

RESOLUTION NO. 2026 - ____

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MORENO VALLEY APPROVING THE ISSUANCE BY THE MORENO VALLEY PUBLIC FINANCING AUTHORITY OF NOT TO EXCEED \$150,000,000 AGGREGATE PRINCIPAL AMOUNT OF ELECTRIC SYSTEM REVENUE BONDS, SERIES 2026A; AUTHORIZING EXECUTION AND DELIVERY OF AN INSTALLMENT PURCHASE AGREEMENT, CONTINUING DISCLOSURE CERTIFICATE, BOND PURCHASE AGREEMENT AND ESCROW AGREEMENTS; APPROVING THE FORM OF OFFICIAL STATEMENT; AND AUTHORIZING THE EXECUTION OF DOCUMENTS AND THE TAKING OF ALL NECESSARY ACTIONS RELATING TO THE FINANCING

WHEREAS, the City of Moreno Valley (the "City") and the former Community Redevelopment Agency of the City of Moreno Valley (the "Agency") have heretofore executed a Joint Exercise of Powers Agreement, dated as of October 28, 1997 (the "Joint Powers Agreement"), by and between the City and the Agency, which Joint Powers Agreement creates and establishes the Moreno Valley Public Financing Authority (the "Authority");

WHEREAS, pursuant to Article 4 of Chapter 5 of Division 7 of Title 1 of the Government Code of the State of California (the "Marks-Roos Local Bond Pooling Act of 1985") and the Joint Powers Agreement, the Authority is authorized to issue bonds for the purposes of financing and refinancing public capital improvements whenever there are significant public benefits to be realized;

WHEREAS, the City previously leased certain real property and improvements thereon (the "Facilities") to the Authority pursuant to a Master Facilities Lease, dated as of December 1, 2015 (as amended from time to time, the "Master Facilities Lease");

WHEREAS, the Authority subleased the Facilities back to the City pursuant to a Master Facilities Sublease, dated as of December 1, 2015 (as amended from time to time, the "Master Facilities Sublease");

WHEREAS, the Authority issued its Lease Revenue Bonds, Series 2019 (Taxable) (the "Series 2019 Bonds") pursuant to a Master Trust Agreement, dated as of December 1, 2015 (as amended from time to time, the "Master Trust Agreement") and the proceeds of the Series 2019 Bonds were applied by the City to finance certain improvements to the City's Electric System (the "2019 Project");

WHEREAS, the Authority issued its Lease Revenue Bonds, Series 2021 (Taxable) (the "Series 2021 Bonds") pursuant to the Master Trust Agreement and the proceeds of the Series 2021 Bonds were applied by the City to refinance certain improvements to the City's Electric System (the "2021 Project");

WHEREAS, the City acquired certain streetlight improvements pursuant to an Amended and Restated Equipment Lease/Purchase Agreement, dated as of August 10, 2021

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(the “2021 Equipment Lease”), between Banc of America Leasing & Capital, LLC (together with its successors, assigns and transferees), as lessor, and the City, as lessee (the “2021 Streetlight Project”);

WHEREAS, the City desires to finance the acquisition and construction of certain capital improvements to the City’s Electric System (the “2026 Project” and together with the 2019 Project, the 2021 Project, and the 2021 Streetlight Project, the “Projects”);

WHEREAS, the Authority and the City have determined that it would be in the best interests of the Authority, the City and the residents of the City to authorize the preparation, sale and delivery of the “Moreno Valley Public Financing Authority Electric System Revenue Bonds, Series 2026A (the “Series 2026A Bonds”), the proceeds of which will be applied by the City to (i) finance the 2026 Project; (ii) refinance the 2019 Project and refund the Series 2019 Bonds; (iii) refinance the 2021 Project and refund the Series 2021 Bonds; and (iv) refinance the 2021 Streetlight Project and prepay the 2021 Equipment Lease;;

WHEREAS, City Council of the City of Moreno Valley (the “City Council”) has determined that it is in the best interest of the City to enter into an Installment Purchase Agreement (the “Installment Purchase Agreement”), by and between the City and the Authority, and to approve certain other documents, to provide for the financing and refinancing of the Projects;

