

ORDINANCE NO. 15-__

AN ORDINANCE OF THE CITY OF COLORADO SPRINGS, COLORADO APPROVING AND AUTHORIZING THE EXECUTION AND DELIVERY OF THE STANDBY BOND PURCHASE AGREEMENTS AMONG THE CITY OF COLORADO SPRINGS, COLORADO, WELLS FARGO BANK, NATIONAL ASSOCIATION, AS TENDER AGENT, AND CERTAIN BANKING ORGANIZATIONS, THE FEE AGREEMENTS BETWEEN THE CITY OF COLORADO SPRINGS, COLORADO AND SUCH BANKING ORGANIZATIONS, AND THE OFFICIAL STATEMENTS FOR THE UTILITIES SYSTEM REVENUE BONDS PREVIOUSLY ISSUED BY THE CITY TO WHICH THE AGREEMENTS RELATE; RATIFYING CERTAIN ACTION HERETOFORE TAKEN.

WHEREAS, the City of Colorado Springs, Colorado (the "City") is a municipal corporation and a home rule city duly organized and existing under the laws of the State of Colorado and, in particular, under the provisions of Article XX of the Constitution of the State of Colorado and the Charter of the City (the "Charter"); and

WHEREAS, the City now owns and operates a municipal water system, electric light and power system, gas system, wastewater system and certain other systems heretofore designated by the City Council (the "Council") of the City, constituting the Utilities created by the Charter; and

WHEREAS, pursuant to Ordinance No. 00-154, as amended by Ordinance No. 13-51 (collectively, the "2000A Bond Ordinance"), the City has previously issued its City of Colorado Springs, Colorado, Variable Rate Demand Utilities System Subordinate Lien Revenue Bonds, Series 2000A (the "2000A Bonds"); and

WHEREAS, the 2000A Bonds currently bear interest at the Weekly Interest Rate (as defined in the 2000A Bond Ordinance), and pursuant to Section 1209 of the 2000A Bond Ordinance, the City has covenanted to maintain a Liquidity Facility (as defined in the 2000A Bond Ordinance) in full force and effect at any time the 2000A Bonds bear interest at a Weekly Interest Rate; and

WHEREAS, pursuant to Section 1209 of the 2000A Bond Ordinance, the City may elect to replace the Liquidity Facility for 2000A Bonds; and

WHEREAS, the City desires to obtain a Substitute Liquidity Facility (as defined in the 2000A Bond Ordinance) for the 2000A Bonds from Landesbank Hessen-Thüringen Girozentrale, acting by and through its New York Branch (“Helaba”); and

WHEREAS, the City will enter into a Standby Bond Purchase Agreement with Helaba and Wells Fargo Bank, National Association, as tender agent (the "Tender Agent") to be dated the date of its execution and delivery (the "2000A Purchase Agreement") as a Substitute Liquidity Facility for the 2000A Bonds; and

WHEREAS, the City will additionally enter into a fee letter agreement with Helaba to be dated the date of its execution and delivery (the "2000A Letter Agreement"), which will set forth the fees and charges payable by the City to Landesbank in connection with the 2000A Purchase Agreement; and

WHEREAS, pursuant to Section 504 of the 2000A Bond Ordinance, the execution and delivery of the 2000A Purchase Agreement will result in the mandatory tender and remarketing of the 2000A Bonds; and

WHEREAS, the City will prepare and distribute an Official Statement relating to the 2000A Bonds (the "2000A Official Statement") to be used in connection with the remarketing of the 2000A Bonds; and

WHEREAS, pursuant to Ordinance No. 02-196, as amended by Ordinance No. 13-51 (collectively, the "2002C Bond Ordinance"), the City has previously issued its City of Colorado Springs, Colorado, Taxable Variable Rate Demand Utilities System Subordinate Lien Revenue Bonds, Series 2002C (the "2002C Bonds"); and

