

1 BY AUTHORITY

2 ORDINANCE NO. _____
3 SERIES OF 2014

COUNCIL BILL NO. CB14-0867
COMMITTEE OF REFERENCE:
4 BUSINESS DEVELOPMENT

5 A BILL

6 For an ordinance concerning the Airport Facilities of the City and County of
7 Denver; authorizing certain amendments to the Series 1992G Airport System
8 Supplemental Bond Ordinance, Ordinance No. 644, Series of 1992, as amended;
9 ratifying action previously taken; providing for other related matters; and
10 providing the effective date of the ordinance.

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

15 (2) WHEREAS, subject to certain exceptions, all legislative powers possessed by
16 the City, conferred by Article XX, State Constitution, or contained in the Charter of the City, as
17 either has from time to time been amended, or otherwise existing by operation of law, are
18 vested in the city council of the City; and

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

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

27 (5) WHEREAS, the Enterprise Ordinance provides that, the City owns the
28 Department; the Manager of the Department of Aviation (the "Manager") is the governing body

1 of the Department; and the Department has the authority to issue its own bonds or other
2 financial obligations in the name of the City, payable solely from revenues derived or to be
3 derived from the functions, services, benefits or facilities of the Department or from any other
4 available funds, as authorized by ordinance after approval and authorization by the Manager;
5 and

6 (6) WHEREAS, pursuant to Ordinance No. 626, Series of 1984 (as amended and
7 supplemented from time to time, the "General Bond Ordinance") there have heretofore been
8 issued, and will in the future be issued, multiple series of Bonds and other obligations in
9 respect of the Airport System; and

10 (7) WHEREAS, Sections 1303 and 1308 of the General Bond Ordinance provide
11 that, in addition to any amendments or supplements described in Sections 1301 and 1302
12 thereof, certain amendments and supplements may be made to the General Bond Ordinance
13 or to any existing Supplemental Ordinance with the consent of the owners of all Outstanding
14 Bonds affected by such amendments and supplements; and

15 (8) WHEREAS, prior to the adoption of a Supplemental Ordinance amending or
16 supplementing an existing Supplemental Ordinance, there shall be filed in the office of the
17 Clerk an instrument or instruments executed by the required number of owners, which
18 instrument or instruments shall refer to the proposed Supplemental Ordinance providing for
19 such amendments or supplements and shall specifically consent to and approve the adoption
20 of such Supplemental Ordinance, whereupon, the Council may adopt such Supplemental
21 Ordinance and such Supplemental Ordinance shall become effective; and

22 (9) WHEREAS, as contemplated by the Enterprise Ordinance, the Manager has
23 requested that the Series 1992G Airport System Supplemental Bond Ordinance, Ordinance
24 No. 644, Series of 1992 (the "Series 1992G Supplemental Ordinance") be amended and
25 supplemented in the manner set forth in this Supplemental Ordinance; and

26 (10) WHEREAS, the Council has determined and does hereby declare that it is
27 necessary and appropriate that the Series 1992G Supplemental Ordinance be amended and
28 supplemented as provided in this Supplemental Ordinance and that there has been filed in the

1 office of the Clerk as City Clerk File No. 14-_____ an instrument executed by the owners of
2 100% in principal amount of the Outstanding City and County of Denver, Colorado, Airport
3 System Revenue Bonds, Series 1992G (the "Series 1992G Bonds"), referring to this
4 Supplemental Ordinance and specifically consenting to and approving the adoption hereof, all
5 as provided in Sections 1303 and 1308 of the General Bond Ordinance.

6 **BE IT ENACTED BY THE COUNCIL OF THE CITY AND COUNTY OF DENVER:**

7 ARTICLE I
8 **DEFINITIONS, RATIFICATION, AUTHENTICATION,**
9 **PUBLICATION, EFFECTIVE DATE AND AUTHORIZATION**

10 **Section 101.** Supplemental Ordinance. This ordinance (referred to herein as "this
11 Supplemental Ordinance") is supplemental to, and is adopted for and on behalf of the
12 Department of Aviation in accordance with the provisions of, the General Bond Ordinance.

13 **Section 102.** Meanings and Construction. All defined terms in this Supplemental
14 Ordinance have the meanings set forth in the General Bond Ordinance or the Series 1992G
15 Supplemental Ordinance, as applicable, except as otherwise expressly provided herein.

