

RESOLUTION

MANAGER OF THE DEPARTMENT OF PUBLIC WORKS CITY AND COUNTY OF DENVER, COLORADO

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 of the State Constitution and the Charter of the City (the “Charter”) and is a political subdivision of the State; and

WHEREAS, all legislative powers possessed by the City, conferred by article XX of the State Constitution, except as limited by the Charter, or otherwise existing by operation of law are vested in a board of councilmen, also known as the city council (the “Council”); and

WHEREAS, pursuant to Ordinance No. 755, Series of 1993 (the “Enterprise Ordinance”), the Council established the Wastewater Management Division of its Department of Public Works (the “Enterprise”) as an “enterprise” within the meaning of Section 20, Article X of the State Constitution; and

WHEREAS, the Enterprise Ordinance provides that (i) the governing body of the Enterprise shall be the Manager of the Department of Public Works (the “Manager”), (ii) the Enterprise shall be owned by the City, and (iii) the Enterprise is authorized 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 Enterprise or from any other available funds of the Enterprise, as authorized by ordinance after approval and authorization by the Enterprise; and

WHEREAS, the Enterprise Ordinance further provides that the terms, conditions and details of any such bonds or other financial obligations, the procedures related thereto and the refunding thereof shall be set forth in the ordinance authorizing said bonds or other financial obligations; and

WHEREAS, the Enterprise desires that the City, for and on behalf of the Enterprise, issue its Wastewater Enterprise Revenue Bonds, Series 2018 (the “Series 2018 Bonds”), in the total aggregate principal amount not to exceed [\$107,000,000] in order to finance certain improvements to the storm drainage and sanitary sewerage facilities of the City and to pay the costs of issuing the Series 2018 Bonds (collectively, the “2018 Project”); and

WHEREAS, this Resolution (this “Resolution”) constitutes the request by the Enterprise that the Council adopt an ordinance (the “Bond Ordinance”) authorizing the issuance of the Series 2018 Bonds and the approval and authorization by the Enterprise of the Series 2018 Bonds.

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

Section 1. Authorization and Approval of the Series 2018 Bonds. The Manager hereby determines that it is in the best interest of the citizens of the City and customers of the

Enterprise to acquire, improve and equip the storm drainage and sanitary sewerage facilities of the City, and to finance the costs thereof by the issuance of Series 2018 Bonds. The Manager hereby approves and authorizes the issuance of the Series 2018 Bonds to finance the Project, and hereby requests the City to issue the Series 2018 Bonds for and on behalf of the Enterprise. The Series 2018 Bonds shall be payable solely out of revenues derived or to be derived from the functions, services, benefits, or facilities of the Enterprise or from any other available funds of the Enterprise.

Section 2. The Series 2018 Bonds. The Series 2018 Bonds shall be issued in such form and with such terms, conditions, redemption features and other details and under such procedures as are set forth in the Bond Ordinance and in a sale certificate (a “Sale Certificate”) executed by either the Mayor or the Manager of Finance, ex officio Treasurer of the City (the “Treasurer”) in accordance with the provisions of the Bond Ordinance, the Charter and Title 11, Article 57, Sections 205 and 210, Colorado Revised Statutes, as amended (the “Supplemental Act”). The Mayor and the Treasurer shall each be independently authorized, without further approval of the Manager, to make the determinations with respect to the Series 2018 Bonds that may be delegated to such officials pursuant to the Charter and Section 11-57- 205(1) of the Supplemental Act, subject to the terms and limitations set forth in the Bond Ordinance.

Section 3. Sale of Series 2018 Bonds. The Bond Ordinance shall provide that the Series 2018 Bonds may be sold in one series, and that all or a portion of the Series 2018 Bonds may be sold by competitive sale, as determined by the Mayor or the Treasurer. The Bond Ordinance shall also approve the form of the notice of public sale to be used in connection with the competitive sale of any Series 2018 Bonds.