WHEREAS, the Series 2026A Bonds are to be secured by installment payments to be made pursuant to the Installment Purchase Agreement, which installment payments will be payable from net revenues of the City’s Electric System to the extent set forth in the Installment Purchase Agreement;

WHEREAS, the Authority and Wilmington Trust, National Association, as trustee (the “Trustee”), will enter into an Indenture of Trust (the “Indenture”), to provide for the issuance and security of the Series 2026A Bonds and the financing of the 2026 Project;

WHEREAS, the City desires to enter into a Continuing Disclosure Certificate governing the terms of the City’s ongoing disclosures to holders of the Series 2026A Bonds, as required by Rule 15c2-12 promulgated under the Securities Exchange Act of 1934 (“Rule 15c2-12”);

WHEREAS, the City and the Authority desire to provide for the negotiated sale of the Series 2026A Bonds and to enter into a Bond Purchase Agreement (the “Bond Purchase Agreement”) with Stifel, Nicolaus & Company, Incorporated (the “Underwriter”) governing the terms of the Underwriter’s purchase of the Series 2026A Bonds from the Authority;

WHEREAS, a form of an Official Statement with respect to the Series 2026A Bonds (the “Official Statement”) has been prepared;

WHEREAS, the City and the Authority desire to enter into an Escrow Agreement (2019 Bonds) (the “2019 Escrow Agreement”) with Computershare Trust Company, National Association, as successor trustee for the Series 2019 Bonds, in order to effect the refunding of the Series 2019 Bonds;

WHEREAS, the City and the Authority desire to enter into an Escrow Agreement (2021 Bonds) (the “2021 Escrow Agreement” and, together with the 2019 Escrow Agreement, the “Escrow Agreements”)with Computershare Trust Company, National Association, as successor trustee for the Series 2021 Bonds, in order to effect the refunding of the Series 2021 Bonds;

WHEREAS, Section 5852.1 of the California Government Code, which became effective on January 1, 2018, enacted pursuant to Senate Bill 450 (Chapter 625 of the 2017-2018 Session of the California Legislature) (“SB 450”), requires that the City Council obtain from an underwriter, municipal advisor or private lender and disclose, prior to authorization of the issuance of bonds, including debt instruments such as the Series 2026A Bonds, with a term of greater than 13 months, good faith estimates of the following information in a meeting open to the public: (a) the true interest cost of the Series 2026A Bonds; (b) the sum of all fees and charges to be paid to third parties with respect to the Series 2026A Bonds; (c) the amount of proceeds of the Series 2026A Bonds that is expected to be received net of the fees and charges to be paid to third parties and any reserves or capitalized interest paid or funded with proceeds of the Series 2026A Bonds; and (d) the sum total of all debt service payments on the Series 2026A Bonds calculated to the final maturity of the Series 2026A Bonds plus the fees and charges to be paid to third parties which are not paid from the proceeds of the Series 2026A Bonds;

WHEREAS, in compliance with SB 450, the City Council has obtained from Fieldman, Rolapp & Associates, Inc., as the City’s municipal advisor (the “Municipal Advisor”), and the Underwriter, the required good faith estimates and such estimates are disclosed and set forth on Exhibit A hereto;

WHEREAS, there have been submitted to and are on file with the City Clerk proposed forms of the Installment Purchase Agreement, the Indenture, the Continuing Disclosure Certificate, the Official Statement, the Bond Purchase Agreement and Escrow Agreements; and

WHEREAS, the issuance of the Series 2026A Bonds by the Authority and the execution and delivery of the Installment Purchase Agreement, the Continuing Disclosure Certificate, the Official Statement, the Bond Purchase Agreement and Escrow Agreements by the City will result in significant public benefits within the meaning of Section 6586 of the Marks-Roos Local Bond Pooling Act of 1985 through demonstrable savings in the effective interest rates and bond issuance costs and a more efficient delivery of City services to residential and commercial development, and it furthers the City’s public purpose to finance and refinance the Projects;

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF MORENO VALLEY HEREBY FINDS, DETERMINES, DECLARES AND RESOLVES AS FOLLOWS:

Section 1. The recitals set forth hereinabove are true and correct, and are incorporated herein.

