

RESOLUTION NO. 08 - 17

RESOLUTION OF THE LA CAÑADA FLINTRIDGE LOCAL FINANCING AUTHORITY AUTHORIZING AND DIRECTING THE EXECUTIVE DIRECTOR TO TAKE CERTAIN ACTIONS WITH RESPECT TO THE PAYMENT AND DISCHARGE OF THE AUTHORITY'S OUTSTANDING REVENUES BONDS, SERIES 2004A

WHEREAS, at the request of the City of La Cañada Flintridge (the "City") and to assist the City in financing sewer collection system improvements to serve Sewer Project Areas 3A and 3B (the "Project"), the La Cañada Flintridge Local Financing Authority (the "Authority") issued its \$27,340,000 La Cañada Flintridge Local Financing Authority Revenue Bonds, Series 2004A (the "Series 2004A Bonds") pursuant to an Indenture of Trust, dated as of September 1, 2004 (the "Indenture"), by and between the Authority and BNY Western Trust Company ("BNY"), as trustee (the "Trustee") for the purpose of purchasing the City of La Cañada Flintridge Assessment District No. 04-1 (Sewer Project Areas 3A & 3B) Limited Obligation Improvement Bonds (the "Improvement Bonds"); and

WHEREAS, the City desires and has requested that the Authority provide for the payment and discharge of remaining outstanding Series 2004A Bonds on September 2, 2008 (the "Outstanding Series 2004 A Bonds"); and

WHEREAS, the sources of the moneys necessary to provide for the payment and discharge of the Outstanding Series 2004A Bonds will be funds received by the City from the loan from the State Water Resources Control Board for the Project, the proceeds of the redemption of Improvement Bonds from the prepayment of certain assessments, and funds advanced by the City for such purpose; and

WHEREAS, the City has requested that the Authority irrevocably deposit or cause such funds to be irrevocably deposited with The Bank of New York Mellon Trust Company, N.A., as successor to BNY as the Trustee for the Series 2004A Bonds and that the Authority instruct the Trustee that upon such irrevocable deposit that the Outstanding Series 2004A Bonds shall be deemed to be paid and discharged pursuant to the provisions of the Indenture and that the Authority assign any other funds held by the Trustee on September 3, 2008 to the City and that such funds be transferred to the City to reimburse the funds advanced by the City for the payment and discharge of the Outstanding Series 2004A Bonds; and

WHEREAS, the Board of Directors has determined that such action would be in the best interests of the Authority, the City and the property owners within Assessment District No. 04-1 (Sewer Project Areas 3A & 3B).

NOW, THEREFORE, be it resolved by the Board of Directors of the La Cañada Flintridge Local Financing Authority as follows:

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

SECTION 2. Payment and Discharge of the Outstanding Series 2004A Bonds. The Board of Directors hereby authorizes and directs the Executive Director to:

A. transfer or cause to be transferred the funds necessary to pay and discharge the Outstanding Series 2004A Bonds on September 2, 2008;

B. inform and instruct the Trustee that:

1. the funds to be transferred to the Trustee to pay and discharge the Outstanding Series 2004A Bonds on September 2, 2008 are irrevocably deposited with the Trustee, in trust, for such purposes;

2. as provided in Section 11.03 of the Indenture, upon the deposit of such funds, the pledge of the Revenues (as such term is defined in the Indenture) and other funds provided for in the Indenture with respect to the Series 2004A Bonds, and all other pecuniary obligations of the Authority under the Indenture with respect to all of the Series 2004A Bonds shall cease and terminate, except the obligation to pay or cause to be paid to the owners of the Outstanding Series 2004A Bonds all sums due thereon from the funds irrevocably deposited with the Trustee and set aside for such purpose and all expenses and costs of the Trustee; and

3. the Authority hereby assigns to the City the Authority's right, pursuant to Section 11.03 of the Indenture, that any funds held by the Trustee which are not irrevocably deposited and set aside for the payment and discharge of the Outstanding Series 2004A Bonds be paid over to the Authority ("Remaining Funds"); and

4. all Remaining Funds are to be transferred by the Trustee to the City on September 3, 2008.

SECTION 3. Effective Date. This Resolution shall take effect immediately upon its passage and adoption.

PASSED, APPROVED AND ADOPTED this 4th day of August 2008.


Stephen A. Del Guercio, Chairperson

Attest:

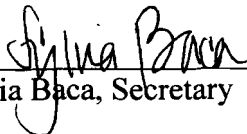

Sylvia Baca, Secretary

State of California)
County of Los Angeles) ss.
City of La Cañada Flintridge)

I, Sylvia Baca, Secretary of the La Cañada Flintridge Local Financing Authority, do hereby certify that the foregoing Resolution No. 08-17 was duly adopted by the Board of Directors of the Local Financing Authority at a Special Meeting held on the 4th day of August 2008, by the following vote:

AYES: DIRECTORS: Brown, Spence, Voss, Olhasso, Del Guercio
NOES: DIRECTORS: None
ABSENT: DIRECTORS: None
ABSTAIN: DIRECTORS: None

Dated: August 5, 2008



Sylvia Baca, Secretary