium.

The 2017A Bonds maturing on June 1, 20___ and June 1, 20___ shall also be subject to redemption prior to their stated maturity, in part, by lot, from mandatory sinking fund payments as specified in the Indenture, commencing on June 1, 20___ and June 1, 20___, respectively, at a redemption price equal to the principal amount thereof plus accrued interest thereon to the date fixed for redemption, without premium.

This Bond is transferable or exchangeable for other authorized denominations by the registered owner hereof, in person or by its duly authorized attorney, at the Corporate Trust Office of the Trustee, but only in the manner, subject to the limitations and upon payment of the charges provided in the Indenture, and upon surrender and cancellation of this Bond. Upon such transfer or exchange a new fully registered Bond or Bonds, of authorized denomination or denominations, of the same series, tenor, maturity and interest rate for the same aggregate principal amount will be issued to the registered owner in exchange herefor.

The City, the Trustee and any paying agent may deem and treat the registered owner hereof as the absolute owner hereof for all purposes, and the City, the Trustee and any paying agent shall not be affected by any notice to the contrary.

The rights and obligations of the City and of the registered owners of the Bonds may be modified or amended at any time in the manner, to the extent, and upon the terms provided in the Indenture, which provide, in certain circumstances, for modifications and amendments without the consent of or notice to the registered owners of the Bonds.

It is hereby certified and recited that any and all acts, conditions and things required to exist, to happen and to be performed, precedent to and in the incurring of the indebtedness evidenced by this Bond, and in the issuing of this Bond, do exist, have happened and have been performed in due time, form and manner, as required by the Constitution and statutes of the State of California, and that this Bond, together with all other indebtedness of the City pertaining to the Pledged Revenues, is within every debt and other limit prescribed by the Constitution and the statutes of the State of California and the Charter, and is not in excess of the amount of Bonds permitted to be issued under the Indenture or otherwise.

This Bond shall not be entitled to any benefit under the Indenture, or become valid or obligatory for any purpose, until the certificate of authentication hereon endorsed shall have been manually signed by the Trustee.

Capitalized terms used but not defined herein shall have the meanings assigned to them in the Indenture.

IN WITNESS WHEREOF, the City of Pasadena has caused this Bond to be signed by the Mayor, the Director of Finance and the City Clerk of the City by their manual or facsimile signatures and the corporate seal of the City to be imprinted or reproduced hereon.

CITY OF PASADENA

By: _____
Mayor

By: _____
Director of Finance

(SEAL)

Attested:

By: _____
City Clerk

[FORM OF CERTIFICATE OF AUTHENTICATION AND REGISTRATION]

This is one of the Bonds described in the within mentioned Indenture and registered on the date set forth below.

Dated:

THE BANK OF NEW YORK MELLON TRUST COMPANY, N.A., as Trustee

By: _____
Authorized Signatory

[FORM OF ASSIGNMENT]

For value received _____ hereby sell, assign and transfer unto _____ the within Bond and hereby irrevocably constitute and appoint _____ attorney, to transfer the same on the books of the City at the office of the Trustee, with full power of substitution in the premises.

_____

NOTE: The signature to this Assignment must correspond with the name on the face of the within registered bond in every particular, without alteration or enlargement or any change whatsoever.

Dated: _____

Signature guarantee shall be made by a guarantor institution participating in the Securities Transfer Agents Medallion Program or in such other guarantee program acceptable to the Trustee

_____

NOTE: Signature must be guaranteed by an eligible guarantor institution.

EXHIBIT B

FORM OF COSTS OF ISSUANCE REQUISITION

REQUISITION NO. __

with reference to

$_____
City of Pasadena, California
Water Revenue Refunding Bonds, 2017A Series

I. The City of Pasadena (the "City") hereby requests The Bank of New York Mellon Trust Company, N.A., as trustee (the "Trustee"), pursuant to that certain Water Revenue Bond Indenture, dated as of August 1, 2003 (as amended and supplemented, the "Indenture"), by and between the City and the Trustee, under the terms of which the City has issued its Water Revenue Refunding Bonds, 2017A Series, to pay from the moneys in the 2017A Bonds Costs of Issuance Fund established pursuant to the Indenture, the amounts shown on Schedule I attached hereto to the parties indicated in Schedule I.

II. The payees, the purposes for which the costs have been incurred, and the amount of the disbursements requested are itemized on Schedule I hereto.

III. Each obligation mentioned in Schedule I hereto has been properly incurred and is a proper charge against the 2017A Bonds Costs of Issuance Fund. None of the items for which payment is requested has been reimbursed previously from the 2017A Bonds Costs of Issuance Fund.

All payments shall be made by check or wire transfer in accordance with the payment instructions set forth in Schedule I attached or in invoices submitted in accordance therewith and the Trustee may rely on such payment instructions though given by the City with no duty to investigate or inquire as to the authenticity of the invoice or the payment instructions contained therein.

Dated: _____

CITY OF PASADENA, CALIFORNIA

By_____
Title:_____

EXHIBIT B

PROPOSED FORM OF

CONTINUING DISCLOSURE AGREEMENT

CONTINUING DISCLOSURE AGREEMENT

This Continuing Disclosure Agreement (the "Disclosure Agreement"), dated as of March 1, 2017, is executed and delivered by the City of Pasadena (the "Issuer") and Digital Assurance Certification, L.L.C., as exclusive Disclosure Dissemination Agent (the "Disclosure Dissemination Agent" or "DAC") for the benefit of the Holders (hereinafter defined) of the Bonds (hereinafter defined) in order to provide certain continuing disclosure with respect to the Bonds in accordance with Rule 15c2-12 of the United States Securities and Exchange Commission under the Securities Exchange Act of 1934, as the same may be amended from time to time (the "Rule").

The services provided under this Disclosure Agreement solely relate to the execution of instructions received from the Issuer through use of the DAC system and do not constitute "advice" within the meaning of the Dodd-Frank Wall Street Reform and Consumer Protection Act (the "Act"). DAC will not provide any advice or recommendation to the Issuer or anyone on the Issuer's behalf regarding the "issuance of municipal securities" or any "municipal financial product" as defined in the Act and nothing in this Disclosure Agreement shall be interpreted to the contrary.

SECTION 1. Definitions. Capitalized terms not otherwise defined in this Disclosure Agreement shall have the meaning assigned in the Rule or, to the extent not in conflict with the Rule, in the Official Statement (hereinafter defined). The capitalized terms shall have the following meanings:

"Annual Filing Date" means the date, set in Sections 2(a) and 2(f), by which the Annual Report is to be filed with the MSRB.

"Annual Financial Information" means annual financial information as such term is used in paragraph (b)(5)(i) of the Rule and specified in Section 3(a) of this Disclosure Agreement.

"Annual Report" means an Annual Report described in and consistent with Section 3 of this Disclosure Agreement.

"Audited Financial Statements" means the financial statements (if any) of the Issuer for the prior fiscal year, certified by an independent auditor as prepared in accordance with generally accepted accounting principles or otherwise, as such term is used in paragraph (b)(5)(i) of the Rule and specified in Section 3(a)(i) of this Disclosure Agreement.

"Bonds" means the bonds as listed on the attached Exhibit A, with the 9-digit CUSIP numbers relating thereto.

"Certification" means a written certification of compliance signed by the Disclosure Representative stating that the Annual Report, Audited Financial Statements, Notice Event notice, Failure to File Event notice, Voluntary Event Disclosure or Voluntary Financial Disclosure delivered to the Disclosure Dissemination Agent is the Annual Report, Audited Financial Statements, Notice Event notice, Failure to File Event notice, Voluntary Event Disclosure or Voluntary Financial Disclosure required to be submitted to the MSRB under this Disclosure Agreement. A Certification shall accompany each such document submitted to the Disclosure Dissemination Agent by the Issuer and include the full name of the Bonds and the 9-digit CUSIP numbers for all Bonds to which the document applies.

"Disclosure Dissemination Agent" means Digital Assurance Certification, L.L.C., acting in its capacity as Disclosure Dissemination Agent hereunder, or any successor Disclosure Dissemination Agent designated in writing by the Issuer pursuant to Section 9 hereof.

"Disclosure Representative" means the Director of Finance of the Issuer or his or her designee, or such other person as the Issuer shall designate in writing to the Disclosure Dissemination Agent from time to time as the person responsible for providing Information to the Disclosure Dissemination Agent.

"Failure to File Event" means the Issuer's failure to file an Annual Report on or before the Annual Filing Date.

"Force Majeure Event" means: (i) acts of God, war, or terrorist action; (ii) failure or shut-down of the Electronic Municipal Market Access system maintained by the MSRB; or (iii) to the extent beyond the Disclosure Dissemination Agent's reasonable control, interruptions in telecommunications or utilities services, failure, malfunction or error of any telecommunications, computer or other electrical, mechanical or technological application, service or system, computer virus, interruptions in Internet service or telephone service (including due to a virus, electrical delivery problem or similar occurrence) that affect Internet users generally, or in the local area in which the Disclosure Dissemination Agent or the MSRB is located, or acts of any government, regulatory or any other competent authority the effect of which is to prohibit the Disclosure Dissemination Agent from performance of its obligations under this Disclosure Agreement.