16 **Section 103.** Ratification. All action heretofore taken (not inconsistent with the
17 provisions of this Supplemental Ordinance) by the Council, the Manager, and the officers of
18 the City relating to the amendments and supplements to the Series 1992G Supplemental
19 Ordinance as provided herein be, and the same hereby is, authorized, ratified, approved and
20 confirmed.

21 **Section 104.** Ordinance an Irrepealable Contract. This Supplemental Ordinance and
22 the Series 1992G Supplemental Ordinance as supplemented and amended shall constitute an
23 irrevocable contract between the City, for and on behalf of the Department of Aviation, and the
24 owners of the Series 1992G Bonds, except as otherwise provided in the General Bond
25 Ordinance or the Series 1992G Supplemental Ordinance, as applicable.

26 **Section 105.** Repealer. All ordinances, resolutions, bylaws, orders, and other
27 instruments, or parts thereof, inconsistent herewith are hereby repealed to the extent only of

1 such inconsistency. This repealer shall not be construed to revive any ordinance, resolution,
2 bylaw, order or other instrument, or part thereof, heretofore repealed.

3 **Section 106.** Severability. If any section, subsection, paragraph, clause, or other
4 provision of this Supplemental Ordinance shall for any reason be held to be invalid or
5 unenforceable, the invalidity or unenforceability of such section, subsection, paragraph, clause
6 or other provision shall not affect any of the remaining provisions of this Supplemental
7 Ordinance.

8 **Section 107.** Effective Date. This Supplemental Ordinance shall take effect
9 immediately upon its final passage and publication and the amendments set forth herein shall
10 take effect upon the effectiveness of this Supplemental Ordinance.

11 **Section 108.** Publication. The bill for this Supplemental Ordinance and this
12 Supplemental Ordinance are hereby authorized and directed to be published as required by
13 the Charter.

14 **Section 109.** Recordation and Authentication. This Supplemental Ordinance shall be
15 recorded after its passage in the office of the Clerk, and authenticated by the signature of the
16 Mayor and attested and countersigned by the Clerk.

17 **Section 110.** Delegated Powers. The Mayor, Auditor, Clerk, Treasurer, Manager,
18 and other officers and employees of the City are hereby authorized and directed to take all
19 action necessary or appropriate to effect the provisions of this Supplemental Ordinance.

20 **Section 111.** Authority for this Ordinance. This Supplemental Ordinance is executed
21 pursuant to the City's powers as a home-rule city organized and operating under the Charter
22 and Article XX of the State Constitution and pursuant to the Supplemental Public Securities
23 Act, title 11, article 57, part 2, Colorado Revised Statutes, as amended (the provisions of which
24 are hereby elected, to the extent not inconsistent herewith), and the General Bond Ordinance;
25 and the City hereby determines that each and every matter and thing as to which provision is
26 made herein is necessary in order to carry out and to effect the purposes hereof.

ARTICLE II
AMENDMENTS TO SERIES 1992G SUPPLEMENTAL ORDINANCE

Section 201. Amendments to Definitions. The definitions set forth in Sections 103(B)(2), (3), (9) and (25) of the Series 1992G Supplemental Ordinance are hereby deleted. The definitions set forth in Section 103(B)(17), (21), (36), (40), (41), (43), (45) and (50) of the Series 1992G Supplemental Ordinance are hereby amended to read as set forth below. The definitions are renumbered to appear in consecutive numerical order.

(17) “Interest Payment Date” means (i) when used with respect to Series 1992G Bonds bearing interest at the Weekly Rate, the first Business Day of each calendar month following a month in which interest at such rate has accrued; (ii) when used with respect to Series 1992G Bonds bearing interest at a Semiannual Rate, a Term Rate or Fixed Rates, the date designated as the first Interest Payment Date pursuant to Section 401, 402E(2), 402F(2) or 404(1) hereof and the first day of each sixth calendar month thereafter to which interest at such rate has accrued; (iii) when used with respect to any particular Series 1992G Bond bearing interest at a Flexible Rate, the last day of each Flexible Rate Period applicable thereto; and (iv) when used with respect to any Bank Bond, shall have the meaning set forth in the then applicable Series 1992G Credit Agreement.

