



Legislation Details (With Text)

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Title: Substitute resolution authorizing and providing for the sale and issuance of Sewerage System Revenue Bonds for refunding purposes. (Comptroller)

Sponsors: THE CHAIR

Indexes: BONDS, SEWERS

Attachments: 1. Cover Letter, 2. Fiscal Impact Statement, 3. Hearing Notice List, 4. Comptroller's Certified Copy

Date	Ver.	Action By	Action	Result	Tally
9/1/2010	0	COMMON COUNCIL	ASSIGNED TO		
10/22/2010	0	FINANCE & PERSONNEL COMMITTEE	HEARING NOTICES SENT		
10/27/2010	0	FINANCE & PERSONNEL COMMITTEE	RECOMMENDED FOR ADOPTION	Pass	5:0
11/3/2010	0	COMMON COUNCIL	ADOPTED	Pass	14:0
11/5/2010	0	MAYOR	SIGNED		

100513

Substitute 1

THE CHAIR

Substitute resolution authorizing and providing for the sale and issuance of Sewerage System Revenue Bonds for refunding purposes. (Comptroller)

This substitute resolution authorizes and provides for the sale by the City a series of Sewerage System Revenue Bonds in the principal amount not to exceed \$40,000,000 for refunding outstanding Sewerage System Revenue Bonds of the City; prescribing certain details of such bonds; and certain other matters related thereto.

Whereas, In interpreting the terms of the Series 2010 Resolution, all terms which are defined in Section 1.01 of the Resolution shall have the same meanings, respectively, in this Series 2010 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 2010 Resolution, unless the context shall otherwise require, the following terms shall have the following respective meanings: "Series 2010 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 2010 Resolution. "Series 2010 Resolution" means this Series 2010 Resolution authorizing up to \$40,000,000 aggregate principal amount of the Series 2010 Bonds. "Tax Certificate" means the Tax Compliance Certificate executed by an Authorized Officer of the City in connection with the issuance of the Series 2010 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 refunding of outstanding Sewerage System Revenue Bonds of the City; and

Whereas, This Series 2010 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 2010 Sewerage System Revenue Bonds in a principal amount not to exceed \$40,000,000 for the purpose of refunding all or a portion of the City’s outstanding Sewerage System Revenue Bonds (the “Prior Bonds”), providing for the redemption of Prior Bonds, providing for the defeasance of Prior Bonds in accordance with Section 12.01 of the Resolution, to make such credit to the Reserve Account in the Special Redemption Fund as may be necessary in connection with the issuance and sale of the Series 2010 Bonds and to pay the costs of issuance of the Series 2010 Bonds. 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 2010 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 2010 Bonds shall be issued as fully registered Bonds in the denominations of \$5,000 or any integral multiple thereof. The Series 2010 Bonds shall be numbered or lettered, or both, as shall be determined by the Commissioners of the Public Debt. The Series 2010 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 2010 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 2010 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 2010 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 2010 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 2010 Bonds are Serial or Term Bonds, if any, and the Record Date or Record Dates of the Series 2010 Bonds for which the Record Date or Record Dates is other than the 15th day (whether or not a Business Day) next preceding an interest payment date for such Series 2010 Bonds or the 45th day (whether or not a Business Day) preceding a redemption date; provided, however, that in accordance with the provisions of the Resolution, the Series 2010 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 2010 Bonds or the manner of determining such rate or rates, the date from which interest on the Series 2010 Bonds shall accrue, the dates on which interest on the Series 2010 Bonds shall be payable, if any; provided, however, that the interest rate for the Series 2010 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 2010 Bonds, provided, however, that the Series 2010 Bonds shall have a redemption price of par and the earliest redemption date shall be the first debt service payment date in 2020; (d) the provisions for the sale or exchange of the Series 2010 Bonds and for the delivery thereof; (e) directions for the application of the proceeds of the Series 2010 Bonds, including the interest on such Series 2010 Bonds to be capitalized from the proceeds thereof, if any, and the date or dates to

which such capitalized interest shall accrue; (f) the form of the Series 2010 Bond or Bonds; (g) the maturities and redemption date(s) of the Prior Bonds to be refunded; and (h) any other provisions that are not in conflict with the Resolution or this Series 2010 Resolution. Upon the issuance of the Series 2010 Bonds, the Prior Bonds are hereby irrevocably called for redemption on the designated redemption date. 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 2010 Bonds shall be sold at 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 2010 Bonds shall be sold at a price not less than 99% of the par value thereof and at a true interest cost rate not in excess of 5.00%. An Authorized Officer is hereby authorized to prepare or cause to be prepared and distributed a Preliminary Official Statement relating to the Series 2010 Bonds. The final details of the Series 2010 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 2010 Bonds shall otherwise comply with the provisions of this Series 2010 Resolution and the Resolution; and, be it

Further Resolved, That the Series 2010 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 2010 Bonds and to carry out the transactions contemplated by this Series 2010 Resolution; and, be it

Further Resolved, That there is hereby created and established the following special accounts of the City: the "2010 Escrow Account" for the payment of the Prior Bonds and the "Series 2010 Expense Account" for the payment of the costs of issuance of the Series 2010 Bonds, and that the proceeds of sale of the Series 2010 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 2010 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 2010 Bonds, there shall be on deposit in the Special Redemption Fund for credit to the Series 2010 Debt Service Reserve Account therein, an amount equal to the Reserve Account Requirement which shall equal an amount equal to the maximum annual principal and interest requirements for the Prior Bonds and the Series 2010 Bonds, less the amount on deposit in the debt service reserve accounts for the Prior Bonds. Any increase in the Reserve Account Requirement resulting from the issuance of the Series 2010 Bonds shall be funded from the proceeds of the Series 2010 Bonds. On each principal payment date of the Prior Bonds, the amount designated by the City shall be transferred from the appropriate Prior Bond sub account of the Reserve Account to the Series 2010 Debt Service Reserve Account; and, be it

Further Resolved, That the interest on the Series 2010 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 2010 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 2010 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 2010 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 2010 Bonds notwithstanding that the Series 2010 Bonds are no longer outstanding.

RSL 10/26/10

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