"Holder" means any person (a) having the power, directly or indirectly, to vote or consent with respect to, or to dispose of ownership of, any Bonds (including persons holding Bonds through nominees, depositories or other intermediaries) or (b) treated as the owner of any Bonds for federal income tax purposes.

"Information" means, collectively, the Annual Reports, the Audited Financial Statements (if any), the Notice Event notices, the Failure to File Event notices, the Voluntary Event Disclosures and the Voluntary Financial Disclosures.

"MSRB" means the Municipal Securities Rulemaking Board established pursuant to Section 15B(b)(1) of the Securities Exchange Act of 1934 or any other entity designated or authorized by the Securities and Exchange Commission to receive reports pursuant to the Rule. Until otherwise designated by the MSRB or the Securities and Exchange Commission, filings with the MSRB are to be made through the Electronic Municipal Marketplace Access (EMMA) website of the MSRB, currently located at *http://emma.msrb.org*.

"Notice Event" means any of the events enumerated in paragraph (b)(5)(i)(C) of the Rule and listed in Section 4(a) of this Disclosure Agreement.

"Obligated Person" means any person, including the Issuer, who is either generally or through an enterprise, fund, or account of such person committed by contract or other arrangement to support payment of all, or part of the obligations on the Bonds (other than providers of municipal bond insurance, letters of credit, or other liquidity facilities). With respect to the Bonds, only the Issuer constitutes the Obligated Person.

"Official Statement" means that Official Statement dated _____, 2017 prepared by the Issuer in connection with the Bonds, as listed on Exhibit A.

"Trustee" means The Bank of New York Mellon Trust Company, N.A., as successor fiscal agent under that Water Revenue Bond Indenture, dated as of August 1, 2003, by and between the Issuer and the Trustee, as amended and supplemented, including as amended and supplemented by the Fifth Supplement to Water Revenue Bond Indenture, dated as of March 1, 2017, by and between the Issuer and the Trustee, relating to Bonds.

"Voluntary Event Disclosure" means information of the category specified in any of subsections (e)(vi)(1) through (e)(vi)(11) of Section 2 of this Disclosure Agreement that is accompanied by a Certification of the Disclosure Representative containing the information prescribed by Section 7(a) of this Disclosure Agreement.

"Voluntary Financial Disclosure" means information of the category specified in any of subsections (e)(vii)(1) through (e)(vii)(9) of Section 2 of this Disclosure Agreement that is accompanied by a Certification of the Disclosure Representative containing the information prescribed by Section 7(b) of this Disclosure Agreement.

SECTION 2. Provision of Annual Reports and Other Reports.

(a) The Issuer shall provide, annually, an electronic copy of the Annual Report and Certification to the Disclosure Dissemination Agent, together with a copy for the Trustee, not later than 30 days prior to the Annual Filing Date. Promptly upon receipt of an electronic copy of the Annual Report and the Certification, the Disclosure Dissemination Agent shall provide an Annual Report to the MSRB not later than 210 days after the end of the Issuer's Fiscal Year (presently June 30), commencing with the report for Fiscal Year 2016-17. Such date and each anniversary thereof is the Annual Filing Date. The Annual Report must be submitted in electronic format, accompanied by such identifying information as is prescribed by the MSRB. The Annual Report may be submitted as a single document or as separate documents comprising a package, and may cross-reference other information as provided in Section 3 of this Disclosure Agreement.

(b) If on the fifteenth (15th) day prior to the Annual Filing Date, the Disclosure Dissemination Agent has not received a copy of the Annual Report and Certification, the Disclosure Dissemination Agent shall contact the Disclosure Representative by telephone and in writing (which may be by e-mail) to remind the Issuer of its undertaking to provide the Annual Report pursuant to Section 2(a). Upon such reminder, the Disclosure Representative shall either (i) provide the Disclosure Dissemination Agent with an electronic copy of the Annual Report and the Certification) no later than two (2) business days prior to the Annual Filing Date, or (ii) instruct the Disclosure Dissemination Agent in writing that the Issuer will not be able to file the Annual Report within the time required under this Disclosure Agreement, state the date by which the Annual Report for such year will be provided and instruct the Disclosure Dissemination Agent to immediately provide a notice to the MSRB in substantially the form attached as Exhibit B.

(c) If the Disclosure Dissemination Agent has not received an Annual Report and Certification by 6:00 p.m. Eastern time on Annual Filing Date (or, if such Annual Filing Date falls on a Saturday, Sunday or holiday, then the first business day thereafter) for the Annual Report, a Failure to File Event shall have occurred and the Issuer irrevocably directs the Disclosure Dissemination Agent to immediately send a notice to the MSRB in substantially the form attached as Exhibit B.

(d) If Audited Financial Statements of the Issuer are prepared but not available prior to the Annual Filing Date, the Issuer shall, when the Audited Financial Statements are available, provide in a timely manner an electronic copy to the Disclosure Dissemination Agent, accompanied by a Certification, together with a copy for the Trustee, for filing with the MSRB.

(e) The Disclosure Dissemination Agent shall:

(i) verify the filing specifications of the MSRB each year prior to the Annual Filing Date;

(ii) upon receipt, promptly file each Annual Report received under Sections 2(a) and 2(b) with the MSRB;

(iii) upon receipt, promptly file each Audited Financial Statement received under Section 2(d) with the MSRB;

(iv) upon receipt, promptly file the text of each Notice Event received under Sections 4(a) and 4(b)(ii) with the MSRB, identifying the Notice Event as instructed by the Issuer pursuant to Section 4(a) or 4(b)(ii) (being any of the categories set forth below) when filing pursuant to Section 4(c) of this Disclosure Agreement:

1. "Principal and interest payment delinquencies;"

2. "Non-Payment related defaults, if material;"

3. "Unscheduled draws on debt service reserves reflecting financial difficulties;"

4. "Unscheduled draws on credit enhancements reflecting financial difficulties;"

5. "Substitution of credit or liquidity providers, or their failure to perform;"

6. "Adverse tax opinions, IRS notices or events affecting the tax status of the security;"

7. "Modifications to rights of securities holders, if material;"

8. "Bond calls, if material;"

9. "Defeasances;"

10. "Release, substitution, or sale of property securing repayment of the securities, if material;"

11. "Rating changes;"

12. "Tender offers;"

13. "Bankruptcy, insolvency, receivership or similar event of the obligated person;"

14. "Merger, consolidation, or acquisition of the obligated person, if material;" and

15. "Appointment of a successor or additional trustee, or the change of name of a trustee, if material;"

(v) upon receipt (or irrevocable direction pursuant to Section 2(c) of this Disclosure Agreement, as applicable), promptly file a completed copy of Exhibit B to this Disclosure Agreement with the MSRB, identifying the filing as "Failure to provide annual financial information as required" when filing pursuant to Section 2(b)(ii) or Section 2(c) of this Disclosure Agreement;

(vi) upon receipt, promptly file the text of each Voluntary Event Disclosure received under Section 7(a) with the MSRB, identifying the Voluntary Event Disclosure as instructed by the Issuer pursuant to Section 7(a) (being any of the categories set forth below) when filing pursuant to Section 7(a) of this Disclosure Agreement:

1. "amendment to continuing disclosure undertaking;"

2. "change in obligated person;"

3. "notice to investors pursuant to bond documents;"

4. "certain communications from the Internal Revenue Service;"

5. "secondary market purchases;"

6. "bid for auction rate or other securities;"

7. "capital or other financing plan;"

8. "litigation/enforcement action;"

9. "change of tender agent, remarketing agent, or other on-going party;"

10. "derivative or other similar transaction;" and

11. "other event-based disclosures;"

(vii) upon receipt, promptly file the text of each Voluntary Financial Disclosure received under Section 7(b) with the MSRB, identifying the Voluntary Financial Disclosure as instructed by the Issuer pursuant to Section 7(b) (being any of the categories set forth below) when filing pursuant to Section 7(b) of this Disclosure Agreement:

1. "quarterly/monthly financial information;"

2. "change in fiscal year/timing of annual disclosure;"

3. "change in accounting standard;"

4. "interim/additional financial information/operating data;"

5. "budget;"

6. "investment/debt/financial policy;"

7. "information provided to rating agency, credit/liquidity provider or other third party;"

8. "consultant reports;" and

9. "other financial/operating data."

(viii) provide the Issuer evidence of the filings of each of the above when made, which shall be by means of the DAC system, for so long as DAC is the Disclosure Dissemination Agent under this Disclosure Agreement.

(f) The Issuer may adjust the Annual Filing Date upon change of its fiscal year by providing written notice of such change and the new Annual Filing Date to the Disclosure Dissemination Agent, Trustee (if any) and the MSRB, provided that the period between the existing Annual Filing Date and new Annual Filing Date shall not exceed one year.