Section 2. The City Council hereby approves the issuance of the Series 2026A Bonds by the Authority, in one or more series in an aggregate principal amount not to exceed \$150,000,000; provided that the maturity date or dates (not to exceed May 1, 2057), interest

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rate or rates (not to exceed a true interest cost of 5.25%), interest payment dates, series, denominations, forms, registration privileges, manner of execution, place or places of payment, terms of redemption and other terms of the Series 2026A Bonds shall be as provided in the Indenture, as finally executed. The City Manager, Assistant City Manager and Chief Financial Officer (the "Authorized Officers") of the City are hereby directed to perform the duties, if any, imposed upon each of them by the provisions of the financing documents approved herein, including the Indenture, the Installment Purchase Agreement, the Bond Purchase Agreement and the Escrow Agreements.

Section 3. The proposed form of Installment Purchase Agreement, on file with the City Clerk, is hereby approved. The Authorized Officers, jointly and severally, are hereby authorized and directed, for and in the name and on behalf of the City, to execute and deliver the Installment Purchase Agreement in substantially said form, with such changes therein as such officers may require or approve, such approval to be conclusively evidenced by the execution and delivery thereof.

Section 4. The proposed form of Official Statement relating to the Series 2026A Bonds, in its preliminary form on file with the City Clerk, is hereby approved. The Authorized Officers, jointly and severally, are hereby authorized and directed, for and in the name and on behalf of the City, to execute and deliver a final Official Statement in substantially the form of such preliminary Official Statement, with such changes therein as such officer may require or approve, such approval to be conclusively evidenced by the execution and delivery thereof. The Underwriter is hereby directed to distribute copies of the Official Statement to all actual purchasers of the Series 2026A Bonds. Distribution by the Underwriter of the preliminary Official Statement relating to the Series 2026A Bonds is hereby approved and the Authorized Officers, jointly and severally, are hereby authorized and directed, to execute a certificate confirming that the preliminary Official Statement has been "deemed final" by the City for purposes of Rule 15c2-12.

Section 5. The proposed form of Bond Purchase Agreement, on file with the City Clerk, is hereby approved. The Authorized Officers, jointly and severally, or any such officer's designee, are each hereby authorized and directed, on behalf of the City, to execute and deliver the Bond Purchase Agreement in substantially said form, with such changes therein as such officer may require or approve, such approval to be conclusively evidenced by the execution and delivery thereof; provided, however, that the underwriting discount (not including original issue discount) shall not exceed 0.60% of the aggregate principal amount of the Series 2026A Bonds.

Section 6. The proposed form of Continuing Disclosure Certificate, on file with the City Clerk, is hereby approved. The Authorized Officers, jointly and severally, or any such officer's designee, are each hereby authorized and directed, on behalf of the City, to execute and deliver the Continuing Disclosure Certificate in substantially said form, with such changes therein as such officer may require or approve, such approval to be conclusively evidenced by the execution and delivery thereof.

Section 7. The proposed forms of the Escrow Agreements, on file with the City Clerk, are hereby approved. The Authorized Officers, jointly and severally, are hereby authorized and directed, for and in the name and on behalf of the City, to execute and deliver the Escrow Agreements in substantially said forms, with such changes therein as such

officers may require or approve, such approval to be conclusively evidenced by the execution and delivery thereof.

Section 8. In accordance with SB 450, good faith estimates of the following have been obtained from the Municipal Advisor and the Underwriter and are set forth on Exhibit A: (a) the true interest cost of the Series 2026A Bonds; (b) the sum of all fees and charges to be paid to third parties with respect to the Series 2026A Bonds; (c) the amount of proceeds of the Series 2026A Bonds that is expected to be received net of the fees and charges to be paid to third parties and any reserves or capitalized interest paid or funded with proceeds of the Series 2026A Bonds; and (d) the sum total of all debt service payments on the Series 2026A Bonds calculated to the final maturity of the Series 2026A Bonds plus the fees and charges to be paid to third parties which are not paid with the proceeds of the Series 2026A Bonds.