(21) “Maximum Rate” means the lower of (i) (x) with respect to any Series 1992G Bond (other than any Bank Bond), the maximum rate at which the interest on such Series 1992G Bond secured by the Series 1992G Credit Facility is computed for purposes of determining the interest component of the Series 1992G Credit Facility, which rate is 12% per annum in the case of the initial Series 1992G Credit Facility, or (y) with respect to any Bank Bond, shall have the meaning set forth in the then applicable Series 1992G Credit Agreement.

(36) “Series 1992G Bank” means, initially, Credit Local de France, New York Agency, in its capacity as issuer of the Series 1992G Credit Facility, its successors in such capacity and their assigns; and, upon the issuance and delivery of a Substitute

1 Series 1992G Credit Facility, “Series 1992G Bank” means the issuer of such Substitute
2 Series 1992G Credit Facility, its successors in such capacity and their assigns.

3 (40) “Series 1992G Credit Agreement” means the Reimbursement and
4 Security Agreement, dated as of the Issue Date, between the City and the initial Series
5 1992G Bank, pursuant to which the initial Series 1992G Credit Facility is issued, as
6 amended and supplemented from time to time in accordance with its terms; and, upon
7 the issuance and delivery of a Substitute Series 1992G Credit Facility, “Series 1992G
8 Credit Agreement” means the agreement pursuant to which such Substitute Series
9 1992G Credit Facility is issued, as amended and supplemented from time to time in
10 accordance with its terms.

11 (41) “Series 1992G Credit Facility” means the letter of credit issued on the
12 Issue Date to provide security and liquidity in respect of the Series 1992G Bonds in
13 accordance with Section 801 hereof; and, upon the issuance and delivery of a
14 Substitute Series 1992G Credit Facility, means such Substitute Series 1992G Credit
15 Facility.

16 (43) “Series 1992G Credit Facility Obligations” or “Bank Obligations” means
17 reimbursement or other obligations incurred by the City under the Series 1992G Credit
18 Facility, and as otherwise provided in the then applicable Series 1992G Credit
19 Agreement.

20 (45) “Series 1992G Paying Agent” means U.S. Bank, National Association, and
21 includes any successor thereof.

22 (50) “Substitute Series 1992G Credit Facility” means any letter of credit,
23 liquidity facility, revolving credit agreement, financial guarantee, surety bond, bond
24 insurance policy or other agreement or instrument providing security and/or liquidity in
25 respect of the Series 1992G Bonds (i) replacing the Series 1992G Credit Facility then in
26 effect (the “existing Series 1992G Credit Facility”), (ii) dated as of a date on or prior to
27 the expiration or termination of the existing Series 1992G Credit Facility and (iii) issued
28 on terms and conditions as set forth in the applicable Series 1992G Credit Agreement;

1 provided that if such Substitute Series 1992G Credit Facility is obtained by the City to
2 provide liquidity with respect to Series 1992G Bonds and such Series 1992G Bonds
3 shall be held by the Series 1992G Bank under the terms of the Series 1992G Credit
4 Agreement and not otherwise remarketed, such Substitute Series 1992G Credit Facility
5 shall not be subject to the terms and provisions of Sections 802 and 803 hereof.

6 **Section 202.** Bond Details-Maturity. Section 303.B. of the Series 1992G
7 Supplemental Ordinance is hereby amended to read as follows:

8 (1) So long as they bear interest at Variable or Flexible Rates, the
9 Series 1992G Bonds shall mature on November 15, 2031.

10 (2) On and after the Fixed Rate Conversion Date, the Series 1992G
11 Bonds shall mature in accordance with a maturity schedule determined as
12 follows:

13 (a) The maturity schedule shall include (I) serial bonds maturing
14 on the last Interest Payment Date in each of the Fiscal Years (aa)
15 commencing with the later of Fiscal Year 2015 or the Fiscal Year
16 immediately following the Fiscal Year in which the Fixed Rate Conversion
17 Date occurs and (bb) ending with the Fiscal Year which is ten years (but
18 not later than November 15, 2031) after the Fiscal Year immediately
19 following the Fiscal Year in which the Fixed Rate Conversion Date occurs;
20 and (II) term bonds maturing on November 15, 2031, with mandatory
21 sinking fund payments on the last Interest Payment Date in each Fiscal
22 Year following the last Fiscal Year in which a series bond matures.