(g) Any Information received by the Disclosure Dissemination Agent before 6:00 p.m. Eastern time on any business day that it is required to file with the MSRB pursuant to the terms of this Disclosure Agreement and that is accompanied by a Certification and all other information required by the terms of this Disclosure Agreement will be filed by the Disclosure Dissemination Agent with the MSRB no later than 11:59 p.m. Eastern time on the same business day; provided, however, the Disclosure Dissemination Agent shall have no liability for any delay in filing with the MSRB if such delay is caused by a Force Majeure Event provided that the Disclosure Dissemination Agent uses reasonable efforts to make any such filing as soon as possible.

SECTION 3. Content of Annual Reports.

(a) The Issuer's Annual Report shall contain or include by reference the following:

(i) The Issuer's annual Comprehensive Annual Financial Report (the "CAFR") which shall include the audited financial statements of the Issuer's Light and Power Fund for the prior fiscal year, prepared in accordance with generally accepted accounting principles as promulgated to apply to governmental entities from time to time by the Governmental Accounting Standards Board. If the Issuer's audited financial statements are not available by the time the Annual Report is required to be filed pursuant to Section 2(a), the Annual Report shall contain unaudited financial statements in a format similar to the financial statements contained in the final Official Statement, and the audited financial statements shall be filed in the same manner as the Annual Report when they become available;

(ii) Pasadena Water and Power's most recently published Annual Report, not previously filed with the MSRB;

(iii) Updated information comparable to the information in the following tables as they appear in the Official Statement relating to the Bonds:

1. Table 2 entitled "WATER STATISTICS"

2. Table 3 entitled "ANNUAL WATER PRODUCTION"

3. Table 6 entitled "HISTORICAL PRODUCTION AND SALES DATE"

4. Table 7 entitled "WATER SALES VOLUME AND REVENUE"

5. Table 8 entitled "TEN LARGEST CUSTOMERS"

6. Table 11 entitled "AVERAGE RESIDENTIAL BILLING INFORMATION"

7. Table 14 entitled "HISTORICAL OPERATING RESULTS AND CASH FLOWS"

(b) Any or all of the items listed above may be included by specific reference from other documents, including official statements of debt issues with respect to which the Issuer is an Obligated Person, which have been previously filed with the MSRB or the Securities and Exchange Commission or available to the public on the MSRB Internet website. If the document incorporated by reference is a final official statement, it must be available from the MSRB. The Issuer will clearly identify each such document so incorporated by reference.

Any Annual Financial Information containing modified operating data or financial information is required to explain, in narrative form, the reasons for the modification and the impact of the change in the type of operating data or financial information being provided.

SECTION 4. Reporting of Notice Events.

(a) Reporting of Notice Events.

The occurrence of any of the following events with respect to the Bonds constitutes a Notice Event:

1. Principal and interest payment delinquencies;

2. Non-payment related defaults, if material;

3. Unscheduled draws on debt service reserves reflecting financial difficulties;

4. Unscheduled draws on credit enhancements reflecting financial difficulties;

5. Substitution of credit or liquidity providers, or their failure to perform;

6. Adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the Bonds, or other material events affecting the tax status of the Bonds;

7. Modifications to rights of Bond holders, if material;

8. Bond calls, if material, and tender offers;

9. Defeasances;

10. Release, substitution, or sale of property securing repayment of the Bonds, if material;

11. Rating changes;

12. Bankruptcy, insolvency, receivership or similar event of the Obligated Person;

Note to subsection (a)(12) of this Section 4: For the purposes of the event described in subsection (a)(12) of this Section 4, the event is considered to occur when any of the following occur: the appointment of a receiver, fiscal agent or similar officer for an Obligated Person in a proceeding under the U.S. Bankruptcy Code or in any other proceeding under state or federal law in which a court or governmental authority has assumed jurisdiction over substantially all of the assets or business of the Obligated Person, or if such jurisdiction has been assumed by leaving the existing governing body and officials or officers in possession but subject to the supervision and orders of a court or governmental authority, or the entry of an order confirming a plan of reorganization, arrangement or liquidation by a court or governmental authority having supervision or jurisdiction over substantially all of the assets or business of the Obligated Person.

13. The consummation of a merger, consolidation, or acquisition involving an Obligated Person or the sale of all or substantially all of the assets of the Obligated Person, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material; and

14. Appointment of a successor or additional trustee or the change of name of a trustee, if material.

The Issuer shall, in a timely manner not in excess of ten business days after its occurrence, notify the Disclosure Dissemination Agent in writing of the occurrence of a Notice Event. Such notice shall instruct the Disclosure Dissemination Agent to report the occurrence pursuant to subsection (c) and shall be accompanied by a Certification. Such notice or Certification shall identify the Notice Event that has occurred (which shall be any of the categories set forth in Section 2(e)(iv) of this Disclosure Agreement), include the text of the disclosure that the Issuer desires to make, contain the written authorization of the Issuer for the Disclosure Dissemination Agent to disseminate such information, and identify the date the Issuer desires for the Disclosure Dissemination Agent to disseminate the information (provided that such date is not later than the tenth business day after the occurrence of the Notice Event).

(b) The Disclosure Dissemination Agent is under no obligation to notify the Issuer or the Disclosure Representative of an event that may constitute a Notice Event. In the event the Disclosure Dissemination Agent so notifies the Disclosure Representative, the Disclosure Representative will within two business days of receipt of such notice (but in any event not later than the tenth business day after the occurrence of the Notice Event, if the Issuer determines that a Notice Event has occurred), instruct the Disclosure Dissemination Agent that (i) a Notice Event has not occurred and no filing is to be made or (ii) a Notice Event has occurred and the Disclosure Dissemination Agent is to report the occurrence

pursuant to subsection (c) of this Section 4, together with a Certification. Such Certification shall identify the Notice Event that has occurred (which shall be any of the categories set forth in Section 2(e)(iv) of this Disclosure Agreement), include the text of the disclosure that the Issuer desires to make, contain the written authorization of the Issuer for the Disclosure Dissemination Agent to disseminate such information, and identify the date the Issuer desires for the Disclosure Dissemination Agent to disseminate the information (provided that such date is not later than the tenth business day after the occurrence of the Notice Event).

(c) If the Disclosure Dissemination Agent has been instructed by the Issuer as prescribed in subsection (a) or (b)(ii) of this Section 4 to report the occurrence of a Notice Event, the Disclosure Dissemination Agent shall promptly file a notice of such occurrence with the MSRB in accordance with Section 2(e)(iv) hereof.

SECTION 5. CUSIP Numbers. Whenever providing information to the Disclosure Dissemination Agent, including but not limited to Annual Reports, documents incorporated by reference to the Annual Reports, Audited Financial Statements, Notice Event notices, Failure to File Event notices, Voluntary Event Disclosures and Voluntary Financial Disclosures, the Issuer shall indicate the full name of the Bonds and the 9-digit CUSIP numbers for the Bonds as to which the provided information relates.

SECTION 6. Additional Disclosure Obligations. The Issuer acknowledges and understands that other state and federal laws, including but not limited to the Securities Act of 1933 and Rule 10b-5 promulgated under the Securities Exchange Act of 1934, may apply to the Issuer, and that the failure of the Disclosure Dissemination Agent to so advise the Issuer shall not constitute a breach by the Disclosure Dissemination Agent of any of its duties and responsibilities under this Disclosure Agreement. The Issuer acknowledges and understands that the duties of the Disclosure Dissemination Agent relate exclusively to execution of the mechanical tasks of disseminating information as described in this Disclosure Agreement.

SECTION 7. Voluntary Filings.

(a) The Issuer may instruct the Disclosure Dissemination Agent to file a Voluntary Event Disclosure with the MSRB from time to time pursuant to a Certification of the Disclosure Representative. Such Certification shall identify the Voluntary Event Disclosure (which shall be any of the categories set forth in Section 2(e)(vi) of this Disclosure Agreement), include the text of the disclosure that the Issuer desires to make, contain the written authorization of the Issuer for the Disclosure Dissemination Agent to disseminate such information, and identify the date the Issuer desires for the Disclosure Dissemination Agent to disseminate the information. If the Disclosure Dissemination Agent has been instructed by the Issuer as prescribed in this Section 7(a) to file a Voluntary Event Disclosure, the Disclosure Dissemination Agent shall promptly file such Voluntary Event Disclosure with the MSRB in accordance with Section 2(e)(vi) hereof.