Section 9. The Authorized Officers and members of the City Council are hereby authorized and directed, jointly and severally, to do any and all things and to execute and deliver any and all documents and certificates or revise any and all documents approved herein which they deem necessary or advisable in order: (i) to solicit bids on a municipal bond insurance policy and/or reserve surety; (ii) to negotiate the terms of such policy or policies; (iii) to finalize, if appropriate, the form of such policy or policies with a municipal bond insurer; and (iv) if it is determined that the policy or policies will result in net savings for the City, to pay the insurance premium of such policy or policies from the proceeds of the issuance and sale of the Series 2026A Bonds.

Section 10. The Authorized Officers and members of the City Council are hereby further authorized and directed, jointly and severally, to do any and all things and to execute and deliver any and all documents and certificates or revise any and all documents approved herein which they deem necessary or advisable in order to consummate the execution and delivery of the documents mentioned herein and otherwise to effectuate the purposes of this Resolution and the transactions contemplated hereby, including but not limited to taking such steps as may be necessary to execute escrow and/or redemption instructions as may be necessary to refund the Series 2019 Bonds and the Series 2021 Bonds and prepay the 2021 Equipment Lease and to execute and deliver such documents as may be necessary to terminate the Master Facilities Lease, the Master Facilities Sublease or the Master Trust Agreement, prepay the 2021 Equipment Lease.

Section 11. All actions heretofore taken by the Authorized Officers and other officers and agents of the City, or by the City Council, with respect to the financing are hereby ratified, confirmed and approved.

Section 12. Fieldman Rolapp & Associates, Inc. is hereby appointed as the Municipal Advisor to the City in connection with the issuance and sale of the Series 2026A Bonds.

Section 13. Stradling Yocca Carlson & Rauth LLP is hereby appointed as Bond Counsel and Disclosure Counsel in connection with the issuance and sale of the Series 2026A Bonds.

Section 14. Wilmington Trust, National Association is hereby appointed to act as Trustee pursuant to the Indenture.

Section 15. The City Council hereby finds, pursuant to the Debt Management Policy of the City, that even if the refunding of the Series 2019 Bonds and the Series 2021 Bonds and the prepayment of the 2021 Equipment Lease do not result in present value savings that are at least three percent (3%), the refunding of the Series 2019 Bonds and the Series 2021 Bonds and the prepayment of the 2021 Equipment Lease serve a compelling public policy objective because it will result in the removal of liabilities of the City's Electric System from the City's General Fund.

Section 16. The City Council hereby approves the execution and delivery of all agreements, documents, certificates and instruments referred to herein with electronic signatures as may be permitted under the California Uniform Electronic Transactions Act and digital signatures as may be permitted under Section 16.5 of the California Government Code using DocuSign.

Section 17. Unless otherwise defined herein, all terms used herein and not otherwise defined shall have the meanings given such terms in the Installment Purchase Agreement unless the context otherwise clearly requires. Section 18. This Resolution shall take effect from and after its adoption and approval.

APPROVED AND ADOPTED this 5th day of May, 2026.

Ulises Cabrera
Mayor
City of Moreno Valley

ATTEST:

M. Patricia Rodriguez, City Clerk

APPROVED AS TO FORM:

Steven B. Quintanilla, City Attorney

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EXHIBIT A
GOOD FAITH ESTIMATES

The following information was obtained from the Municipal Advisor and the Underwriter, and is provided in compliance with Section 5852.1 of the California Government Code with respect to the installment payments evidenced by the Series 2026A Bonds:

1. *True Interest Cost of the Installment Payments Evidenced by the Series 2026A Bonds.* Assuming the principal amount of the Series 2026A Bonds issued by the Authority is \$135,535,000 (the "Estimated Par Amount"), and based on market interest rates prevailing at the time of preparation of this information, a good faith estimate of the true interest cost of the installment payments evidenced by the Series 2026A Bonds, which means the rate necessary to discount the amounts payable on the respective principal and interest payment dates to the purchase price received for the Series 2026A Bonds, is 4.43%.

