



Legislation Text

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041048

SUBSTITUTE 1

THE CHAIR

Substitute resolution authorizing and providing for the sale by the City of Milwaukee, Wisconsin, of a series of Sewerage System Revenue Bonds, Series 2005. (Comptroller)

This resolution authorizes and provides for the sale by the City a series of Sewerage System Revenue Bonds, Series 2005, in the principal amount not to exceed \$36,409,500 for financing the costs of improvements to the City's Sewerage System; prescribing certain details of such bonds; and certain other matters related thereto.

Whereas, In interpreting the terms of this resolution, all terms which are defined in Section 1.01 of the resolution shall have the same meanings, respectively, in this Series 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. The Resolution was amended by Common Council Resolution File No. 021776 adopted by the Common Council on April 15, 2003. In addition, as used in this Series Resolution, unless the context shall otherwise require, the following terms shall have the following respective meanings: "Bonds" means the Sewerage System Revenue Bonds, Series 2005, pursuant to and subject to the terms, conditions and limitations established in the Resolution and this Series Resolution. "Series Resolution" means this resolution authorizing up to \$36,409,500 aggregate principal amount of the Bonds. "Tax Certificate" means the Federal Tax Certificate executed by an Authorized Officer of the City in connection with the issuance of the 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, This Series Resolution is adopted pursuant to the Resolution; now, therefore, be it

Resolved, That the City of Milwaukee does hereby authorize the issuance and sale of Sewerage System Revenue Bonds, Series 2005 in a principal amount not to exceed \$36,409,500 for the purpose of financing the costs of improvements to the City's Sewerage System, 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 Bonds and to pay the costs of issuance of the 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 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 Bonds shall be issued as fully registered Bonds in the denominations of \$5,000 or any integral multiple thereof. The Bonds shall be numbered or lettered, or both, as shall be determined by the Commissioners of the Public Debt. The 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 Bonds shall be paid upon presentation and surrender at the Office of the Treasurer of the City who is hereby designated as the Paying Agent for the 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 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 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 Bonds are Serial or Term Bonds, if any, and the Record Date or Record Dates of the 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 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 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 Bonds or the manner of determining such rate or rates, the date from which interest on the Bonds shall accrue, the dates on which interest on the Bonds shall be payable, if any; provided, however, that the interest rate for the Bonds maturing in any year shall not exceed 8%; (c) the Redemption Price or Redemption Prices, if any, and subject to Article V of the Resolution, the redemption terms for the Bonds, provided, however, that the Bonds shall have a redemption price of par and the earliest redemption date shall be the first debt service payment date 10 years after the date of issuance; (d) the provisions for the sale or exchange of the Bonds and for the delivery thereof; (e) directions for the application of the proceeds of the Bonds, including the interest on such 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 Bond or Bonds; and (g) any other provisions that are not in conflict with the Resolution or this Series 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 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 Bonds shall be sold at a price not less than 98% of the par value thereof and at a true interest cost rate not in excess of 7%. If the Bonds are sold at a public sale, an Authorized Officer is hereby authorized to prepare or cause to be prepared a Summary Notice of Sale and an Official Notice of Sale, with respect to the Bonds and to cause such Summary Notice of Sale to be published in The Daily Reporter, a daily newspaper published in the City of Milwaukee, Wisconsin, and to prepare or cause to be prepared and distributed an Official Notice of Sale and an Official Bid Form

relating to the Bonds. If the Bonds are sold at a public sale, bids for the purchase of the Bonds shall be received by the Commissioners of the Public Debt. An Authorized Officer is hereby further authorized to prepare or cause to be prepared and distributed a Preliminary Official Statement relating to the Bonds. The final details of the 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 Bonds shall otherwise comply with the provisions of this Series Resolution and the Resolution; and, be it

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

Further Resolved, That there is hereby created and established a separate special series account in the Construction Fund to be known as the "Series 2005 Account." There shall be credited to the Series 2005 Account, pursuant to Section 6.07 of the Resolution, the amounts necessary to pay certain Costs associated with the Bonds, including the costs of issuance of the Bonds; and, be it

Further Resolved, That from and after the time of the delivery of the Bonds, there shall be on deposit in the Special Redemption Fund for credit to the Reserve Account therein, an amount equal to the Reserve Account Requirement which shall equal the lesser of (i) an amount equal to the maximum annual principal and interest requirements for the Bonds, (ii) an amount equal to 10% of the principal amount of the Bonds, or (iii) 125% of the average annual principal and interest requirements for the Bonds. The Reserve Account for the Bonds shall be funded from the proceeds of the Bonds; and, be it

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

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