(b) The Issuer may instruct the Disclosure Dissemination Agent to file a Voluntary Financial Disclosure with the MSRB from time to time pursuant to a Certification of the Disclosure Representative. Such Certification shall identify the Voluntary Financial Disclosure (which shall be any of the categories set forth in Section 2(e)(vii) of this Disclosure Agreement), include the text of the disclosure that the Issuer desires to make, contain the written authorization of the Issuer for the Disclosure Dissemination Agent to disseminate such information, and identify the date the Issuer desires for the Disclosure Dissemination Agent to disseminate the information. If the Disclosure Dissemination Agent has been instructed by the Issuer as prescribed in this Section 7(b) to file a Voluntary Financial Disclosure, the Disclosure Dissemination Agent shall promptly file such Voluntary Financial Disclosure with the MSRB in accordance with Section 2(e)(vii) hereof.

(c) The parties hereto acknowledge that the Issuer is not obligated pursuant to the terms of this Disclosure Agreement to file any Voluntary Event Disclosure pursuant to Section 7(a) hereof or any Voluntary Financial Disclosure pursuant to Section 7(b) hereof.

(d) Nothing in this Disclosure Agreement shall be deemed to prevent the Issuer from disseminating any other information through the Disclosure Dissemination Agent using the means of dissemination set forth in this Disclosure Agreement or including any other information in any Annual Report, Audited Financial Statements, Notice Event notice, Failure to File Event notice, Voluntary Event Disclosure or Voluntary Financial Disclosure, in addition to that required by this Disclosure Agreement. If the Issuer chooses to include any information in any Annual Report, Audited Financial Statements, Notice Event notice, Failure to File Event notice, Voluntary Event Disclosure or Voluntary Financial Disclosure in addition to that which is specifically required by this Disclosure Agreement, the Issuer shall have no obligation under this Disclosure Agreement to update such information or include it in any future Annual Report, Audited Financial Statements, Notice Event notice, Failure to File Event notice, Voluntary Event Disclosure or Voluntary Financial Disclosure.

SECTION 8. Termination of Reporting Obligation. The obligations of the Issuer and the Disclosure Dissemination Agent under this Disclosure Agreement shall terminate with respect to the Bonds upon the legal defeasance, prior redemption or payment in full of all of the Bonds, when the Issuer is no longer an obligated person with respect to the Bonds, or upon delivery by the Disclosure Representative to the Disclosure Dissemination Agent of an opinion of nationally recognized bond counsel to the effect that continuing disclosure is no longer required.

SECTION 9. Disclosure Dissemination Agent. The Issuer has appointed Digital Assurance Certification, L.L.C. as exclusive Disclosure Dissemination Agent under this Disclosure Agreement. The Issuer may, upon thirty days written notice to the Disclosure Dissemination Agent and the Trustee, replace or appoint a successor Disclosure Dissemination Agent. Upon termination of DAC's services as Disclosure Dissemination Agent, whether by notice of the Issuer or DAC, the Issuer agrees to appoint a successor Disclosure Dissemination Agent or, alternately, agrees to assume all responsibilities of Disclosure Dissemination Agent under this Disclosure Agreement for the benefit of the Holders of the Bonds. Notwithstanding any replacement or appointment of a successor, the Issuer shall remain liable until payment in full for any and all sums owed and payable to the Disclosure Dissemination Agent. The Disclosure Dissemination Agent may resign at any time by providing thirty days' prior written notice to the Issuer.

SECTION 10. Remedies in Event of Default. In the event of a failure of the Issuer or the Disclosure Dissemination Agent to comply with any provision of this Disclosure Agreement, the Holders' rights to enforce the provisions of this Agreement shall be limited solely to a right, by action in mandamus or for specific performance, to compel performance of the parties' obligation under this Disclosure Agreement. Any failure by a party to perform in accordance with this Disclosure Agreement shall not constitute a default on the Bonds or under any other document relating to the Bonds, and all rights and remedies shall be limited to those expressly stated herein.

SECTION 11. Duties, Immunities and Liabilities of Disclosure Dissemination Agent.

(a) The Disclosure Dissemination Agent shall have only such duties as are specifically set forth in this Disclosure Agreement. The Disclosure Dissemination Agent's obligation to deliver the information at the times and with the contents described herein shall be limited to the extent the Issuer has provided such information to the Disclosure Dissemination Agent as required by this Disclosure Agreement. The Disclosure Dissemination Agent shall have no duty with respect to the content of any disclosures or notice made pursuant to the terms hereof. The Disclosure Dissemination Agent shall have

no duty or obligation to review or verify any Information or any other information, disclosures or notices provided to it by the Issuer and shall not be deemed to be acting in any fiduciary capacity for the Issuer, the Holders of the Bonds or any other party. The Disclosure Dissemination Agent shall have no responsibility for the Issuer's failure to report to the Disclosure Dissemination Agent a Notice Event or a duty to determine the materiality thereof. The Disclosure Dissemination Agent shall have no duty to determine, or liability for failing to determine, whether the Issuer has complied with this Disclosure Agreement. The Disclosure Dissemination Agent may conclusively rely upon certifications of the Issuer at all times.

The obligations of the Issuer under this Section shall survive resignation or removal of the Disclosure Dissemination Agent and defeasance, redemption or payment of the Bonds.

(b) The Disclosure Dissemination Agent may, from time to time, consult with legal counsel (either in-house or external) of its own choosing in the event of any disagreement or controversy, or question or doubt as to the construction of any of the provisions hereof or its respective duties hereunder, and shall not incur any liability and shall be fully protected in acting in good faith upon the advice of such legal counsel. The fees and expenses of such counsel shall be payable by the Issuer.

(c) All documents, reports, notices, statements, information and other materials provided to the MSRB under this Disclosure Agreement shall be provided in an electronic format and accompanied by identifying information as prescribed by the MSRB.

SECTION 12. Amendment; Waiver. Notwithstanding any other provision of this Disclosure Agreement, the Issuer and the Disclosure Dissemination Agent may amend this Disclosure Agreement and any provision of this Disclosure Agreement may be waived, if such amendment or waiver is supported by an opinion of counsel expert in federal securities laws acceptable to both the Issuer and the Disclosure Dissemination Agent to the effect that such amendment or waiver does not materially impair the interests of Holders of the Bonds and would not, in and of itself, cause the undertakings herein to violate the Rule if such amendment or waiver had been effective on the date hereof but taking into account any subsequent change in or official interpretation of the Rule; provided neither the Issuer nor the Disclosure Dissemination Agent shall be obligated to agree to any amendment modifying their respective duties or obligations without their consent thereto.

Notwithstanding the preceding paragraph, the Disclosure Dissemination Agent shall have the right to adopt amendments to this Disclosure Agreement necessary to comply with modifications to and interpretations of the provisions of the Rule as announced by the Securities and Exchange Commission from time to time by giving not less than 20 days written notice of the intent to do so together with a copy of the proposed amendment to the Issuer. No such amendment shall become effective if the Issuer shall, within 10 days following the giving of such notice, send a notice to the Disclosure Dissemination Agent in writing that it objects to such amendment.

SECTION 13. Beneficiaries. This Disclosure Agreement shall inure solely to the benefit of the Issuer, the Trustee of the Bonds, the Disclosure Dissemination Agent, the participating underwriter (as defined in the Rule), and the Holders from time to time of the Bonds, and shall create no rights in any other person or entity.

SECTION 14. Governing Law. This Disclosure Agreement shall be governed by the laws of the State of California (other than with respect to conflicts of laws).

SECTION 15. Counterparts. This Disclosure Agreement may be executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

The Disclosure Dissemination Agent and the Issuer have caused this Continuing Disclosure Agreement to be executed, on the date first written above, by their respective officers duly authorized.

DIGITAL ASSURANCE CERTIFICATION, L.L.C.,
as Disclosure Dissemination Agent

By: _____
Name: _____
Title: _____

CITY OF PASADENA, CALIFORNIA,
as Issuer

By: _____
Matthew Hawkesworth
Director of Finance

APPROVED AS TO FORM:

By: _____
Michele Beal Bagneris
City Attorney

APPROVED AS TO FORM:

By: _____
Danny Kim, Partner
Norton Rose Fulbright US LLP
Bond Counsel

EXHIBIT A

NAME AND CUSIP NUMBERS OF BONDS

Name of Issuer	City of Pasadena, California
Obligated Person(s)	City of Pasadena, California
Name of Bond Issue:	$_____ Water Revenue Refunding Bonds, 2017A Series
Date of Issuance:	March ____, 2017
Date of Official Statement:	March ____, 2017

CUSIP Number:
CUSIP Number:
CUSIP Number:
CUSIP Number:
CUSIP Number:
CUSIP Number:
CUSIP Number:
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EXHIBIT B

NOTICE TO MSRB OF FAILURE TO FILE ANNUAL REPORT

Issuer:	City of Pasadena, California
Obligated Person:	City of Pasadena, California
Name of Bond Issue:	$_____ Water Revenue Refunding Bonds, 2017A Series
Date of Issuance:	March __, 2017

NOTICE IS HEREBY GIVEN that the Issuer has not provided an Annual Report with respect to the above-named Bonds as required by the Continuing Disclosure Agreement, dated as of March 1, 2017, between the Issuer and Digital Assurance Certification, L.L.C., as Disclosure Dissemination Agent. The Issuer has notified the Disclosure Dissemination Agent that it anticipates that the Annual Report will be filed by_____.

