



Legislation Details (With Text)

File #: 18-0228 **Version:** 0 **Name:** Issuance of Revenue Obligations - Stormwater Projects

Type: Ordinance **Status:** Enacted

File created: 4/23/2018 **In control:** City Council

On agenda: **Final action:** 8/28/2018

Enactment date: **Enactment #:** 18-174

Title: Issuance of Revenue Obligations - Stormwater Projects
 For the purpose of authorizing the issuance, sale and delivery from time to time by the City of revenue obligations that may be issued by the City to finance or refinance stormwater facilities; prescribing that the maximum aggregate principal amount of such revenue obligations that may be outstanding at any one time is \$202,000,000; authorizing the Board of Finance of the City to specify, prescribe, determine, provide for, approve, and amend the form, terms, provisions, manner or method of issuing and selling, the time or times of issuance, and all other details of the revenue obligations and any other matters necessary or desirable in connection with the authorization, issuance, sale, and payment of these revenue obligations; providing for a special effective date; and generally relating to the issuance and payment of revenue obligations.

Sponsors: City Council President (Administration)

Indexes: Revenue Obligations, Stormwater

Code sections:

Attachments: 1. BDC 18-0228, 2. 18-0228~1st Reader, 3. Finance 18-0228, 4. DOT 18-0228, 5. DPW 18-0228, 6. Planning 18-0228, 7. Law 18-0228, 8. HCD 18-0228, 9. 18-0228~3rd Reader, 10. Completed File_18-0228

Date	Ver.	Action By	Action	Result
9/17/2018	0	Mayor	Signed by Mayor	
7/9/2018	0	City Council	Approved and Sent to the Mayor	
6/25/2018	0	City Council	3rd Reader, for final passage	
6/25/2018	0	Taxation, Finance and Economic Development Committee	Recommended Favorably	
6/21/2018	0	Taxation, Finance and Economic Development Committee	Recommended Favorably	Pass
6/11/2018	0	Taxation, Finance and Economic Development Committee	Scheduled for a Public Hearing	
4/26/2018	0	The City Council	Refer to Dept. of Housing and Community Development	
4/26/2018	0	The City Council	Refer to Dept. of Public Works	
4/26/2018	0	The City Council	Refer to Dept. of Finance	
4/26/2018	0	The City Council	Refer to Dept. of Transportation	
4/26/2018	0	The City Council	Refer to City Solicitor	
4/26/2018	0	The City Council	Refer to Planning Commission	
4/26/2018	0	The City Council	Refer to Baltimore Development Corporation	
4/23/2018	0	City Council	Assigned	

4/23/2018

0

City Council

Introduced

* **Warning:** This is an unofficial, introductory copy of the bill.
The official copy considered by the City Council is the first reader copy.

Introductory*
City of Baltimore
Council Bill

Introduced by: The Council President

At the request of: The Administration (Bureau of Treasury Management)

A Bill Entitled

An Ordinance concerning

Issuance of Revenue Obligations - Stormwater Projects

For the purpose of authorizing the issuance, sale and delivery from time to time by the City of revenue obligations that may be issued by the City to finance or refinance stormwater facilities; prescribing that the maximum aggregate principal amount of such revenue obligations that may be outstanding at any one time is \$202,000,000; authorizing the Board of Finance of the City to specify, prescribe, determine, provide for, approve, and amend the form, terms, provisions, manner or method of issuing and selling, the time or times of issuance, and all other details of the revenue obligations and any other matters necessary or desirable in connection with the authorization, issuance, sale, and payment of these revenue obligations; providing for a special effective date; and generally relating to the issuance and payment of revenue obligations.