WHEREAS, the 2002C Bonds currently bear interest at the Weekly Interest Rate (as defined in the 2002C Bond Ordinance), and pursuant to Section 1209 of the 2002C Bond Ordinance, the City has covenanted to maintain a Liquidity Facility (as defined in the 2002C Bond Ordinance) in full force and effect at any time the 2002C Bonds bear interest at a Weekly Interest Rate; and

WHEREAS, pursuant to Section 1209 of the 2002C Bond Ordinance, the City may elect to replace the Liquidity Facility for 2002C Bonds; and

WHEREAS, the City desires to obtain a Substitute Liquidity Facility (as defined in the 2002C Bond Ordinance) for the 2002C Bonds from Mizuho Bank, Ltd. ("Mizuho"); and

WHEREAS, the City will enter into a Standby Bond Purchase Agreement with Mizuho and Wells Fargo Bank, National Association, as tender agent (the "Tender Agent") to be dated the date of its execution and delivery (the "2002C Purchase Agreement") as a Substitute Liquidity Facility for the 2002C Bonds; and

WHEREAS, the City will additionally enter into a fee letter agreement with Mizuho to be dated the date of its execution and delivery (the "2002C Letter Agreement"), which will set forth the fees and charges payable by the City to Mizuho in connection with the 2002C Purchase Agreement; and

WHEREAS, pursuant to Section 504 of the 2002C Bond Ordinance, the execution and delivery of the 2002C Purchase Agreement will result in the mandatory tender and remarketing of the 2002C Bonds; and

WHEREAS, the City will prepare and distribute an Official Statement relating to the 2002C Bonds (the "2002C Official Statement") to be used in connection with the remarketing of the 2002C Bonds; and

WHEREAS, pursuant to Ordinance No. 05-111, as amended by Ordinance No. 13-51 (collectively, the "2005A Bond Ordinance"), the City has previously issued its City of Colorado Springs, Colorado, Variable Rate Demand Utilities System Subordinate Lien Improvement Revenue Bonds, Series 2005A (the "2005A Bonds"); and

WHEREAS, the 2005A Bonds currently bear interest at the Weekly Interest Rate (as defined in the 2005A Bond Ordinance), and pursuant to Section 1210 of the 2005A Bond Ordinance, the City has covenanted to maintain a Liquidity Facility (as defined in

the 2005A Bond Ordinance) in full force and effect at any time the 2005A Bonds bear interest at a Weekly Interest Rate; and

WHEREAS, pursuant to Section 1210 of the 2005A Bond Ordinance, the City may elect to replace the Liquidity Facility for 2005A Bonds; and

WHEREAS, the City desires to obtain a Substitute Liquidity Facility) as defined in the 2005 Bond Ordinance) for the 2005A Bonds from Mizuho; and

WHEREAS, the City will enter into a Standby Bond Purchase Agreement with Mizuho and the Tender Agent to be dated the date of its execution and delivery (the "2005A Purchase Agreement" and, together with the 2000A Purchase Agreement and 2002C Purchase Agreement, the "Purchase Agreements") as a Substitute Liquidity Facility for the 2005A Bonds; and

WHEREAS, the City will additionally enter into a fee letter agreement with Mizuho to be dated the date of its execution and delivery (the "2005A Letter Agreement" and, together with the 2000A Letter Agreement and 2002C Letter Agreement, the "Letter Agreements"), which will set forth the fees and charges payable by the City to Mizuho in connection with the 2005A Purchase Agreement; and

WHEREAS, pursuant to Section 504 of the 2005A Bond Ordinance, the execution and delivery of the 2005A Purchase Agreement will result in the mandatory tender and remarketing of the 2005A Bonds; and

WHEREAS, the City will prepare and distribute an Official Statement relating to the 2005A Bonds (the "2005A Official Statement" and, together with the 2000A Official Statement and the 2002C Official Statement, the "Official Statements") to be used in connection with the remarketing of the 2005A Bonds; and

WHEREAS, the Council has determined that the public interest and necessity require the City to enter into the Purchase Agreements and the Letter Agreements; and

WHEREAS, there have been presented to the Council the proposed forms of the Purchase Agreements, the Letter Agreements and the Official Statements.