Dated: _____

DIGITAL ASSURANCE CERTIFICATION, L.L.C.,
on behalf of the City of Pasadena, California

By: _____

cc: Director of Finance, City of Pasadena

EXHIBIT C

PROPOSED FORM OF

ESCROW AGREEMENT

ESCROW AGREEMENT
RELATING TO THE DEFEASANCE AND REDEMPTION
OF ALL OF THE OUTSTANDING CITY OF PASADENA, CALIFORNIA
WATER REVENUE BONDS, 2007 SERIES

THIS ESCROW AGREEMENT, dated as of March 1, 2017 (this "Escrow Agreement"), by and between the City of Pasadena, California (the "City") and The Bank of New York Mellon Trust Company, N.A., as escrow agent hereunder (the "Escrow Agent"),

W I T N E S S E T H :

WHEREAS, pursuant to a Water Revenue Bond Indenture, dated as of August 1, 2003 (as amended and supplemented, the "Indenture"), by and between the City and The Bank of New York Mellon Trust Company, N.A., as trustee (the "Trustee"), the City heretofore issued $21,550,000 principal amount of its Water Revenue Bonds, 2007 Series, of which $17,370,000 principal amount is currently outstanding (the "2007 Bonds"); and

WHEREAS, the City's Water Revenue Refunding Bonds, 2017A Series (the "2017A Bonds") are being issued pursuant to the Indenture for the purpose, among others, of refunding all of the outstanding 2007 Bonds (such 2007 Bonds being refunded are more particularly identified in Exhibit A attached hereto and referred to herein as the "Refunded 2007 Bonds"), by providing funds to redeem on _____, 2017, the Refunded 2007 Bonds at a redemption price equal to 100% of the principal amount thereof, together with accrued interest thereon to the redemption date; and

WHEREAS, in order to accomplish the refunding of the Refunded 2007 Bonds in accordance with the Indenture, the City will deposit, or cause to be deposited, with the Escrow Agent, proceeds of the 2017A Bonds in accordance with this Escrow Agreement;

NOW THEREFORE, in consideration of the mutual covenants and agreements herein contained, the City and the Escrow Agent agree as follows:

SECTION 1. Deposit of Moneys. The City will irrevocably deposit, or cause to be deposited, with the Escrow Agent $_____, representing a portion of the net proceeds of the sale of the 2017A Bonds and certain other available moneys, all to be held in irrevocable trust by the Escrow Agent, separate and apart from other funds of the City and the Escrow Agent, in a separate fund hereby created and established to be known as the "2007 Escrow Fund" (the "Escrow Fund"), and to be applied solely as provided in this Escrow Agreement. All of said moneys will be held uninvested as cash. The amounts required to be paid on the Refunded 2007 Bonds are shown on Exhibit B hereto. In accordance with the Indenture, upon the deposit of funds as provided in this Section 1, provision satisfactory to the Trustee having been made for the giving of notice of the redemption of the Refunded 2007 Bonds as set forth in Section 2 hereof, the pledge of the Pledged Revenues and other assets made under the Indenture in respect of the Refunded 2007 Bonds shall cease, terminate and be completely discharged and satisfied, and all payments of interest on, any redemption premium, and principal of the Refunded 2007

Bonds shall be paid only from moneys on deposit with the Escrow Agent as provided in this Escrow Agreement.

SECTION 2. Payment of Refunded 2007 Bonds.

(a) Payment of Refunded 2007 Bonds. From the moneys on deposit in the Escrow Fund, the Escrow Agent shall pay the redemption price of the Refunded 2007 Bonds (*i.e.*, 100% of the principal amount thereof) to be redeemed on _____, 2017, together with interest accrued thereon to the date of redemption, without premium. Any moneys remaining in the Escrow Fund after payment of the Refunded 2007 Bonds in full as provided herein shall be transferred to the Parity Obligation Payment Fund. Any such amounts transferred to the Parity Obligation Payment Fund may be temporarily invested by the City in Investment Securities after consultation with nationally recognized bond counsel regarding yield restriction limitations with respect to such investment.

(b) Instructions to Provide Notice. The City hereby irrevocably instructs the Trustee to provide notice to the owners of the Refunded 2007 Bonds substantially in the form of Exhibit E hereto that an irrevocable deposit has been made with the Escrow Agent and that the Refunded 2007 Bonds have been deemed to be paid, all in accordance with the Indenture.

(c) Unclaimed Moneys. Subject to the applicable laws of the State of California, any moneys which remain unclaimed for two (2) years after the date when such moneys have become due and payable shall be repaid by the Escrow Agent to the City as its absolute property and free from trust, and all liability of the Escrow Agent with respect to such moneys shall thereupon cease and any unpaid owners of Refunded 2007 Bonds shall look only to the City for the payment thereof; provided, however, that before being required to make any such payment to the City, the Escrow Agent shall, at the expense of the City, first mail to the owners of any Refunded 2007 Bonds remaining unpaid, a notice that said moneys remain unclaimed and that the balance of such moneys then unclaimed will be returned to the City.

(d) Priority of Payments. The owners of the Refunded 2007 Bonds shall have a lien on moneys in the Escrow Fund, including, as applicable, any redemption premium thereon, in accordance with this Escrow Agreement, until such moneys are used and applied as provided in this Escrow Agreement.

SECTION 3. Resignation and Removal of Escrow Agent. The Escrow Agent may at any time resign and be discharged of the duties and obligations hereunder by giving at least thirty (30) days written notice to the City. The Escrow Agent may be removed at any time by an instrument in writing signed by the City. In either such event, the City shall appoint a successor escrow agent by an instrument in writing. Any such resignation or removal shall become effective upon acceptance of appointment of a successor escrow agent. If the City does not appoint a successor within 60 days of the resignation or removal, the Escrow Agent may petition any court of competent jurisdiction for the appointment of a successor Escrow Agent, which court may thereupon, after such notice, if any, as it may deem proper and prescribe and as may be required by law, appoint a successor Escrow Agent.

SECTION 4. Performance of Duties. The Escrow Agent agrees to perform the duties set forth herein and shall have no responsibility to take any action not set forth herein.

SECTION 5. Escrow Agent's Authority to Make Investments. The Escrow Agent shall have no power or duty to invest any funds held under this Escrow Agreement or to sell, transfer or otherwise dispose of the moneys held hereunder.

SECTION 6. Indemnity. The City hereby assumes liability for, and hereby agrees (whether or not any of the transactions contemplated hereby are consummated) to indemnify, protect, save and keep harmless the Escrow Agent and its respective successors, assigns, agents and employees, from and against any and all liabilities, obligations, losses, damages, penalties, claims, actions, suits, costs, expenses and disbursements (including reasonable legal fees and disbursements) which may be imposed on, incurred by, or asserted against, the Escrow Agent at any time (whether or not also indemnified against the same by the City or any other person under any other agreement or instrument, but without double indemnity) relating to or arising out of the execution, delivery and performance of this Escrow Agreement, the establishment hereunder of the Escrow Fund, the acceptance of the funds deposited therein, and any payment, transfer or other application of moneys by the Escrow Agent in accordance with the provisions of this Escrow Agreement; provided, however, that the City shall not be required to indemnify the Escrow Agent against the Escrow Agent's own negligence or willful misconduct or the default by the Escrow Agent of the terms of this Escrow Agreement. In no event shall the City or the Escrow Agent be liable to any person by reason of the transactions contemplated hereby other than to each other as set forth in this Section 6. The indemnities contained in this Section 6 shall survive the termination of this Escrow Agreement and the resignation or removal of the Escrow Agent.

SECTION 7. Responsibilities of Escrow Agent.

(a) Liability of Escrow Agent. The Escrow Agent and its employees and agents shall not be held to any personal liability whatsoever, in tort, contract, or otherwise, in connection with the execution and delivery of this Escrow Agreement, the establishment of the Escrow Fund, the acceptance of the funds deposited therein, or any payment, transfer or other application of moneys by the Escrow Agent in accordance with the provisions of this Escrow Agreement or by reason of any non-negligent act, non-negligent omission or non-negligent error of the Escrow Agent made in good faith in the conduct of its duties. The recitals of fact contained in the "Whereas" clauses herein shall be taken as the statements of the City, and the Escrow Agent assumes no responsibility for the correctness thereof. The Escrow Agent makes no representation as to the validity of this Escrow Agreement as to the City and, except as otherwise provided herein, the Escrow Agent shall incur no liability in respect thereof. The Escrow Agent shall not be liable in connection with the performance of its duties under this Escrow Agreement except for its own negligence or willful misconduct, and the duties and obligations of the Escrow Agent shall be determined by the express provisions of this Escrow Agreement. The Escrow Agent may consult with counsel, who may or may not be counsel to the City, and in reliance upon the written opinion of such counsel shall have full and complete authorization and protection in respect of any reasonable action taken, suffered or omitted by it in good faith in accordance therewith. Whenever the Escrow Agent shall deem it necessary or desirable that a matter be proved or established prior to taking, suffering, or omitting any action under this

Escrow Agreement, such matter may be deemed to be conclusively established by a certificate signed by an authorized officer of the City. Notwithstanding anything in this Escrow Agreement to the contrary, in no event shall the Escrow Agent be liable for special, indirect or consequential loss or damage (including but not limited to lost profits), even if the Escrow Agent has been advised of such loss or damage and regardless of the form of action.