By authority of

Article II - General Powers
Section (50)
Baltimore City Charter
(1996 Edition)

Sections 19-211 through 19-221 of the Local Government Article
Bond and Grant Anticipation Notes
Annotated Code of Maryland

Recitals

- A. Mayor and City Council of Baltimore, a municipal corporation organized and existing under the Constitution and laws of the State of Maryland, is hereinafter sometimes referred to as the "City".
- B. By an amendment to Article VI of the City Charter of Baltimore City, 1996 Edition, as amended (the "City Charter"), the City established a separate enterprise system for the City's stormwater utility (the "Stormwater Utility"). The Stormwater Utility requires capital funding from time to time for improvements to its facilities, which funding may come from various sources. The City has determined to issue revenue bonds and notes that may be refunded from time to time to provide the funding for Stormwater Utility capital projects as an important step in the implementation of a fully separate, self-sustaining enterprise system as envisioned by the City Charter. The revenue bonds and notes will require, and the City Charter requires that rates and charges established for the Stormwater Utility be maintained at a level permitting the Stormwater Utility to operate on a self-supporting basis. This Ordinance sets forth the procedure for the issuance of revenue bonds and notes in furtherance of this self-supporting concept.
- C. Section 50 ("Section 50") of Article II of the City Charter authorizes the City to borrow

money to finance undertakings for the accomplishment of any of the purposes, objects and powers of the City and in connection therewith to issue bonds, notes or other obligations (including refunding obligations) payable as to both principal and interest solely from and secured solely by a pledge of the revenues from or arising in connection with the property, facilities, developments and improvements whose financing is undertaken by issuance of such notes, bonds or other obligations.

- D. Sections 19-211 through 19-221 of the Local Government Article of the Annotated Code of Maryland (2013 Replacement Volume and 2017 Supplement) (the “Bond Anticipation Note Act”) authorizes and empowers the City to borrow money in anticipation of the issuance of obligations authorized under Section 50 and to evidence such borrowing by the issuance and sale of its bond anticipation notes in an aggregate principal amount not greater than the authorized amount of the obligations in anticipation of the sale of which the notes are issued and sold. The Bond Anticipation Note Act provides that such notes shall be payable as to interest and principal (except to the extent paid from proceeds of the sale of the notes) from the first proceeds of the obligations in anticipation of the sale of which such notes are issued. The Bond Anticipation Note Act further authorizes and empowers the City to pay up to twelve months’ interest on the notes from the proceeds of the notes. The Bond Anticipation Note Act authorizes the sale of any notes to be issued pursuant to such act by public sale or by private negotiation with prospective purchasers, if such negotiated sale is deemed by the City to be in the best interest of the City. The Bond Anticipation Note Act authorizes the renewal at maturity of bond anticipation notes issued thereunder, with or without resale.
- E. The City proposes to spend a portion of the proceeds of the revenue obligations issued under this Ordinance for the public purpose of financing the costs of Stormwater Utility capital projects (i) appropriated in any past or the current Ordinance of Estimates (as of the date of issuance of any series of revenue obligations), (ii) included, from time to time, in the City’s six-year capital program (or comparable document, from time to time), (iii) contained in any supplemental appropriation to the Ordinance of Estimates approved, from time to time, by the City Council or (iv) which are the subjects of transfers from existing appropriations in the Ordinance of Estimates, as approved, from time to time, by the Board of Estimates (collectively, the “Financed Facilities”). The proceeds of the revenue obligations may be used to repay to the City amounts expended for the Financed Facilities in anticipation of the issuance of the revenue obligations.
- F. The City proposes to spend the proceeds of any refunding revenue obligations hereby authorized for the public purposes of paying, prepaying, refinancing or restructuring the debt evidenced by the revenue obligations issued pursuant to this Ordinance, which repayment may include the payment of any premium on such obligations, the payment of costs of issuance and the creation of reserve funds for the refunding revenue obligations, including, without limitation, reserves for the payment of the refunding revenue obligations.
- G. Section 50 confers upon the Board of Finance of the City certain powers in connection with revenue obligations issued pursuant thereto, including, without limitation, the power to determine the form or forms of obligations, the date of the revenue obligations issued at any particular time, the manner or method of issuing and selling (including negotiated as well as competitive), the right of redemption of the revenue bonds and notes prior to maturity, if any, and the rate or rates of interest to be borne by the revenue bonds and notes, and to do any and all things necessary, proper or expedient in connection with any issuance and sale. This Ordinance shall authorize the Board of Finance of the City to specify, prescribe, determine, provide for, approve, and amend, from time to time, the form, terms, provisions, manner or method of issuing and selling the revenue obligations (including negotiated as well as competitive bid sales), time or times of issuance, security for the revenue obligations, and all other details of the revenue obligations and other matters necessary or desirable in

