

**RESOLUTION NO. 2015-091**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ELK GROVE  
DISPENSING WITH THE COMPETITIVE BIDDING PROCESS PURSUANT TO  
ELK GROVE MUNICIPAL CODE SECTION 3.42.140(B)(3) AND AUTHORIZING THE  
CITY MANAGER TO EXECUTE A LETTER OF ENGAGEMENT WITH PIPER  
JAFFRAY FOR UNDERWRITING SERVICES IN CONNECTION WITH A NEW DEBT  
ISSUANCE AND RE-FUNDING FOR POPPY RIDGE CFD 2003-1  
AND EAST FRANKLIN CFD 2002-1**

**WHEREAS**, pursuant to the Mello-Roos Community Facilities Act of 1982, as amended (the "Act"), the City Council (the "City Council") of the City of Elk Grove (the "City"), on March 7, 2002, approved Resolution No. 2002-40 establishing the City of Elk Grove Community Facilities District No. 2002-1 ("East Franklin CFD 2002-1"); and

**WHEREAS**, pursuant to the Act, the City Council on January 15, 2003, approved Resolution No. 2003-15 establishing the City of Elk Grove Community Facilities District No. 2003-1 ("Poppy Ridge CFD 2003-1"); and

**WHEREAS**, the City has a window of opportunity to refinance certain special district debt during the summer of 2015, prior to the September 1, 2015 call date, that would maintain the same term, reduce interest costs and also provide capacity for new debt proceeds that could assist in delivering Civic Center projects without increasing the tax levy to the property owners; and

**WHEREAS**, the City's Financial Advisors, Fieldman Rolapp, have advised that it is critical to have the finance team, including underwriting services, in place to prepare for a Summer 2015 refinancing; and

**WHEREAS**, Piper Jaffray has provided the City with underwriting services for previous debt issuances, including its Laguna Ridge CFD 2005-1, Series 2007 bonds; its Series 2007 Lease Revenue Bonds; and its Series 2006 Special Tax Revenue Bonds, among others; and

**WHEREAS**, Piper Jaffray has proposed a competitive not to exceed fee, that is solely contingent on a successful bond issuance and refunding; and

**WHEREAS**, the City's Municipal Code Chapter 3.42.140(B)(3) gives Council the discretion to determine whether compliance with the formal competitive bidding process is or is not in the best interest of the City; and

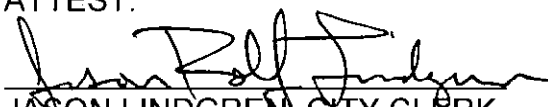
**WHEREAS**, given Piper Jaffray's prior outstanding service to the City, public sector financing underwriting experience, competitive costs, and time constraints, it is staff's recommendation that adopting a Letter of Engagement for Underwriting Services with Piper Jaffray is in the best interest of the City.


**NOW, THEREFORE BE IT RESOLVED** that the City Council of the City of Elk Grove, having determined that compliance with the formal bidding and solicitation procedures for underwriting services is not in the best interest of the City, hereby dispenses with the formal bidding and solicitation procedures pursuant to Elk Grove Municipal Code Section 3.42.140(B)(3), and

**BE IT FURTHER RESOLVED** that the City Council of the City of Elk Grove hereby authorizes the City Manager to execute a Letter of Engagement for Underwriting Services with Piper Jaffray in an amount not to exceed 0.85% of the bond par amount (\$8.50 per \$1,000 bond), which is to include the takedown as well as all expenses of the underwriter, including the fees of the underwriter's counsel.

**PASSED AND ADOPTED** by the City Council of the City of Elk Grove this 13<sup>th</sup> day of May 2015.

  
\_\_\_\_\_  
GARY DAVIS, MAYOR of the  
CITY OF ELK GROVE

ATTEST:  
  
\_\_\_\_\_  
JASON LINDGREN, CITY CLERK

APPROVED AS TO FORM:  
  
\_\_\_\_\_  
JONATHAN P. HOBBS  
CITY ATTORNEY

**CERTIFICATION**  
**ELK GROVE CITY COUNCIL RESOLUTION NO. 2015-091**

STATE OF CALIFORNIA        )  
COUNTY OF SACRAMENTO    )        ss  
CITY OF ELK GROVE         )

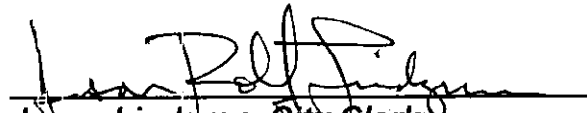
*I, Jason Lindgren, City Clerk of the City of Elk Grove, California, do hereby certify that the foregoing resolution was duly introduced, approved, and adopted by the City Council of the City of Elk Grove at a regular meeting of said Council held on May 13, 2015 by the following vote:*

**AYES :**        **COUNCILMEMBERS:**        *Davis, Hume, Detrick, Ly, Suen*

**NOES:**        **COUNCILMEMBERS:**        *None*

**ABSTAIN :**    **COUNCILMEMBERS:**        *None*

**ABSENT:**     **COUNCILMEMBERS:**        *None*

  
\_\_\_\_\_  
*Jason Lindgren, City Clerk*  
*City of Elk Grove, California*