



## Legislation Text

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**File #: 230413, Version: 1**

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230413

Substitute 1

991863, 021776, 100863

The Chair

Substitute resolution authorizing the sale and issuance of up to \$50,000,000 Sewerage System Revenue Refunding Bonds. (Comptroller)

This resolution authorizes and provides for the sale by the City of a series of sewerage system revenue bonds to be issued in 2023 in the principal amount not to exceed \$50,000,000 to finance the refunding of certain outstanding obligations payable from the revenues of the City's Sewerage System and the costs of improvements to the Sewerage System; prescribes certain details of such bonds; sets forth certain other matters related thereto; and makes certain amendments to the Bond Resolution pursuant to which such revenue bonds are issued.

Whereas, capitalized terms not otherwise defined in this resolution ("Series 2023 Resolution") shall have the meanings set forth in Section 1.01 of Common Council Resolution File No. 991863 adopted by the Common Council on August 2, 2001, as amended by Resolution File No. 021776 adopted by the Common Council on April 15, 2003, by Resolution File No. 100863 adopted by the Common Council on November 23, 2010, and by this Series 2023 Resolution (the "Resolution"); and

Whereas, the Resolution provides the authority (when utilized in conjunction with separate Series Resolutions) for the issuance by the City of Milwaukee (the "City") of multiple series of sewerage system revenue bonds to be payable from the revenues of the City's Sewerage System (the "System"); and

Whereas, it is hereby found and determined that it is necessary and required that the City authorize the issuance of a series of Bonds (the "Series 2023 Bonds") to finance (i) the refunding of all or a portion (the "Refunding") of the outstanding Sewerage System Revenue Bonds, Series 2013 S5 dated June 26, 2013 (the "Prior Bonds") and (ii) the Costs of Improvement to the System, including any plant and equipment in the System, within or outside 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, including the repair, improvement, and replacement of existing sewers, infiltration and inflow reduction projects, flood mitigation projects, water quality projects, and downspout disconnection projects (collectively, the "Project"); and

Whereas, it is hereby found and determined that the Refunding is advantageous to the City; and

Whereas, this Series 2023 Resolution is adopted pursuant to Section 66.0621 of the Wisconsin Statutes (the

“Act”) and the Resolution; and

Whereas, this authorization constitutes a “Series Resolution” and, to the extent it amends the Resolution, a “Supplemental Resolution,” within the meaning of the Resolution and is adopted in accordance with Article III and Section 10.01 of the Resolution, and shall be subject to the terms and conditions and limitations established in the Resolution; and

Whereas, it is hereby found and determined that the amendments to the Resolution made hereby do not adversely affect the rights of the holders of any of the Outstanding Bonds issued pursuant to the Resolution; now, therefore, be it

Resolved, By The Common Council of the City, that the City does hereby authorize the sale and issuance of the Series 2023 Bonds: (1) in a principal amount not to exceed \$20,000,000 for the purpose of the Refunding, including making a deposit to the Reserve Account in the Special Redemption Fund, if applicable, and paying the costs of issuance of the Series 2023 Bonds allocable to the Refunding and (2) in a principal amount not to exceed \$30,000,000 for the purpose of financing the Project at an estimated Cost of \$30,000,000, including making a deposit to, or acquiring a Support Facility for, the Reserve Account in the Special Redemption Fund, if applicable, and paying the costs of issuance of the Series 2023 Bonds allocable to the Project; and, be it

Further Resolved, that the Series 2023 Bonds shall be issued pursuant to the Resolution and as follows:

1. The Series 2023 Bonds are to be issued in accordance with Sections 3.01, 3.03, and 3.05 of the Resolution,
2. The Series 2023 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 2023 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 execution of a bond purchase agreement providing for the sale of the Series 2023 Bonds, as approved by the Commissioners of the Public Debt, is hereby authorized,
3. The preparation and distribution of a preliminary official statement and an official statement describing the terms of the Series 2023 Bonds and the security for the Bonds are hereby approved,
4. The Series 2023 Bonds shall be designated “Series 2023 S6”,
5. The portion of the Series 2023 Bonds allocable to the Project shall mature on any date or dates not exceeding 40 years from the date of issuance of the Series 2023 Bonds, and the portion of the Series 2023 Bonds allocable to the Refunding shall mature on any date or dates not later than July 10, 2043,
6. The interest rate for the Series 2023 Bonds maturing in any year shall not exceed 6.00%, and
7. The Series 2023 Bonds shall be issued as Tax-exempt 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 to

