

ORDINANCE NO. 20-__

AN ORDINANCE OF THE CITY OF COLORADO SPRINGS, COLORADO APPROVING AND AUTHORIZING THE EXECUTION AND DELIVERY OF THE STANDBY BOND PURCHASE AGREEMENT AMONG THE CITY OF COLORADO SPRINGS, COLORADO, WELLS FARGO BANK, NATIONAL ASSOCIATION, AS TENDER AGENT, AND TD BANK, N.A., THE FEE AGREEMENT BETWEEN THE CITY OF COLORADO SPRINGS, COLORADO AND TD BANK, N.A., AND THE OFFICIAL STATEMENT FOR THE UTILITIES SYSTEM REVENUE BONDS PREVIOUSLY ISSUED BY THE CITY TO WHICH THE AGREEMENT RELATES; RATIFYING CERTAIN ACTION HERETOFORE TAKEN.

The above entitled ordinance (“Ordinance”) was introduced and passed on first reading at the regular meeting of the City Council (the “Council”) held on July 14, 2020 and is scheduled to be considered for final passage on second reading at the regular meeting of the Council to be held on July 28, 2020. The Ordinance is available for public inspection and acquisition in the office of the City Clerk in the City Administration Building. The following is a summary of the Ordinance:

PREAMBLES

The preambles recite the legal organization and existence of the City, its ownership and operation of a municipal water system, electric light and power system, gas system, wastewater system and certain other systems designated by the Council, constituting the Utilities created by the Charter, pursuant to a certain Ordinance (the “2007A Bond Ordinance”) the City previously issued its Variable Rate Demand Utilities System Improvement Revenue Bonds, Series 2007A (the “2007A Bonds”), the 2007A Bonds currently bear interest at the Weekly Interest Rate (as defined in the 2007A Bond Ordinance), pursuant to the 2007A Bond Ordinance, the City has covenanted to maintain a Liquidity Facility (as defined in the 2007A Bond Ordinance) in full force and effect at any time the 2007A Bonds bear interest at a Weekly Interest Rate, pursuant to the 2007A Bond Ordinance the City may elect to substitute the Liquidity Facility for the 2007A Bonds, the City desires to obtain a Substitute Liquidity Facility for the 2007A Bonds from TD Bank, N.A. (“TD Bank”), the City, for an on behalf of Colorado Springs Utilities, an enterprise of the City, will enter into a Standby Bond Purchase Agreement with Wells Fargo Bank, National Association, as tender agent, and TD Bank to be dated as of September 1, 2020 (the "Liquidity Facility Agreement") as a Substitute Liquidity Facility for the 2007A Bonds, the City will additionally enter into a fee agreement with TD Bank to be dated the date of its execution and delivery (the “Fee Agreement”), which will set forth the fees, expenses, and charges payable by the City to TD Bank in connection with the Liquidity Facility Agreement, pursuant to the 2007A Bond Ordinance, the execution and delivery of the Liquidity Facility Agreement will result in the mandatory tender and remarketing of the 2007A Bonds, and the City has prepared and will distribute an Official Statement relating to the 2007A Bonds (the “Official Statement”) to be used in connection with the remarketing of the 2007A Bonds.

SECTION 1

This section ratifies, approves and confirms all action theretofore taken with respect to obtaining a Substitute Liquidity Facility under the 2007A Bond Ordinance in the form of the Liquidity Facility Agreement.

SECTION 2

This section approves the forms, terms and provisions of the Liquidity Facility Agreement and the Fee Agreement, declares that the City shall enter into the Liquidity Facility Agreement and the Fee Agreement in the forms presented to the Council, and authorizes and directs that the Chief Executive Officer of the Utilities and the Chief Planning and Finance Officer of the Utilities to execute and deliver the Liquidity Facility Agreement and the Fee Agreement.

SECTION 3

This section authorizes and directs the officers and employees of the City and Utilities of the City to take all action necessary and appropriate to effectuate the provisions of the Ordinance, including, without limitation, all action necessary to institute and perform the Liquidity Facility Agreement as a Substitute Liquidity Facility under the 2007A Bond Ordinance and to institute and perform the Fee Agreement.

SECTION 4

This section authorizes the preparation, electronic posting and distribution of the Official Statement in the form presented to the Council, and provides that the Chief Executive Officer of the Utilities and the Chief Planning and Finance Officer of the Utilities are authorized to approve the Official Statement on behalf of the City, with the execution of the Official Statement by such persons being conclusively deemed to evidence the approval of the form and contents thereof by the City.

SECTION 5

This section authorizes the Chief Executive Officer of the Utilities and the Chief Planning and Finance Officer of the Utilities to enter into and execute and deliver such documents as may be necessary in connection with amendments to the Liquidity Facility Agreement and Fee Agreement from time-to-time to facilitate the extension for one or more years without further action by the Council, subject to certain specified conditions.

SECTION 6

This section provides that all bylaws, orders, resolutions and ordinances of the City, or parts thereof, inconsistent with the Ordinance are repealed to the extent only of such inconsistency.

SECTION 7

This section provides for the severability of the Ordinance.

SECTION 8

This section provides that the Ordinance upon passage will be entered upon the journal of the Council's proceedings, kept in the book marked "Ordinance Record" and authenticated as required by the Charter, that the Ordinance shall be published twice, with the first publication to be at least ten days before final passage by Council and the second publication to be any time after its final adoption, that the Ordinance shall be in full force and effective five days after its final publication, and provides for the publication of the Ordinance by title with summary written by me pursuant to the Charter.

This statement and summary were written by me on July 14, 2020.

/s/ Sarah B. Johnson

Sarah B. Johnson, City Clerk
City of Colorado Springs