

**City and County of Denver, Colorado,
for and on behalf of its Department of Aviation**

**INSTALLMENT PURCHASE AGREEMENT
(City Clerk File No. 11-_____)**

MANAGER'S RESOLUTION

A RESOLUTION

Concerning the Airport System of the City and County of Denver; approving, authorizing and requesting the City and County of Denver, Colorado, for and on behalf of its Department of Aviation, to enter into an Installment Purchase Agreement and to incur a loan from Sovereign Leasing, LLC pursuant to an Installment Purchase Agreement in a maximum principal amount of \$20,500,000, for the purpose of acquiring, installing and financing equipment for the Airport System, and authorizing the repayment of such loan.

(1) WHEREAS, the City and County of Denver, in the State of Colorado (the "City" and the "State" respectively), is a municipal corporation duly organized and existing as a home rule city under Article XX, State Constitution, and under the Charter of the City and is a political subdivision of the State; and

(2) WHEREAS, pursuant to Article XX, State Constitution, the Charter of the City, and the plenary grant of powers as a home-rule city, the City has acquired certain airport facilities constituting its airport system (the "Airport System"), the management, operation and control of which is vested by the Charter of the City in the Department of Aviation of the City (the "Department"); and

(3) WHEREAS, by Ordinance No. 755, Series of 1993 (the "Enterprise Ordinance"), the City designated the Department as an "enterprise" within the meaning of Section 20, Article X, State Constitution; and

(4) WHEREAS, the Enterprise Ordinance provides that, the City owns the Department; the Manager of the Department (the "Manager") is the governing body of the Department; and the Department has the authority to issue its own bonds or other financial obligations in the name of the City, payable solely from revenues derived or to be derived from the functions, services, benefits or facilities of the Department or from any other available funds, as authorized by ordinance after approval and authorization by the Manager; and

(5) WHEREAS, there have been filed with the City's Clerk and Recorder:

- A. The Installment Purchase Agreement, City Clerk File No. 11-____; and
- B. The Escrow Agreement, City Clerk File No. 11-_____.

NOW, THEREFORE, BE IT RESOLVED BY THE MANAGER OF THE DEPARTMENT OF AVIATION OF THE CITY AND COUNTY OF DENVER:

**ARTICLE I
SHORT TITLE, DEFINITIONS,
AND EFFECTIVE DATE**

Section 101. Short Title. This resolution may be cited as the "Installment Purchase Agreement Manager's Resolution" (the "Manager's Resolution").

Section 102. Meanings and Construction. For all purposes of this Manager's Resolution and of any other document relating hereto, except where the context by clear implication otherwise requires:

A. "Capital Fund" shall mean the special and separate account designated as the "City and County of Denver, Airport System Capital Improvement and Replacement Fund" created by Section 502 of the General Bond Ordinance.

B. "Contracts" shall mean (1) that certain Installment Purchase Agreement between the City, for and on behalf of its Department, and the Lender, as authorized by the Installment Purchase Ordinance, and all related exhibits, amendments thereof and supplements thereto, including, Exhibits A through C that, among other things, describe the equipment being acquired, installed and financed for the Airport System under the Loan and set forth the payment schedule of the Loan and (2) the Escrow Agreement.

C. "Escrow Agreement" shall mean the Escrow Agreement among the City, for and on behalf of its Department of Aviation, Zions First National Bank, as Escrow Agent, and the Lender providing the terms under which the Department and the City may draw upon the Loan.

E. "General Bond Ordinance" shall mean the "1984 Airport System General Bond Ordinance" as amended and supplemented from time to time.

F. "Installment Purchase Agreement" shall mean the agreement authorized by the Installment Purchase Ordinance.

G. "Installment Purchase Ordinance" shall mean the Ordinance authorizing the City's execution and delivery of the Installment Purchase Agreement and related agreements, expected to be passed by the City Council on November 28, 2011.

H. "Lender" shall mean Sovereign Leasing, LLC and, for purposes of determining the ownership of the Loan, shall include the Lender and its affiliates.

I. "Loan" shall mean the loan evidenced by the Contracts.

Section 103. Severability. If any section, subsection, paragraph, clause, or other provision of this Manager's Resolution shall for any reason be held to be 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 Manager's Resolution.

Section 104. Effective Date. This Manager's Resolution shall take effect immediately upon its execution by the Manager.

ARTICLE II MANAGER'S DETERMINATIONS

Section 201. Authority for this Manager's Resolution. This Manager's Resolution is executed pursuant to and as contemplated by the Enterprise Ordinance, enacted pursuant to the City's powers as a home-rule city organized and operating under the Charter and Article XX of the State Constitution, and the Manager hereby determines that each and every matter and thing as to which provision is made herein is necessary in order to carry out and to effect the purposes hereof.

ARTICLE III AUTHORIZATION REQUEST AND TERMS OF THE CONTRACTS AND THE LOAN

Section 301. Request for Authorization of Contracts and the Loan. The City, for and on behalf of its Department, is hereby requested to enter into the Contracts and the Loan; provided, that (i) the Loan and other amounts payable thereunder shall be payable solely from the Capital Fund and such other legally available funds as the City may apply; (ii) the Loan shall be in a maximum principal amount of \$20,500,000; and (iii) the Loan shall bear interest at a maximum per annum rate of 3.0%. Neither the Capital Fund nor any other revenues of the Airport System or the City are pledged for the payment of the Loan or other amounts coming due under the Contracts.

Section 302. Terms of the Contracts and the Loan. The terms of the Contracts and the Loan shall otherwise be as provided therein.

Section 303. Payments. The City, for and on behalf of its Department, is hereby requested to authorize from the Airport Enterprise Fund (Auditor's No. 73000) such expenditures as are necessary for the payment of the principal of and interest on the Loan and any necessary services and charges related thereto, to be expended by the Manager of Aviation or by duly authorized agents.

ARTICLE IV MISCELLANEOUS

Section 401. Contracts. The execution and delivery of the Contracts, in substantially the forms filed with the City's Clerk and Recorder, with such omissions, insertions, endorsements and variations as to any recitals of fact or other provisions as may by the circumstances be required or permitted hereby or by the Contracts, or may be consistent herewith or with the Contracts, are hereby authorized and requested.

DATED the 14th day of November, 2011.

DEPARTMENT OF AVIATION

By:  _____
Manager