The Escrow Agent may execute any of the trusts or powers hereunder or perform any duties hereunder either directly or by or through agents, attorneys, custodians or nominees.

The Escrow Agent shall have the right to accept and act upon instructions, including funds transfer instructions ("Instructions") given pursuant to this Escrow Agreement and delivered using Electronic Means ("Electronic Means" shall mean the following communications methods: e-mail, facsimile transmission, secure electronic transmission containing applicable authorization codes, passwords and/or authentication keys issued by the Escrow Agent, or another method or system specified by the Escrow Agent as available for use in connection with its services hereunder); provided, however, that the City shall provide to the Escrow Agent an incumbency certificate listing officers with the authority to provide such Instructions ("Authorized Officers") and containing specimen signatures of such Authorized Officers, which incumbency certificate shall be amended by the City whenever a person is to be added or deleted from the listing. If the City elects to give the Escrow Agent Instructions using Electronic Means and the Escrow Agent acts upon such Instructions, the Escrow Agent's reasonable understanding of such Instructions shall be deemed controlling. The City understands and agrees that the Escrow Agent cannot determine the identity of the actual sender of such Instructions and that the Escrow Agent shall conclusively presume that directions that purport to have been sent by an Authorized Officer listed on the incumbency certificate provided to the Escrow Agent have been sent by such Authorized Officer. The City shall be responsible for ensuring that only Authorized Officers transmit such Instructions to the Escrow Agent. The Escrow Agent shall not be liable for any losses, costs or expenses arising directly or indirectly from the Escrow Agent's reliance upon and compliance with such Instructions. The City agrees: (i) to assume all risks arising out of the use of Electronic Means to submit Instructions to the Escrow Agent, including without limitation the risk of the Escrow Agent acting on unauthorized Instructions, and the risk of interception and misuse by third parties; (ii) that the security procedures (if any) to be followed in connection with its transmission of Instructions provide to it a commercially reasonable degree of protection in light of its particular needs and circumstances; and (iii) to notify the Escrow Agent immediately upon learning of any compromise or unauthorized use of the security procedures that affects the security procedures with the Escrow Agent.

(b) No Obligation to Expend Own Funds. No provision of this Escrow Agreement shall require the Escrow Agent to expend or risk its own funds or otherwise incur any financial liability (except as otherwise expressly provided in this Section 7) in the performance or exercise of any of its duties hereunder, or in the exercise of its rights or powers.

(c) Merger or Consolidation of Escrow Agent. Any company into which the Escrow Agent may be merged or converted or with which it may be consolidated or any company resulting from any merger, conversion or consolidation to which it shall be a party or any company to which the Escrow Agent may sell or transfer all or substantially all of its corporate

trust business shall be the successor to the Escrow Agent without the execution or filing of any paper or further act, anything herein to the contrary notwithstanding.

SECTION 8. Amendments. This Escrow Agreement is made for the benefit of the City and the owners from time to time of the Refunded 2007 Bonds, and it shall not be repealed, revoked, altered or amended without the written consent of all such owners, the Escrow Agent and the City; provided, however, that the City and the Escrow Agent may, without the consent of, or notice to, such owners, amend this Escrow Agreement or enter into such agreements supplemental to this Escrow Agreement as shall not adversely affect the rights of such owners and as shall not be contrary to the terms and provisions of this Escrow Agreement or the Indenture, for any of the following purposes: (i) to cure any ambiguity or defect or omission in this Escrow Agreement; (ii) to include under this Escrow Agreement additional funds or securities; or (iii) to effect any other change to this Escrow Agreement provided that such change does not materially adversely affect the interests of the owners of the Refunded 2007 Bonds. The Escrow Agent shall be entitled to rely conclusively upon an unqualified opinion of nationally recognized bond counsel with respect to compliance with this Section 8, including the extent, if any, to which any change, modification, addition or elimination affects the rights of the owners of the Refunded 2007 Bonds or that any instrument executed hereunder complies with the conditions and provisions of this Section 8.

SECTION 9. Term. This Escrow Agreement shall commence upon its execution and delivery and shall terminate on the later to occur of (i) the date upon which the Refunded 2007 Bonds have been paid in accordance with this Escrow Agreement or (ii) the date upon which no unclaimed moneys remain on deposit with the Escrow Agent pursuant to Section 2(c) of this Escrow Agreement.

SECTION 10. Compensation. The Escrow Agent shall receive its reasonable fees and expenses as previously agreed to by the Escrow Agent and the City; provided, however, that under no circumstances shall the Escrow Agent be entitled to any moneys on deposit in the Escrow Fund, or to any lien whatsoever on any moneys in the Escrow Funds, for the payment of fees and expenses for services rendered or expenses incurred by the Escrow Agent under this Escrow Agreement.

SECTION 11. Severability. If any one or more of the covenants or agreements provided in this Escrow Agreement on the part of the City or the Escrow Agent to be performed should be determined by a court of competent jurisdiction to be contrary to law, such covenants or agreements shall be null and void and shall be deemed separate from the remaining covenants and agreements herein contained and shall in no way affect the validity of the remaining provisions of this Escrow Agreement.

SECTION 12. Counterparts. This Escrow Agreement may be executed in several counterparts, all or any of which shall be regarded for all purposes as an original but all of which shall constitute and be but one and the same instrument.

SECTION 13. Governing Law. This Escrow Agreement shall be construed under the laws of the State of California.

SECTION 14. Insufficient Funds. If at any time the moneys in the Escrow Fund, including the anticipated proceeds of and earnings thereon, will not be sufficient to make all payments required by this Escrow Agreement, the Escrow Agent shall notify the City in writing, immediately upon becoming aware of such deficiency, of the amount of the deficiency and the reason therefor, if known. The Escrow Agent shall have no further responsibility regarding any such deficiency.

[Remainder of page intentionally left blank.]

IN WITNESS WHEREOF, the parties hereto have caused this Escrow Agreement to be executed by their duly authorized officers and attested as of the date first above written.

CITY OF PASADENA, CALIFORNIA

By: _____
Matthew Hawkesworth
Director of Finance

THE BANK OF NEW YORK MELLON
TRUST COMPANY, N.A., as Escrow Agent

By _____
Authorized Officer

APPROVED AS TO FORM:

By: _____
Michele Beal Bagneris
City Attorney

APPROVED AS TO FORM:

By: _____
Danny Kim, Partner
Norton Rose Fulbright US LLP
Bond Counsel

EXHIBIT A

REFUNDED 2007 BONDS

The Refunded 2007 Bonds have the maturity dates and CUSIP numbers as set forth below:

Maturity Date (June 1)	Principal Amount Outstanding	CUSIP Number	Bond Number
2017	$565,000	702285DF1	10
2018	590,000	702285DG9	11
2019	620,000	702285DH7	12
2020	645,000	702285DJ3	13
2021	675,000	702285DK0	14
2022	700,000	702285DL8	15
2023	730,000	702285DM6	16
2024	760,000	702285DN4	17
2025	790,000	702285DP9	18
2026	825,000	702285DQ7	19
2027	860,000	702285DR5	20
2028	895,000	702285DS3	21
2029	935,000	702285DT1	22
2030	975,000	702285DU8	23
2031	1,015,000	702285DV6	24
2032	1,060,000	702285DW4	25
2033	1,105,000	702285DX2	26
2034	1,155,000	702285DY0	27
2036	2,470,000	702285DZ7	28

EXHIBIT B

REQUIREMENTS OF THE REFUNDED 2007 BONDS

Date	Interest	Principal	Total Requirements

EXHIBIT C

RESERVED

EXHIBIT D

RESERVED

EXHIBIT E

NOTICE OF DEFEASANCE

CITY OF PASADENA, CALIFORNIA
WATER REVENUE BONDS, 2007 SERIES

NOTICE IS HEREBY GIVEN to the owners of the outstanding above-captioned bonds as further described in the table below (the "Refunded 2007 Bonds") of the CITY OF PASADENA, CALIFORNIA (the "City"), that the City has deposited with The Bank of New York Mellon Trust Company, N.A., as escrow agent (the "Escrow Agent") for the Refunded 2007 Bonds, cash sufficient to pay the redemption price (*i.e.*, 100% of the principal amount thereof) of the Refunded 2007 Bonds, together with accrued interest thereon to such redemption date. In accordance with the Indenture, the pledge of the Pledged Revenues and other assets made under the Indenture in respect of the Refunded 2007 Bonds shall cease, terminate and be completely discharged and satisfied, and all payments of interest on and principal of the Refunded 2007 Bonds shall be paid only from moneys on deposit with the Escrow Agent and available as aforesaid.