23 (b) The maturity and mandatory sinking fund schedule shall result
24 in level combined annual principal and interest payments on the Series
25 1992G Bonds from the first maturity date under such schedule through
26 final maturity; provided, however, that variations in such annual payments
27 shall be permitted to the extent necessary to accommodate the minimum
28 authorized denomination of Series 1992G Bonds. Decisions as to

1 whether to round up or down between multiples of the minimum
2 authorized denomination shall be made by the Treasurer.

3 **Section 203.** Bank Bonds. Section 407 of the Series 1992G Supplemental
4 Ordinance is hereby amended to read as follows:

5 Section 407. Bank Bonds. Notwithstanding any provision to the contrary in this
6 Thirteenth Supplemental Ordinance, each Bank Bond shall bear interest at the rates
7 and be payable on the dates and in the manner provided in the applicable Series 1992G
8 Credit Facility and Series 1992G Credit Agreement.

9 Bank Bonds may be sold, when and as provided in the Series 1992G Credit
10 Agreement, and, if remarketed pursuant to Section 2(b)(ii) of the initial Series 1992G
11 Credit Agreement (or any similar provision in the Series 1992G Credit Agreement
12 relating to any Substitute Series 1992G Credit Facility) and Section 501(E)(5) hereof,
13 will no longer bear interest as Bank Bonds.

14 **Section 204.** Bank Bonds. Section 508 of the Series 1992G Supplemental
15 Ordinance is hereby amended to read as follows:

16 Section 508. Bank Bonds. The provisions of this Article V shall not be applicable
17 with respect to the tender, purchase and transfer of Bank Bonds, which matters shall be
18 governed by the provisions of the applicable Series 1992G Credit Agreement, provided
19 that, to the extent Bank Bonds are to be remarketed, the provisions of Section 501(E)(5)
20 shall be applicable.

21 **Section 205.** Mandatory Sinking Fund Redemption. Section 602 of the Series 1992G
22 Supplemental Ordinance is hereby amended to read as follows:

23 Section 602. Mandatory Sinking Fund Redemption. So long as they bear
24 interest at Variable or Flexible Rates, the Series 1992G Bonds shall be subject to
25 mandatory sinking fund redemption, prior to maturity at a Redemption Price equal to
26 100% of the principal amount thereof, plus accrued interest, if any, to the redemption

1 date, on November 15 in each of the years and in the principal amounts set forth in the
 2 following table:

3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	
	<u>Year</u>	<u>Principal</u>		<u>Year</u>	<u>Principal</u>															
		<u>Amount</u>			<u>Amount</u>															
	2000	\$400,000		2016	\$															
	2001	400,000		2017																
	2002	400,000		2018																
	2003	400,000		2019																
	2004	500,000		2020																
	2005	500,000		2021																
	2006	600,000		2022																
	2007	600,000		2023																
	2008	600,000		2024																
	2009	700,000		2025																
	2010	700,000		2026																
	2011	800,000		2027																
	2012	800,000		2028																
	2013	900,000		2029																
	2014	900,000		2030																
	2015	--		2031*																

23 * Final Maturity

24 The City shall have the option to reduce the principal amount of Series 1992G
 25 Bonds to be redeemed on a mandatory sinking fund redemption date pursuant to this
 26 Section by any amount (equal to the smallest denomination then authorized pursuant to
 27 Section 303 hereof or whole multiples of such smallest denomination) up to the principal
 28 amount of Series 1992G Bonds which have been redeemed prior to or will be redeemed
 29 on such redemption date under any other provision hereof or which otherwise have
 30 been delivered to the Series 1992G Registrar for cancellation (and which have not
 31 previously been applied to reduce the principal amount of Series 1992G Bonds
 32 redeemable pursuant to this Section). The City shall exercise the option described in
 33 the preceding sentence by delivering to the Series 1992G Paying Agent, on or before
 34 the forty-fifth day preceding such redemption date, a written notice stating the amount of
 35 such reduction.