1. determine the following with respect to the Series 2023 Bonds: (a) the date or dates of the Series 2023 Bonds; (b) the maturity date or dates and principal amount of each maturity of the Series 2023 Bonds,

and the amount and date of each Sinking Fund Installment, if any; (c) the interest rates to be borne by the Series 2023 Bonds, the date from which interest on the Series 2023 Bonds shall accrue, the Record Dates for the payment of interest on the Series 2023 Bonds and the dates on which interest on the Series 2023 Bonds shall be payable; (d) the redemption terms for the Series 2023 Bonds; (e) the provisions for the sale and delivery of the Series 2023 Bonds and for the registration, transfer and exchange thereof; (f) directions for the application of the proceeds of the Series 2023 Bonds, including the interest on such Series 2023 Bonds to be capitalized from the proceeds thereof, if any, (g) the form of the Series 2023 Bonds; and (h) any other provisions that are not in conflict with the Act, the Resolution or this Series 2023 Resolution; and

2. approve the forms of the preliminary official statement, official statement, and bond purchase agreement with respect to the Series 2023 Bonds.

The Commissioners of the Public Debt of the City shall adopt in one or more resolutions actions taken pursuant to the authority granted herein, which resolutions shall be filed with the City Clerk of the City, and which resolutions may delegate to the Comptroller the power to make any such determinations and approvals; and, be it

Further Resolved, that there may, if determined necessary and appropriate by the Commissioners of the Public Debt, be created and established the “Series 2023 Debt Service Reserve Account” as a sub account of the Reserve Account of the Special Redemption Fund, and on the date of the delivery of the Series 2023 Bonds there shall be deposited in the Series 2023 Debt Service Reserve Account cash or a Support Facility in the amount, if any, necessary to cause the balance in the Reserve Account to be equal to the Reserve Account Requirement, which shall be the amount determined by the Commissioners of the Public Debt, or such greater amount as has been established with respect to any other Outstanding Bonds issued under the Resolution. Any increase in the Reserve Account Requirement resulting from the issuance of the Series 2023 Bonds shall be funded (including by acquisition of a Support Facility) from the proceeds of the Series 2023 Bonds; and, be it

Further Resolved, that, pursuant to Section 6.07 of the Resolution, there may, if determined necessary and appropriate by the Commissioners of the Public Debt, created and established the following special accounts in the Construction Fund established and maintained under the Resolution: the “2023 Series Account” for the payment of the Costs of the Improvements to be financed with the proceeds of the Series 2023 Bonds and for the payment of costs of issuance of the Series 2023 Bonds and the “2023 Series Interest Account” in the event any interest on the Series 2023 Bonds is capitalized from the proceeds of the Series 2023 Bonds, and that the proceeds of sale of the Series 2023 Bonds shall be credited to such accounts in the amounts required for such purposes; and be it

Further Resolved, that there is hereby created and established the following special account of the City: the “2023 Escrow Account”, if required, for the payment of the Prior Bonds, and that proceeds of sale of the Series 2023 Bonds shall be credited to such accounts in the amount required for such purpose; and, be it

Further Resolved, that the interest on the Series 2023 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 2023 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 issuance of the Series 2023 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 2023 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 2023 Bonds notwithstanding that the Series 2023

Bonds are no longer outstanding; and, be it

Further Resolved, that the Continuing Disclosure Certificate for the Series 2023 Bonds, in substantially the form of the Supplemental Certificate authorized by File Number 181110 adopted on December 18, 2018, is authorized to be executed and delivered by the Comptroller; 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; and, be it

Further Resolved, that the Series 2023 Bonds shall be executed in accordance with the provisions of Section 4.02 of the Resolution and the Act. The appropriate officers and officials of the City are 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 officers or officials deem necessary or advisable in connection with the offering, sale and issuance of the Series 2023 Bonds and to carry out the transactions contemplated by this Series 2023 Resolution; and, be it

Further Resolved, that (a) the last paragraph of Section 3.03, (b) Section 4.02 of the Resolution are each hereby amended and restated in its entirety as shown in Exhibit A.

Comptroller  
JB  
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