

..Number

..Version
Original

..Sponsor
The Chair

..Title
Resolution authorizing the sale and issuance of up to \$50,000,000 Sewerage System Revenue Bonds for capital improvement purposes. (Comptroller)

..Analysis
This resolution authorizes and provides for the sale by the City a series of Sewerage System Revenue Bonds in the principal amount not to exceed \$50,000,000 for financing the costs of improvements to the City's Sewerage System; prescribing certain details of such bonds; and certain other matters related thereto.

..Body
Whereas, In interpreting the terms of the Series 2016 Resolution (hereinafter defined), all terms which are defined in Section 1.01 of the Resolution (hereinafter defined) shall have the same meanings, respectively, in this Series 2016 Resolution as such terms are given in said Section 1.01 of the Resolution. "Resolution" means Common Council Resolution File No. 991863 adopted by the Common Council on August 2, 2001. In addition, as used in this Series 2016 Resolution, unless the context shall otherwise require, the following terms shall have the following respective meanings: "Series 2016 Bonds" means the Sewerage System Revenue Bonds authorized to be issued pursuant to and subject to the terms, conditions and limitations established in the Resolution and this Series 2016 Resolution. "Series 2016 Resolution" means this Series 2016 Resolution authorizing up to \$50,000,000 aggregate principal amount of the Series 2016 Bonds. "Tax Certificate" means the Tax Compliance Certificate executed by an Authorized Officer of the City in connection with the issuance of the Series 2016 Bonds; and

Whereas, The Resolution provides the authority (when utilized in conjunction with separate "Series" resolutions) for the issuance of Sewerage System Revenue Bonds to be payable from the revenues of the Sewerage System; and

Whereas, It is hereby found and determined that it is necessary and required that the City authorize and issue at this time a series of bonds to provide money for the improvement of any plant and equipment in the City's Sewerage System, within or without the corporate limits of the City, for the collection, transportation, pumping, storage, treatment and disposal of sewage or storm water and surface water, including necessary lateral, main and interception sewers of the City; and

Whereas, It is hereby found and determined that it is necessary and required that the City authorize and issue at this time a series of bonds to provide money for the refunding of outstanding Sewerage System Revenue Bonds of the City; and

Whereas, This Series 2016 Resolution is adopted pursuant to Section 66.0621, Wisconsin Statutes, and the Resolution, now, therefore, be it

Resolved, By The Common Council of the City of Milwaukee, that the City of Milwaukee does hereby authorize the issuance and sale of Series 2016 Sewerage System Revenue Bonds not to exceed \$50,000,000 for the purpose of financing the Costs of Improvements to the City's Sewerage System (the "2016 Improvements") consisting of repair, improvement, and replacement of existing sewers and lift/pumping stations, expansion of capacity, infiltration and inflow reduction projects, flow reduction projects, water quality projects, reduction of total suspended solids in storm water projects, and supervisory control and data acquisition (SCADA) upgrade at an estimated cost of \$50,000,000, to make such credit to the Reserve Account in the Special Redemption Fund as may be necessary in connection with the sale and issuance of the Series 2016 Bonds and to pay the costs of issuance of the Series 2016 Bonds. Such purposes shall also include the refunding of General Obligation debt and Extendable Municipal Commercial Paper debt issued for the above purposes. This authorization constitutes a Series Resolution within the meaning of the Resolution and is adopted in accordance with Article X of the Resolution, and shall be subject to the terms and conditions and limitations established in the Resolution; and, be it

Further Resolved, That the Series 2016 Bonds are to be issued in accordance with Sections 3.01 and 3.03 of the Resolution and shall be issued as Tax Exempt Bonds. The Series 2016 Bonds shall be issued as fully registered Bonds in the denominations of \$5,000 or any integral multiple thereof. The Series 2016 Bonds shall be numbered or lettered, or both, as shall be determined by the Commissioners of the Public Debt. The Series 2016 Bonds shall be issued as Book Entry Bonds and The Depository Trust Company shall be the depository therefor. The principal of and premium, if any, on the Series 2016 Bonds shall be paid upon presentation and surrender at the Office of the Treasurer of the City or at the corporate trust office of a bank, trust company designated by the Authorized Officer as the Paying Agent for the Series 2016 Bonds; and, be it

Further Resolved, That there is hereby delegated to the Commissioners of the Public Debt of the City subject to the limitations as contained herein and in the Resolution, the power with respect to the Series 2016 Bonds to determine and carry out the following: (a) the date or dates, maturity date or dates and principal amount of each maturity of the Series 2016 Bonds or the method for calculating such dates and amounts, the amount and date of each Sinking Fund Installment, if any, or the method for calculating the Sinking Fund Installment and which Series 2016 Bonds are Serial or Term Bonds, if any, and the Record Date or Record Dates of the Series 2016 Bonds next preceding an interest payment or redemption date for such Series 2016 Bonds; provided, however, that in accordance with the provisions of the Resolution, the Series 2016 Bonds shall mature at any such time or times not exceeding 40 years from the date of issuance; (b) the interest rate or rates, if any, of the Series 2016 Bonds or the manner of determining such rate or rates, the date from which interest on the Series 2016 Bonds shall accrue, the dates on which interest on the Series 2016 Bonds shall be payable, if any; provided, however, that the interest rate for the Series 2016 Bonds maturing in any year shall not exceed 6.00%; (c) the Redemption

