

**RESOLUTION NO. 05-66**

**A RESOLUTION OF THE RIDGECREST CITY COUNCIL APPROVING A LEASE AGREEMENT, A TRUST AGREEMENT, A REIMBURSEMENT AGREEMENT, AN ESCROW AGREEMENT, A DISCLOSURE CERTIFICATE, A PURCHASE CONTRACT AND A PRELIMINARY AND FINAL OFFICIAL STATEMENT AND AUTHORIZING THE SALE, EXECUTION AND DELIVERY OF NOT TO EXCEED \$11,000,000 AGGREGATE PRINCIPAL AMOUNT OF 2005 REFUNDING CERTIFICATES OF PARTICIPATION AND APPROVING CERTAIN OTHER AGREEMENTS AND DOCUMENTS AND AUTHORIZING CERTAIN ACTIONS IN CONNECTION THEREWITH**

**WHEREAS**, the City of Ridgecrest (the "City") intends to refund its \$10,525,000 original aggregate principal amount City of Ridgecrest 1999 Refunding Certificates of Participation (City of Ridgecrest Civic Center Project) (the "1999 Certificates") currently outstanding in the aggregate principal amount of \$9,250,000 by causing the execution, sale and delivery of not to exceed \$11,000,000 in aggregate principal amount of its 2005 Refunding Certificates of Participation (City of Ridgecrest Civic Center Project) (the "Certificates");

**WHEREAS**, the City Council has determined that it is in the best interests and for the benefit of the City that the refunding of the outstanding 1999 Certificates be accomplished as follows:

- (a) The City of Ridgecrest Civic Center Project (the "Project") shall be leased by the City from the Ridgecrest Redevelopment Agency (the "Agency"), pursuant to a Lease Agreement by and between the City and the Agency (the "Lease Agreement");
- (b) The Certificates shall be executed by U.S. Bank, National Association (the "Trustee") pursuant to a Trust Agreement by and among the City, the Agency and the Trustee (the "Trust Agreement");
- (c) The principal and interest with respect to the Certificates shall be paid from lease payments (the "Lease Payments") to be made by the City to the Trustee on behalf of the Agency in accordance with the Trust Agreement;
- (d) The Trustee will act for and on behalf of the owners of the Certificates and will administer the proceeds of the sale of the Certificates, pursuant to the Trust Agreement;
- (e) The Agency will reimburse the City for Lease Payments made by the City pursuant to a Reimbursement Agreement by and between the City and the Agency (the "Reimbursement Agreement");

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- (f) A portion of the proceeds of the Certificates will be deposited with U.S. Bank, National Association, as trustee with respect to the 1999 Certificates and as escrow agent (the "Escrow Agent"), and applied to the payment of the 1999 Certificates pursuant to an Escrow Agreement by and among the City, the Agency, the Trustee and the Escrow Agent (the "Escrow Agreement");
- (g) In connection with the sale of the Certificates, the City and the Agency will execute and deliver a Continuing Disclosure Certificate (the "Disclosure Certificate");
- (h) The Certificates will initially be sold to E. J. De La Rosa & Co., Inc. (the "Underwriter") pursuant to a Certificate Purchase Contract by and among the City, the Agency and the Underwriter; and
- (i) The Underwriter will offer the Certificates for sale to the public through the use and distribution of a Preliminary Official Statement and a Final Official Statement relating to the Certificates (the "Preliminary Official Statement" and the "Official Statement," respectively); and

WHEREAS, all agreements for the execution and delivery of the Certificates are on file in the office of the City in substantially final form.

NOW THEREFORE, the City Council of the City of Ridgecrest does hereby RESOLVE, DETERMINE AND ORDER as follows:

Section 1.      Recitals. The above recitals are all true and correct.

Section 2.      Authorization for Execution and Delivery of Certificates. The City Council hereby authorizes and directs the execution, sale and delivery of the Certificates, in accordance with the terms and conditions set forth in the Lease Agreement and the Trust Agreement.

Section 3.      Approval of Preliminary Official Statement and the Final Official Statement. The use and distribution by the Underwriter of the Preliminary Official Statement is hereby approved, and the Authorized Officer(s) of the City is hereby authorized and directed to make such modifications to the Preliminary Official Statement as may be necessary to accurately disclose the financial condition of the City, the nature and extent of the Project, the terms and conditions for the execution, sale and delivery of the Certificates and any other information material thereto. The Authorized Officer(s) of the City is hereby authorized to sign a certificate pursuant to Rule 15c2-12 promulgated under the Securities Exchange Act of 1934 relating to the Preliminary Official Statement. The Authorized Officer(s) of the City is authorized and directed to take any and all actions necessary to cause the Final Official Statement to be prepared, executed and delivered in connection with the delivery of the Certificates.

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Section 4. Authorized Officer(s). The City Council hereby approves and authorizes and designates the Mayor of the City, the City Manager of the City, the Deputy City Manager of the City or the City Clerk of the City as the Authorized Officer(s) of the City for the purposes specified as follows:

- (a) Executing the agreements and other documents incident to and necessary for the execution, sale and delivery of the Certificates; and
- (b) Executing any and all certificates requesting disbursement of the proceeds from the sale of the Certificates, pursuant to the Trust Agreement.