Section 4. Parity Bonds. The Series 2018 Bonds once issued will be on a parity with the City and County of Denver, Colorado for and on behalf of the Wastewater Management Division of its Department of Public Works, Wastewater Revenue Bonds, Series 2012 (the “Series 2012 Bonds”) and the City and County of Denver, Colorado for and on behalf of the Wastewater Management Division of its Department of Public Works, Wastewater Revenue Bonds, Series 2016 (the “Series 2016 Bonds”). The Series 2018 Bonds, the Series 2012 Bonds and the Series 2016 Bonds are Parity Securities as defined in the Bond Ordinance, Ordinance No. 631, Series of 2011 authorizing the issuance of the Series 2012 Bonds (the “Series 2012 Ordinance”) and Ordinance No. 0757, Series of 2016 authorizing the issuance of the Series 2016 Bonds (the “Series 2016 Ordinance” and, together with the Series 2012 Ordinance, the “Previous Ordinances”). The Series 2018 Bonds are Additional Parity Bonds as defined in the Previous Ordinances. At closing the Treasurer will certify that all of the requirements of the Previous Ordinances authorizing the issuance of Additional Parity Bonds have been met with respect to the issuance of the Series 2018 Bonds.

Section 5. Disposition of Bond Proceeds and Income; Funds and Accounts or Adopted or Created by Ordinance; Security for Series 2018 Bonds. The Bond Ordinance shall describe the funds and accounts into which Series 2018 Bond proceeds, pledged revenues and investment income are to be deposited and the use of such moneys.

The Bond Ordinance shall contain appropriate provisions for the budgeting and appropriation of such moneys and the investment of such moneys.

The Bond Ordinance shall provide in substance that the Series 2018 Bonds are special and limited obligations of the City payable solely out of and secured by an irrevocable (but not exclusive) pledge of certain net pledged revenues of the Enterprise, that the Series 2018 Bonds do not constitute a debt or an indebtedness of the City within the meaning of any constitutional, charter or statutory provision or limitation, that the Series 2018 Bonds are not payable in whole or in part from the proceeds of general property taxes or any other funds of the City except such net pledged revenues, and that the full faith and credit of the City is not pledged for the payment of the principal of, interest on, or premium, if any, for the Series 2018 Bonds.

Section 6. Priorities; Liens; Issuance of Additional Bonds. The Bond Ordinance shall contain a pledge of certain net revenues of the Enterprise, create a lien upon such net pledged revenues in favor of the owners of the Series 2018 Bonds in parity with the Series 2012 Bonds and the Series 2016 Bonds and prescribe the conditions to the issuance of additional parity bonds or subordinate bonds.

Section 7. Covenants. The Bond Ordinance shall contain appropriate covenants for the security of the Series 2018 Bonds.

Section 8. Defeasance. The Bond Ordinance shall contain appropriate provisions for the defeasance of the Series 2018 Bonds and the Bond Ordinance.

Section 9. Default Provisions and Remedies of Bond Owners. The Bond Ordinance shall prescribe events of default and specify remedies available to the owners of the Series 2018 Bonds.

Section 10. Amendment of Ordinance. The Bond Ordinance shall prescribe the procedures to amend the Bond Ordinance.

Section 11. Miscellaneous. The Bond Ordinance shall authorize the preparation, execution, authentication and registration of the Series 2018 Bonds, the execution and delivery of the Sale Certificate, a paying agent agreement, a continuing disclosure undertaking, and closing documents and certificates. The Bond Ordinance shall also authorize in substance the assembly and dissemination of financial and other information concerning the City and the Series 2018 Bonds and the printing, distribution and use of a preliminary official statement and a final official statement in connection with the sale and marketing of the Series 2018 Bonds.

The Bond Ordinance may contain such additional and supplemental terms and provisions as the Council may determine.

[Remainder of Page Left Intentionally Blank]

ADOPTED this ____ day of January, 2018.

MANAGER OF THE DEPARTMENT OF
PUBLIC WORKS OF THE CITY AND
COUNTY OF DENVER, COLORADO

By: _____
Eulois Cleckley