connection with the authorization, issuance, sale, and payment of the revenue obligations and to do all things necessary, proper, or expedient in connection with the issuance and sale of the revenue obligations.

- H. The revenue obligations shall not ever constitute within the meaning of any constitutional or charter provision or otherwise (i) general obligations of the City, (ii) an indebtedness of the City within the meaning of Section 7 of Article XI of the Constitution of Maryland or of any other political subdivision of the State of Maryland or (iii) a charge against the general credit or taxing powers of the City. The issuance of the revenue obligations is not directly or indirectly or contingently an obligation, moral or otherwise, of the State of Maryland or of any political subdivision, including the City, to levy or pledge any form of taxation whatever therefor for their payment.

Section 1. Be it ordained by the Mayor and City Council of Baltimore, That, in addition to any other terms defined elsewhere in this Ordinance, the following terms have the meanings indicated:

- (a) “Administrative Resolution” means any resolution or resolutions adopted by the Board of Finance under this Ordinance.
- (b) “Capital Receipts” means all receipts deposited in the Stormwater Capital Fund or any other fund for Stormwater Utility capital projects designated under any Administrative Resolution, including revenues, receipts from federal grants, State of Maryland grants, county grants (including contributions for service), private grants, State of Maryland loans, City general obligation loan funds, proceeds of Revenue Obligations, and all other receipts dedicated to particular capital projects of the Stormwater Utility.
- (c) “Costs of Issuance” means the costs of issuing any series of revenue obligations, including costs of printing, advertising, attorneys’ fees, underwriting discount, placement fees, consultants’ fees, bond insurance fees, rating agency fees, initial fees for letters of credit or lines of credit, initial fees of the Trustee, and all other incidental expenses in connection with the issuance of such Revenue Obligations.
- (d) “Credit Facility” means any liquidity facility, letter of credit, bond insurance policy, guaranty, line of credit, surety bond, or similar credit or liquidity facility securing any Revenue Obligation.
- (e) “Enabling Laws” means:
- (1) City Charter Article II, Section (50); and
 - (2) Sections 19-211 through 19-221 of the Local Government Article of the Annotated Code of Maryland.
- (f) “Includes” or “including” means by way of illustration and not by way of limitation.
- (g) “Indebtedness” means any indebtedness or liability for borrowed money, any installment sale obligation, or any obligation under any financing lease, sale leaseback, or similar transaction capitalized under generally accepted accounting principles that, by law or contract, the City may be obligated to pay from the Stormwater Operating Fund.
- (h) “Operating Revenues” means all income, revenue, receipts, and other money deposited in the Stormwater Operating Fund, including revenues of the Stormwater Utility arising from rates and charges established by the City, all amounts derived by the City from the ownership and operation of the Stormwater Utility, all accounts, general intangibles, and contract or other rights to receive them, and the proceeds of any of these, but exclusive of Capital Receipts. The proceeds of rates and charges established by the City shall be deemed to be Operating Revenues for the purposes of City

Charter Article II, Section (50).