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF COLORADO SPRINGS:

Section 1. Ratification and Approval of Prior Actions. The Council hereby ratifies, approves and confirms all action heretofore taken (not inconsistent with the provisions of this ordinance) with respect to (a) obtaining a Substitute Liquidity Facility under the 2000A Ordinance in the form of the 2000A Purchase Agreement, (b) obtaining a Substitute Liquidity Facility under the 2002C Ordinance in the form of the 2002C Purchase Agreement, (c) and obtaining a Substitute Liquidity Facility under the 2005A Ordinance in the form of the 2005A Purchase Agreement.

Section 2. Approval of the Purchase Agreements and the Letter Agreements. The forms, terms and provisions of the Purchase Agreements and the Letter Agreements are hereby approved. The City shall enter into the Purchase Agreements and the Letter Agreements in the forms presented to the Council at this meeting, in each case with only such changes therein, if any, as are not inconsistent herewith. The Chief Executive Officer of the Utilities and the Chief Planning and Finance Officer of the Utilities are hereby authorized and directed to execute and deliver the Purchase Agreements and the Letter Agreements.

Section 3. Substitute Liquidity Facilities. The officers and employees of the City and the Utilities of the City are hereby authorized and directed to take all action necessary or appropriate to effectuate the provisions of this ordinance, including, without limitation, all action necessary to (a) institute the 2000A Purchase Agreement as a Substitute Liquidity Facility under the 2000A Ordinance, (b) institute the 2002C Purchase Agreement as a Substitute Liquidity Facility under the 2002C Ordinance, and (c) institute the 2005A Purchase Agreement as a Substitute Liquidity Facility under the 2005A Ordinance.

Section 4. Official Statements. The preparation, electronic posting and distribution of the Official Statements in substantially the form presented to the Council

at this meeting is hereby authorized. The Chief Executive Officer of the Utilities and the Chief Planning and Finance Officer of the Utilities are hereby authorized to approve, on behalf of the City, the Official Statements. The execution of the Official Statements by such persons shall be conclusively deemed to evidence the approval of the form and contents thereof by the City.

Section 5. Repealer. All bylaws, orders, resolutions and ordinances of the City, or parts thereof, inconsistent herewith are hereby repealed to the extent only of such inconsistency. This repealer shall not be construed to revive any other such bylaw, order, resolution or ordinance of the City, or part thereof, heretofore repealed.

Section 6. Severability. If any section, subsection, paragraph, clause or other provision of this ordinance for any reason is invalid or unenforceable, the invalidity or unenforceability of such section, subsection, paragraph, clause or other provision shall not affect any of the remaining provisions of this ordinance.

Section 7. Effective Date and Publication. This ordinance upon passage shall be entered upon the journal of the Council's proceedings, shall be kept in the book marked "Ordinance Record" and authenticated as required by the Charter, shall be published twice in a legal newspaper of general circulation in the City in compliance with the requirements of the Charter with the first publication to be at least ten (10) days before final passage by Council of this ordinance, and the second publication to be any time after its final adoption. The Council hereby determines that it is appropriate that publication of this ordinance by title with a summary written by the City Clerk, together with a statement that this ordinance is available for public inspection and acquisition in the office of the City Clerk, shall be sufficient publication pursuant to Section 3-80 of the Charter and this ordinance shall be so published. This ordinance shall be in full force and effective five (5) days after its final publication.

INTRODUCED, READ, PASSED ON FIRST READING, APPROVED AND ORDERED PUBLISHED BY TITLE AND SUMMARY THIS ___ DAY OF ____, 2015.

FINALLY PASSED: _____, 2015

Merv Bennett, Council President

John W. Suthers, Mayor

ATTEST:

Sarah B. Johnson, City Clerk

(Attach Affidavit of Publication, by Title and Summary,
of Ordinance No. 15-__ upon First Reading)

(Attach Affidavit of Publication, by Title and Summary,
of Ordinance No. 15-__ upon Second Reading)