2. *Finance Charge of the Series 2026A Bonds.* Assuming the Estimated Par Amount of the Series 2026A Bonds is sold, and based on market interest rates prevailing at the time of preparation of this information, a good faith estimate of the City's finance charge of the Series 2026A Bonds, which means the sum of all fees and charges paid to third parties (or costs associated with the Series 2026A Bonds), is \$2,346,671.

3. *Amount of Proceeds to be Received.* Assuming the Estimated Par Amount of the Series 2026A Bonds is sold, and based on market interest rates prevailing at the time of preparation of this information, a good faith estimate of the amount of proceeds expected to be received by the City following the Authority's sale of the Series 2026A Bonds, less the finance charge of the Series 2026A Bonds described in paragraph 2 above and any reserves or capitalized interest paid or funded with proceeds of the Series 2026A Bonds, is \$144,411,685.

4. *Total Payment Amount.* Assuming the Estimated Par Amount of the Series 2026A Bonds is sold, and based on market interest rates prevailing at the time of preparation of this information, a good faith estimate of the total payment amount, which means the sum total of all installment payments the City pay, plus the finance charge of the Series 2026A Bonds described in paragraph 2 above not paid with the proceeds of the Series 2026A Bonds, calculated to the final installment payment evidenced by the Series 2026A Bonds, is \$263,851,832.

Attention is directed to the fact that the foregoing information constitutes good faith estimates only. The actual interest cost, finance charges, amount of proceeds and total payment amount may vary from those presently estimated due to variations from these estimates in the timing of the sale of the Series 2026A Bonds, the actual principal amount of Series 2026A Bonds sold, the amortization of the Series 2026A Bonds sold and market interest rates at the time of sale. The date of sale and the amount of Series 2026A Bonds sold will be determined by the City based on market conditions and other factors. The actual interest rates at which the Series 2026A Bonds will be sold will depend on the bond market at the time of sale. The actual amortization of the Series 2026A Bonds will also depend, in part, on market interest rates at the time of sale. Market interest rates are affected by economic and other factors beyond the City's control.

CLERK'S CERTIFICATE

The undersigned, City Clerk of the City of Moreno Valley, does hereby certify as follows:

The foregoing resolution is a full, true and correct copy of a resolution duly adopted by a vote of a majority of the City Council of the City of Moreno Valley at a regular meeting of said Council duly and regularly and legally held at the Council Chambers of the City Council, City Hall, 14177 Frederick Street, Moreno Valley, California, on May 5, 2026, of which all of such members had due notice, as follows:

AYES:

NOES:

ABSTAIN:

ABSENT:

An agenda of said meeting was posted at least 72 hours before said meeting at 14177 Frederick Street, Moreno Valley, California, a location freely accessible to members of the public, and a brief description of said resolution appeared on said agenda.

I have carefully compared the foregoing with the original minutes of said meeting on file and of record in my office, and the foregoing is a full, true and correct copy of the original resolution adopted at said meeting and entered in said minutes.

Said resolution has not been amended, modified or rescinded since the date of its adoption and the same is now in full force and effect.

Dated: _____, 2026

M. Patricia Rodriguez, City Clerk

[Seal]

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RESOLUTION JURAT

STATE OF CALIFORNIA)
COUNTY OF RIVERSIDE) ss.
CITY OF MORENO VALLEY)

I, M. Patricia Rodriguez, City Clerk of the City of Moreno Valley, California, do hereby certify that Resolution No. 2026-___ was duly and regularly adopted by the City Council of the City of Moreno Valley at a regular meeting thereof held on the 5th day of May, 2026 by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

(Council Members, Mayor Pro Tem and Mayor)

M. PATRICIA RODRIGUEZ, CITY CLERK

(SEAL)