Price or Redemption Prices, if any, and subject to Article V of the Resolution, the redemption terms for the Series 2016 Bonds; (d) the provisions for the sale or exchange of the Series 2016 Bonds and for the delivery thereof; (e) directions for the application of the proceeds of the Series 2016 Bonds, including the interest on such Series 2016 Bonds to be capitalized from the proceeds thereof, if any, and the date or dates to which such capitalized interest shall accrue; (f) the series designation and form of the Series 2016 Bond or Bonds; and (g) any other provisions that are not in conflict with the Resolution or this Series 2016 Resolution. The Commissioners of the Public Debt of the City shall adopt in one or more resolutions actions taken pursuant to the authority granted herein or in the Resolution, which resolutions shall be filed with the City Clerk of the City; and, be it

Further Resolved, That the Series 2016 Bonds shall be sold at public or private sale on such date or dates and at such price or prices, all as shall be determined by the Commissioners of the Public Debt; provided that the Series 2016 Bonds shall be sold at a price not less than 99.0% of the par value thereof and at a true interest cost rate not in excess of 6.00%. The final details of the Series 2016 Bonds, including the purchase price thereof, the interest rates to be borne thereby and the premium, if any, payable upon the redemption thereof shall be determined by subsequent resolution or resolutions of the Commissioners of the Public Debt of the City; provided further that the details of the Series 2016 Bonds shall otherwise comply with the provisions of this Series 2016 Resolution and the Resolution; and, be it

Further Resolved, That the Comptroller is authorized to prepare and distribute a Preliminary Official Statement and an Official Statement for the sale of 2016 Bonds; to deem the Preliminary Official Statement final for purposes of SEC Rule 15c2-12(b)(1); and authorizes the Official Statement and the information contained therein to be used by underwriters of the debt in connection with the sale of the 2016 Bonds; and be it

Further Resolved, That the Series 2016 Bonds shall be executed in accordance with the provisions of Section 4.02 of the Resolution. An Authorized Officer is hereby authorized to execute and deliver, in the name and on behalf of the City, any and all agreements, documents and instruments, and to do and cause to be done any and all acts and things, said Authorized Officer deems necessary or advisable in connection with the offering, sale and issuance of the Series 2016 Bonds and to carry out the transactions contemplated by this Series 2016 Resolution; and, be it

Further Resolved, That, pursuant to Section 6.07 of the Resolution there are hereby created and established the following special accounts of the City in the Construction Fund established and maintained under the Resolution: the "2016 Series Account" for the payment of the Costs of the 2016 Improvements and for the payment of costs of issuance of the Series 2016 Bonds and the "2016 Series Interest Account" in the event any interest on the Series 2016 Bonds is capitalized from the proceeds of the Series 2016 Bonds, and that the proceeds of sale of the Series 2016 Bonds shall be credited to such Accounts in the sums required for such purposes; and be it

Further Resolved, That there is hereby created and established the "Series 2016 Debt Service Reserve Account" as a sub account of the Reserve Account of the Special Redemption Fund, and from and after the time of the delivery of the Series 2016 Bonds, there shall be on deposit in the

Series 2016 Debt Service Reserve Account therein, an amount equal to the Series 2016 Reserve Account Requirement which shall equal: 1) an amount equal to the maximum annual principal and interest requirements for Sewerage System Revenue Bonds outstanding at the time of the issuance of the Series 2016 Bonds, less amounts on deposit in the Reserve Account sub accounts for Sewerage System Revenue Bonds outstanding at the time of issuance of the Series 2016 Bonds; or 2) such lesser amount as may be determined by the Commissioners of the Public Debt. Any increase in the Reserve Account Requirement resulting from the issuance of the Series 2016 Bonds shall be funded from the proceeds of the Series 2016 Bonds; and, be it

Further Resolved, That the interest on the Series 2016 Bonds is intended to be excluded from gross income for purposes of federal income taxation. In order to maintain such exclusion, the City affirms that the tax covenant made in Section 8.13 of the Resolution shall apply to the Series 2016 Bonds. In furtherance of the foregoing, the City shall comply with the provisions of the Tax Certificate executed by an Authorized Officer in connection with the Series 2016 Bonds; the obligation of the City to comply with the provisions herein with respect to the rebate to the Department of the Treasury of the United States of America relating to the Series 2016 Bonds shall remain in full force and effect so long as the City shall be required by the Code to rebate such earnings on the gross proceeds of the Series 2016 Bonds notwithstanding that the Series 2016 Bonds are no longer outstanding; and, be it

Further Resolved, That the Continuing Disclosure Certificate, in substantially the form of the Supplemental Certificate authorized by File Number 100846 adopted on November 23, 2010, is authorized to be executed and delivered by the Comptroller for the Series 2016 Bonds; and, be it

Further Resolved, That the City authorizes and directs the appropriate officers and employees of the City to take all action necessary or appropriate to comply with and carry out all of the provisions of the Continuing Disclosure Certificate as amended from time to time. Notwithstanding any other provision of the resolution, failure of the City to perform in accordance with the Continuing Disclosure Certificate shall not constitute a default under the resolution and the Continuing Disclosure Certificate may be enforced only as provided therein.

..Drafter
Comptroller
Richard Li/Sharon Kraft
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