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**RESOLUTION NO. R-03-16**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY  
OF COLTON AUTHORIZING THE UTILITY DIRECTOR  
TO ENTER INTO TRANSACTIONS WITH SHELL  
TRADING RISK MANAGEMENT, LLC**

**WHEREAS**, the City has entered into or will enter into swaps, options, or other financially settled energy derivative transactions (“Transactions”) with Shell Energy North America (US), LP (“Shell Energy”), pursuant to contracts in the form of master swap agreements, Master Agreements on the form approved by the International Swap and Derivatives Association, Inc. (“ISDA”), and other commodity agreements (as the same may be amended and supplemented, collectively, the “Master Swap Agreements”) between the City and Shell Energy; and

**WHEREAS**, on October 20, 2009, the City Council approved a Master Agreement with Shell Energy North America (U.S. Municipal Counterparty Schedule to the 1992 Local Currency – Single Jurisdiction Master Agreement); and

**WHEREAS**, on April 6, 2010, the City Council approved Resolution R-17-10 authorizing the City Manager, or his or her designee to enter into transactions with Shell Energy; and

**WHEREAS**, to reflect and conform to changes in federal commodities laws and Dodd-Frank legislation, Shell Energy has transferred all ISDA and Master Agreement transactions to Shell Trading Risk Management, LLC (“STRM”);

**NOW, THEREFORE, the City Council of the City of Colton does hereby resolve the following:**

**Section 1.** The City is hereby authorized (i) to enter into Transactions, including but not limited to forwards, futures, swaps, and options, (ii) to enter into Master Swap Agreements governing such transactions and confirmation thereunder designating the terms of specific individual Transactions, and (iii) to the extent necessary or appropriate, to pledge cash, securities, or other property, or to provide letters of credit or other credit support, as support for its obligations with respect to such Transactions.



1 STATE OF CALIFORNIA )  
2 COUNTY OF SAN BERNARDINO ) ss  
3 CITY OF COLTON )

4 CERTIFICATION

5 I, **CAROLINA R. PADILLA**, City Clerk of the City of Colton, California, do hereby  
6 certify that the foregoing is a full, true and correct copy of **RESOLUTION NO. R-03-16**,  
7 duly adopted by the City Council of said City, and approved by the Mayor of said City, at its  
8 Regular Meeting of said City Council held on the **19th day of January, 2016**, and that it was  
9 adopted by the following vote, to wit:

10	AYES:	COUNCILMEMBER	Toro, Jorin, Navarro, González, Bennett,
11			Suchil and Mayor DeLaRosa
12	NOES:	COUNCILMEMBER	None
13	ABSTAIN:	COUNCILMEMBER	None
14	ABSENT:	COUNCILMEMBER	None
15			

16 **IN WITNESS WHEREOF**, I have hereunto set my hand and affixed the official seal  
17 of the City of Colton, California, this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_.

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21 \_\_\_\_\_  
22 CAROLINA R. PADILLA  
23 City Clerk  
24 City of Colton

25  
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27  
28 (SEAL)