Maturity (June 1)	Principal Amount Outstanding	Principal Amount Defeased	CUSIP Number
2017	$565,000	$565,000	702285DF1
2018	590,000	590,000	702285DG9
2019	620,000	620,000	702285DH7
2020	645,000	645,000	702285DJ3
2021	675,000	675,000	702285DK0
2022	700,000	700,000	702285DL8
2023	730,000	730,000	702285DM6
2024	760,000	760,000	702285DN4
2025	790,000	790,000	702285DP9
2026	825,000	825,000	702285DQ7
2027	860,000	860,000	702285DR5
2028	895,000	895,000	702285DS3
2029	935,000	935,000	702285DT1
2030	975,000	975,000	702285DU8
2031	1,015,000	1,015,000	702285DV6
2032	1,060,000	1,060,000	702285DW4
2033	1,105,000	1,105,000	702285DX2
2034	1,155,000	1,155,000	702285DY0
2036	2,470,000	2,470,000	702285DZ7

The CUSIP numbers have been assigned by an independent service for convenience of reference and none of the City, the Trustee or the Escrow Agent shall be held liable for any inaccuracy in any such CUSIP number.

DATED: _____, 2017

THE BANK OF NEW YORK MELLON
TRUST COMPANY, N.A., as Escrow Agent

Ordinance Fact Sheet

TO: CITY COUNCIL **DATE:** January 30, 2017

FROM: CITY ATTORNEY

SUBJECT: **WATER REVENUE REFUNDING BONDS, 2017A SERIES**

TITLE OF PROPOSED ORDINANCE

AN ORDINANCE OF THE CITY OF PASADENA AUTHORIZING THE ISSUANCE BY THE CITY OF NOT TO EXCEED $17,370,000 AGGREGATE PRINCIPAL AMOUNT OF CITY OF PASADENA WATER REVENUE REFUNDING BONDS, 2017A SERIES, PAYABLE OUT OF THE WATER FUND, AND APPROVING THE EXECUTION AND DELIVERY OF A FIFTH SUPPLEMENT TO WATER REVENUE BOND INDENTURE, AN ESCROW AGREEMENT AND A CONTINUING DISCLOSURE AGREEMENT IN CONNECTION THEREWITH

PURPOSES OF THE ORDINANCE

The purpose of this ordinance is to authorize the refinancing of outstanding 2007 bonds, as described in the January 23, 2017 Agenda Report on this item.

REASONS WHY LEGISLATION IS NEEDED

At its January 23, 2017 meeting, the City Council conducted the first reading of this ordinance.

PROGRAMS, DEPARTMENTS OR GROUPS AFFECTED

Debt service payments will be made from the Water Fund. Interest on the refunding portion will be addressed by utilization of existing budgeted appropriations.

FISCAL IMPACT

The bonds will be sold on a competitive basis with a maximum term of 20 year and will bear fixed interest rates. The True Interest Cost is currently estimated at 3.26% based

MEETING OF 01/30/2017

AGENDA ITEM NO. 10

on current market rates, which is subject to change until actual bidding is complete on the scheduled March 13, 2017 date. Staff intends to proceed with the refunding and competitive sale of the bonds only if the transaction is expected to generate a minimum of $1 million of net present value savings or 5.75% of the existing principal amount of the refunded bonds.

ENVIRONMENTAL DETERMINATION

On January 23, 2017, the Council determined that the proposed action is not a project subject to the California Environmental Quality Act (CEQA), pursuant to Public Resources Code Section 21065 and State CEQA Guidelines Section 15378.

Respectfully submitted,

Michele Beal Bagneris
City Attorney

Prepared by:

Javan N. Rad
Chief Assistant City Attorney

Concurred by:

Steve Mermell
City Manager

0000142982C031

THE PASADENA JOURNAL NEWS
1541 N. LAKE AVE., SUITE A
PASADENA, CA 91104
(626)798-3972

This space is for Clerk's filing Stamp

PROOF OF PUBLICATION

(2025.5 C.C.P.)

Ordinance NO. 7294

STATE OF CALIFORNIA
County of Los Angeles

I am a citizen of the United States and a resident of the county of aforesaid. I am the principal clerk of The Pasadena Journal, a newspaper of general circulation, printed and published weekly in the County of Los Angeles and which newspaper has been adjudged a newspaper of general circulation by the Superior Court of Los Angeles, State of California, under Case Number GS000541, that the notice, of which is annexed is a printed copy (set in type not smaller than nonpareil) has been published in each regular and entire issue of said newspaper and not in any supplement thereof on the following dates, to wit:

See Attachment

February 2, 2017
Date/s Published

I certify (or declare) under penalty perjury that the Foregoing is true and correct.

Jeanette M. Beard

Signature

Date: February 2, 2017

PROOF OF PUBLICATION

Introduced by Mayor Tornek

ORDINANCE NO. 7294

AN ORDINANCE OF THE CITY OF PASADENA AUTHORIZING THE ISSUANCE BY THE CITY OF NOT TO EXCEED $17,370,000 AGGREGATE PRINCIPAL AMOUNT OF CITY OF PASADENA WATER REVENUE REFUNDING BONDS, 2017A SERIES, PAYABLE OUT OF THE WATER FUND, AND APPROVING THE EXECUTION AND DELIVERY OF A FIFTH SUPPLEMENT TO WATER REVENUE BOND INDENTURE, AN ESCROW AGREEMENT AND A CONTINUING DISCLOSURE AGREEMENT IN CONNECTION THEREWITH

WHEREAS, pursuant to Article XIV of the Charter (the "Charter") of the City of Pasadena (the "City"), the City Council of the City (the "City Council") is authorized to provide for the issuance of revenue bonds for the purpose of providing moneys for the acquisition and construction of additions to, and extensions and improvements of, the water system of the City, and of refunding bonds for the purposes of refunding any revenue bonds issued pursuant to such Article, by ordinance authorizing the issuance of such revenue bonds and/or refunding bonds; and

WHEREAS, the City has previously issued its $21,550,000 Water Revenue Bonds, 2007 Series (the "2007 Bonds") pursuant to Article XIV of the Charter, and a Water Revenue Bond Indenture, dated as of August 1, 2003, by and between the City and The Bank of New York Mellon Trust Company, N.A. (formerly known as BNY Western Trust Company), as trustee (the "Trustee") (the "Master Indenture"), as supplemented by a Second Supplement to Water Revenue Bond Indenture, dated as of April 1, 2007, by and between the City and the Trustee; and

WHEREAS, pursuant to Article XIV of the Charter, the City now proposes to issue its Water Revenue Refunding Bonds, 2017A Series (with such further designation as may be determined to identify such bonds, the "2017A Bonds") pursuant to the Master Indenture, as amended and supplemented, including as amended and supplemented by a Fifth Supplement to Water Revenue Bond Indenture, by and between the City and the Trustee (the "Fifth Supplement," and collectively with the Master Indenture as amended and supplemented, the "Indenture"), to provide moneys (i) to refund all of the 2007 Bonds, and (ii) to pay costs of issuance of the 2017A Bonds, said 2017A Bonds not to constitute an indebtedness of the City but to constitute obligations which shall be payable as to both principal and interest, and any premiums upon the redemption of any thereof prior to maturity, only from the Water Fund of the City and certain other funds as provided in the Indenture; and this Ordinance is for the purpose of additionally authorizing the issuance of such 2017A Bonds; and

NOW, THEREFORE, the People of the City of Pasadena ordain as follows:

Section 1. Authorization to Issue 2017A Bonds; Purpose; Principal Amount.

(a) Pursuant to Article XIV of the Charter, the City Council does hereby authorize to be issued, upon the terms and conditions as hereinafter set forth, the 2017A Bonds in the aggregate principal amount of not to exceed $17,370,000 for the refunding of all of the 2007 Bonds, including the payment of costs and expenses incidental thereto.

(b) This Ordinance shall constitute complete authority to issue the 2017A Bonds pursuant to the Indenture as provided herein.

Section 2. Issuance of 2017A Bonds. The 2017A Bonds shall be issued pursuant to and in accordance with the terms and conditions set forth in this Ordinance, and more specifically in the Indenture, including the Fifth Supplement.

Section 3. Date of Issuance; Interest Rates for the 2017A Bonds. The 2017A Bonds shall be dated their date of delivery. The interest rates to be payable on the 2017A Bonds shall not exceed such rates as will result in a true interest cost to the City of greater than 4.50% for the 2017A Bonds.

Section 4. Maturity Dates. The final maturity date for the 2017A Bonds shall be June 1, 2036. Subject to the preceding sentence, the 2017A Bonds shall mature and be payable on such dates as specifically set forth in the Fifth Supplement described in Section 6 hereof.