Section 5. Approval of Agreements. The City Council hereby approves and directs the Authorized Officer(s) to execute, for and in the name and on behalf of the City, the documents specified as follows:

- (a) Lease Agreement;
- (b) Trust Agreement;
- (c) Reimbursement Agreement;
- (d) Escrow Agreement;
- (e) Continuing Disclosure Agreement;
- (f) Purchase Contract; and
- (g) Final Official Statement

(collectively, the "Financing Agreements") in substantially the form on file with the City and authorizes and directs the Authorized Officer(s) to approve any modifications in the Financing Agreements the Authorized Officer(s) deems appropriate up to the time of delivery of the Certificates to the purchaser thereof, and the execution of the Financing Agreements shall be conclusive evidence of the approval of any such modifications.

Section 6. Execution of Purchase Contract. The City Council hereby authorizes and directs its Authorized Officer(s) to execute the Purchase Contract, for and in the name and on behalf of the City, upon final pricing of the Certificates by the Underwriter provided that:

- (a) the Certificates shall be sold to the Underwriter for not less than 98.9% of par not including original issue discount, if any;
- (b) the true interest cost of the Certificates shall not exceed 5.5%;

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(c) the initial offering price for the Certificates shall be as set forth in Exhibit "A" of the Purchase Contract;

(d) the Underwriter shall demonstrate to the satisfaction of the Authorized Officer(s) that the final pricing is consistent with current market conditions for comparable tax-exempt securities; and

(e) the refunding of the 1999 Certificates shall produce a net present value savings to the City.

Section 7. Closing Documents. The City Council hereby authorizes and directs the Authorized Officer(s) and such other officers of the City as may be appropriate, jointly and severally, for and in the name and on behalf of the City:

(a) To execute all closing documents in connection with the Certificates;

(b) To execute and deliver any and all things and to take any and all actions that may be necessary or advisable in their discretion to fulfill the actions heretofore approved by this City Council; and

(c) To make such filings, amendments, consents, undertakings or agreements as may be required to affect and maintain any qualifications or exemptions existing or to be obtained under the laws of the State of California and the laws of the United States of America.

Section 8. Effective Date. This Resolution shall take effect upon adoption.

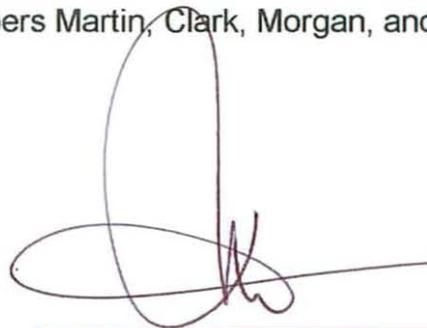
**APPROVED AND ADOPTED** this 19th day of October, 2005 by the following vote:

AYES: Mayor Holloway, Council Members Martin, Clark, Morgan, and Carter

NOES: None

ABSENT: None

ABSTAIN: None



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Marshall "Chip" Holloway, Mayor

ATTEST:

  
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Rita Gable  
City Clerk

RESOLUTION NO. -05-67

**A RESOLUTION OF THE RIDGECREST CITY COUNCIL APPROVING  
BY REFERENCE AND AUTHORIZING EXECUTION OF A  
MEMORANDUM OF UNDERSTANDING WITH THE POLICE  
EMPLOYEES ASSOCIATION OF RIDGECREST (P.E.A.R.)**

The City Council of the City of Ridgecrest, California, hereby approves by reference and authorizes the City Manager to execute a Memorandum of Understanding between the City of Ridgecrest and the Police Employees Association of Ridgecrest (P.E.A.R.) for the term July 1, 2005 through June 30, 2009.

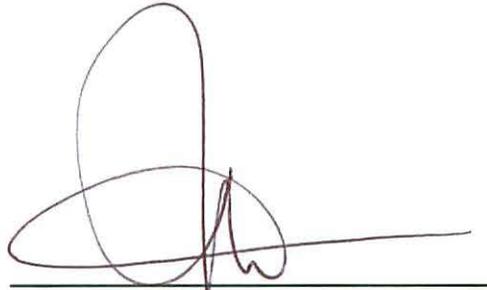
**APPROVED AND ADOPTED** this 19th day of October, 2005 by the following vote:

AYES: Mayor Holloway, Council Members Martin, Clark, Morgan, and Carter

NOES: None

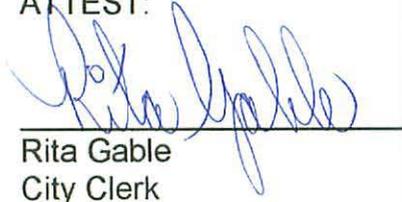
ABSENT: none

ABSTAIN: Mpme



Marshall "Chip" Holloway, Mayor

ATTEST:

  
Rita Gable  
City Clerk