1 **Section 206.** Redemption and Conversion of Bank Bonds. Section 606 of the Series
2 1992G Supplemental Ordinance is hereby amended to read as follows:

3 Section 606. Redemption and Conversion of Bank Bonds. Bank Bonds shall be
4 subject to tender, redemption and conversion on the terms and otherwise as provided in
5 the applicable Series 1992G Credit Facility and Series 1992G Credit Agreement.

6 **Section 207.** Authorization to Execute, Extend, Modify or Replace Certain
7 Agreements. The Series 1992G Supplemental Ordinance is hereby amended to add a new
8 Section 1010 to read as follows:

9 Section 1010. Authorization to Execute, Extend, Modify or Replace Certain
10 Agreements. The Treasurer is hereby authorized, without further approval of the
11 Council, to (i) extend or modify the terms of any Series 1992G Credit Facility, Series
12 1992G Credit Agreement, bond insurance policy, Remarketing Agreement, Paying
13 Agent and Bonds Registrar Agreement or other agreement approved hereby; and
14 (ii) execute and deliver any additional agreements, including, but not limited to, one or
15 more Series 1992G Credit Facilities, Substitute Series 1992G Credit Facilities, Series
16 1992G Credit Agreements, Remarketing Agreements, Paying Agent and Bonds
17 Registrar Agreements, any agreement with any bond insurer or other agreement
18 approved hereby or required in connection with the Series 1992G Bonds, including a
19 remarketing circular or offering memorandum; provided that any such modified,
20 extended, additional, or substitute agreement (i) shall be entered into for and on behalf
21 of the Department, (ii) shall obligate only Airport System funds, (iii) shall be with existing
22 parties or parties selected in accordance with the Treasurer’s established policies, and
23 (iv) shall, in the judgment of the Treasurer, be in commercially customary form. The
24 effectiveness of any execution, extension, modification or replacement of any
25 agreement or instrument as contemplated in this Section 1010 shall be contingent upon
26 the receipt by the Treasurer and Paying Agent of a Favorable Opinion of Counsel with
27 respect to such proposed action.

28 **Section 208.** Bond Certificates. In accordance with Section 1309 of the General
29 Bond Ordinance, the Council hereby determines that new Series 1992G Bond certificates,

1 modified to conform to the Series 1992G Supplemental Ordinance as amended and
2 supplemented by this Supplemental Ordinance, shall be prepared, authenticated and delivered
3 as provided in Section 306 of the Series 1992G Supplemental Ordinance and shall be
4 exchanged without cost to the owners of the Series 1992G Bonds upon surrender of the bonds
5 currently Outstanding.

6 **Section 209.** Notice to Series 1992G Bank. The Series 1992G Bank shall be copied
7 on any notice provided to the Series 1992G Paying Agent or the Remarketing Agent by the
8 City as provided herein at the address set forth in the notice provision for the Series 1992G
9 Bank in the Series 1992G Credit Agreement or at any other address for notices provided in
10 writing to the City by the Series 1992G Bank.

11

12

1 COMMITTEE APPROVAL DATE: October 2, 2014

2 MAYOR-COUNCIL DATE: October 7, 2014

3 PASSED BY THE COUNCIL _____ 2014

4 _____ - PRESIDENT

5 APPROVED: _____ - MAYOR _____ 2014

6 ATTEST: _____ - CLERK AND RECORDER,
7 EX-OFFICIO CLERK OF THE
8 CITY AND COUNTY OF DENVER

9 NOTICE PUBLISHED IN THE DAILY JOURNAL _____ 2014 AND _____ 2014

10 PREPARED BY: HOGAN LOVELLS US LLP and BOOKHARDT & O'TOOLE; DATE: October 9, 2014

11 Pursuant to section 13-12, D.R.M.C., this proposed ordinance has been reviewed by the office
12 of the City Attorney. We find no irregularity as to form, and have no legal objection to the
13 proposed ordinance. The proposed ordinance is submitted to the City Council for approval
14 pursuant to §3.2.6 of the Charter.

15 Scott Martinez, City Attorney for the City and County of Denver

16 BY: _____, _____ City Attorney

17 DATE: _____

1 CITY AND COUNTY OF DENVER, COLORADO
2 FOR AND ON BEHALF OF ITS DEPARTMENT OF AVIATION
3 AIRPORT SYSTEM REVENUE BONDS

4
5 AIRPORT SYSTEM SUPPLEMENTAL BOND ORDINANCE
6

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