Section 5. Source of Payment. The 2017A Bonds shall not constitute an indebtedness of the City but shall constitute obligations which shall be payable as to both principal and interest, and any premiums upon the redemption of any thereof prior to maturity, only from the Water Fund of the City, as provided in Article XIV of the Charter, and certain other funds as authorized by Article XIV and provided in the Indenture.

Section 6. Approval of Fifth Supplement. In order to prescribe the terms and conditions upon which the 2017A Bonds are to be issued, secured, executed, authenticated and held, the Fifth Supplement proposed to be executed and entered into by the City and the Trustee, in substantially the form attached hereto as Exhibit A, is hereby approved, and the Director of Finance (or, in the absence of the Director of Finance, his designee) is hereby authorized and directed, for and in the name and on behalf of the City, to execute, and the City Clerk is authorized to affix the official seal of the City to, and deliver the Fifth Supplement in substantially such form, with such changes (including, without limitation, such changes as may be requested by rating agencies providing a ratings on the 2017A Bonds) as may be approved by the Director of Finance (or, in the absence of the Director of Finance, his designee), acting on behalf of the City, subject to advice of counsel, such execution thereof to constitute conclusive evidence of the approval of the City of all changes from the form of the Fifth Supplement presented to this meeting.

Section 7. Approval of Continuing Disclosure Agreement. The Continuing Disclosure Agreement, proposed to be executed and entered into by and between the City and Digital Assurance Certification, L.L.C., in substantially the form attached hereto as Exhibit B, is hereby approved, and the Director of Finance (or, in the absence of the Director of Finance, his designee) is hereby authorized and directed, for and in the name and on behalf of the City, to execute and deliver the Continuing Disclosure Agreement in substantially said form, with such changes as may be approved by the Director of Finance (or, in the absence of the Director of Finance, his designee), acting on behalf of the City, subject to advice of counsel, such execution thereof to constitute conclusive evidence of the approval of the City of all changes from the form of the Continuing Disclosure Agreement presented to this meeting.

Section 8. Approval of Escrow Agreement. The Escrow Agreement relating to the 2007 Bonds proposed to be executed and entered into by and between the City and The Bank of New York Mellon Trust Company, N.A., as the escrow agent, in substantially the form attached hereto as Exhibit C, is hereby approved, and the Director of Finance (or, in the absence of the Director of Finance, his designee) is hereby authorized and directed, for and in the name and on behalf of the City, to execute and deliver the Escrow Agreement in substantially said form, with such changes as may be approved by the Director of Finance (or, in the absence of the Director of Finance, his designee), acting on behalf of the City, subject to advice of counsel, such execution thereof to constitute conclusive evidence of the approval of the City of all changes from the form of the Escrow Agreement presented to this meeting.

Section 9. Official Action. All actions heretofore taken by the officers and agents of the City with respect to the issuance of the 2017A Bonds and the negotiation and execution of said agreements are hereby approved, confirmed and ratified. The City Manager, the Director of Finance, the City Treasurer, the City Clerk and any and all other officers of the City are hereby authorized and directed, for and in the name and on behalf of the City to do any and all things and take any and all actions, including, without limitation, the execution and delivery of any and all certificates, requisitions, agreements and other documents, which they, or any of them, may deem necessary or advisable in order to consummate the issuance, sale and delivery of the 2017A Bonds pursuant to the agreements described herein.

Section 10. Provisions Necessary and Desirable. The provisions of this Ordinance are deemed necessary and desirable to facilitate the issuance and sale of the 2017A Bonds authorized by this Ordinance.

Section 11. Publication. The City Clerk shall certify to the adoption of this Ordinance and shall cause this Ordinance to be published by title and summary.

Section 12. Effective Date. This Ordinance shall take effect on the date of publication pursuant to Section 11, subject only to the right of referendum provided in Section 1413 of the City Charter.

Signed and approved this 30th day of January, 2017.

Mayor of the City of Pasadena, California

I HEREBY CERTIFY that the foregoing Ordinance was adopted by the City Council of the City of Pasadena at its regular meeting held January 30, 2017, by the following vote:

Ayes:	Councilmembers Gordo, Hampton, Kennedy, Madison, McAustin, Wilson, Vice Mayor Masuda, Mayor Tornek
Noes:	None
Absent:	None
Abstain:	None

Mark Jomsky
City Clerk

Published: February 2, 2017
Pasadena Journal

City of Pasadena
CITY CLERK'S DEPT-ADMIN
100 N. Garfield Ave., Rm S228
Pasadena, CA 91109

PROOF OF PUBLICATION

(2015.5 C.C.P.)
STATE OF CALIFORNIA,
County of Los Angeles

I am a citizen of the United States and a resident of the County aforesaid; I am over the age of eighteen years, and not a party to or interested in the above entitled matter. I am the principal clerk of the printer of the Pasadena Weekly, a newspaper of general circulation, printed and published weekly in the City of Pasadena, County of Los Angeles, and which newspaper has been adjudged a newspaper of general circulation by the Superior Court of the County of Los Angeles, State of California, under the date of February 19, 1988, Case No. C 655 062; that the notice, of which the annexed is a printed copy (set in type no smaller than nonpareil), has been published in each regular and entire issue of said newspaper and not in any supplement thereof on the following dates, to wit:

2/2/17

I certify (or declare) under penalty of perjury that the foregoing is true and correct.

Dated at Pasadena, California

This 2nd Day of February, 2017

Signature

Pasadena Weekly

50 South De Lacey Ave. Suite 200
Pasadena, CA 91105
v: (626) 584-1500 x100 f: (626) 795-0149

Introduced by: Mayor Tornek

ORDINANCE NO. 7294

AN ORDINANCE OF THE CITY OF PASADENA AUTHORIZING THE ISSUANCE BY THE CITY OF NOT TO EXCEED $17,370,000 AGGREGATE PRINCIPAL AMOUNT OF CITY OF PASADENA WATER REVENUE REFUNDING BONDS, 2017A SERIES, PAYABLE OUT OF THE WATER FUND, AND APPROVING THE EXECUTION AND DELIVERY OF A FIFTH SUPPLEMENT TO WATER REVENUE BOND INDENTURE, AN ESCROW AGREEMENT AND A CONTINUING DISCLOSURE AGREEMENT IN CONNECTION THEREWITH

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WHEREAS, pursuant to Article XIV of the Charter, the City now proposes to issue its Water Revenue Refunding Bonds, 2017A Series (with such further designation as may be determined to identify such bonds, the "2017A Bonds") pursuant to the Master Indenture, as amended and supplemented, including as amended and supplemented by a Fifth Supplement to Water Revenue Bond Indenture, by and between the City and the Trustee (the "Fifth Supplement," and collectively with the Master Indenture as amended and supplemented, the "Indenture"), to provide moneys (i) to refund all of the 2007 Bonds, and (ii) to pay costs of issuance of the 2017A Bonds, said 2017A Bonds not to constitute an indebtedness of the City but to constitute obligations which shall be payable as to both principal and interest, and any premiums upon the redemption of any thereof prior to maturity, only from the Water Fund of the City and certain other funds as provided in the Indenture; and this Ordinance is for the purpose of additionally authorizing the issuance of such 2017A Bonds.

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Approval of Fifth Supplement. In order to prescribe the terms and conditions upon which the 2017A Bonds are to be issued, secured, executed, authenticated and held, the Fifth Supplement proposed to be executed and entered into by the City and the Trustee, in substantially the form attached hereto as Exhibit A, is hereby approved, and the Director of Finance (or, in the absence of the Director of Finance, his designee) is hereby authorized and directed, for and in the name and on behalf of the City, to execute, and the City Clerk is authorized to affix the official seal of the City to, and deliver the Fifth Supplement in substantially such form, with such changes (including, without limitation, such changes as may be requested by rating agencies providing a ratings on the 2017A Bonds) as may be approved by the Director of Finance (or, in the absence of the Director of Finance, his designee), acting on behalf of the City, subject to advice of counsel, such execution thereof to constitute conclusive evidence of the approval of the City of all changes from the form of the Fifth Supplement presented to this meeting.

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Approval of Escrow Agreement.
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Section 9.
Official Action.
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The City Clerk shall certify to the adoption of this Ordinance and shall cause this Ordinance to be published by title and summary.

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Signed and approved this 30th day of January 2017.

Mayor of the City of Pasadena, California

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Ayes: Councilmembers Gordo, Hampton, Kennedy, Madison, McAustin, Wilson, Vice Mayor Masuda, Mayor Tornek

Noes: None

Absent: None

Abstain: None

Published: February 2, 2017
Pasadena Weekly

APPROVED AS TO FORM:
Michele B Bagneris
City Attorney

Mark Jomsky
City Clerk

APPROVED AS TO FORM:
Danny Kim Partner
Norton Rose Fulbright US LLP
Bond Counsel