- (i) “Refunding Revenue Bond” means any bond or other Indebtedness issued under this Ordinance as a refunding, renewal, or refinancing bond, including any parity or subordinate bond or other Indebtedness issued under any ordinance supplemental to this Ordinance.
- (j) “Refunding Revenue Note” means any note or other Indebtedness issued under this Ordinance as a refunding, renewal, or refinancing note or other Indebtedness, including any parity or subordinate note or other Indebtedness issued under any ordinance supplemental to this Ordinance.
- (k) “Refunding Obligations” means Refunding Revenue Notes and Refunding Revenue Bonds, collectively.
- (l) “Revenue Bond” means any revenue bond or other Indebtedness issued under this Ordinance, including any parity or subordinate revenue bond or other Indebtedness issued under any ordinance supplemental to this Ordinance.
- (m) “Revenue Note” means any revenue note or other Indebtedness issued under this Ordinance, including any parity or subordinate revenue note or Indebtedness issued under any ordinance supplemental to this Ordinance.
- (n) “Revenue Obligations” means Revenue Notes, Revenue Bonds, Refunding Revenue Notes, and Refunding Revenue Bonds, collectively.
- (o) “Stormwater Capital Fund” means the fund of the City to which Capital Receipts are credited.
- (p) “Stormwater Facilities” means all stormwater facilities of the City, including financed facilities.
- (q) “Stormwater Operating Fund” means the fund of the City to which operating revenues are credited.
- (r) “Stormwater Utility” means the stormwater utility operated under City Charter Article VI, Section 18.
- (s) “Trustee” means any bank, trust company, or national banking association appointed under an Administrative Resolution as trustee for any Revenue Obligations, and any other entity that is substituted in its place in accordance with the Administrative Resolution, and their successors.

Section 2. And be it further ordained, That:

- (a) The issuance, sale and delivery of Revenue Obligations is hereby authorized for the public purpose of financing or refinancing the cost of the Financed Facilities and repaying the City for amounts expended on Financed Facilities in anticipation of the issuance of the Revenue Obligations, provided that as of June 30 of each year the aggregate principal amount of Revenue Obligations outstanding shall not exceed Two Hundred Two Million Dollars (\$202,000,000).
- (b) Revenue Obligations may comprise any combination of (i) Revenue Notes, (ii) Revenue Bonds, (iii) Refunding Revenue Notes, and (iv) Refunding Revenue Bonds.
- (c) Refunding Obligations issued under this Ordinance to refund any Revenue Obligations previously issued under this Ordinance shall replace that portion of the authorized amount previously issued and does not reduce the maximum authorized amount of Revenue Obligations permitted to be issued under this Ordinance.
- (d) The aggregate principal amount of Revenue Obligations authorized to be issued under this

Ordinance shall be restored by an amount equal to the principal amount of Revenue Obligations paid, purchased and cancelled, or otherwise provided for whenever (i) the principal of any Revenue Obligations previously issued is paid, whether at maturity, on redemption, or otherwise; (ii) any Revenue Obligations are purchased and cancelled; or (iii) payment of the principal of any Revenue Obligations is provided for in a manner that makes the Revenue Obligations no longer outstanding under the terms of the Administrative Resolution or any trust agreement authorized hereby.

- (e) The amount of any Credit Facility and of any Revenue Obligation issued to evidence the indebtedness for borrowed money or the liability for such Credit Facility payment of amounts advanced for the payment of the principal of or interest on Revenue Obligations does not reduce the maximum authorized amount of Revenue Obligations permitted to be issued under this Ordinance.

Section 3. And be it further ordained, That:

- (a) The Revenue Obligations may be issued in one or more series from time to time.
- (b) The aggregate principal amount of Revenue Obligations to be issued at any one time and such series designation shall be determined by the Board of Finance in the Administrative Resolution.

Section 4. And be it further ordained, That:

- (a) The net proceeds from the sale of Revenue Notes or Revenue Bonds shall be used and applied for the public purposes of (i) financing or refinancing, in whole or in part, the cost of Financed Facilities (either directly or by repayment to the City, as provided in this Ordinance); (ii) refinancing outstanding Indebtedness of the City that was issued or incurred to finance or refinance capital improvements for Stormwater Facilities of the City; (iii) funding capitalized interest on any series of Revenue Notes or Revenue Bonds, to the extent the Board of Finance considers necessary and in accordance with any time limit established by law on this funding; (iv) paying the Costs of Issuance of Revenue Obligations; and (v) funding any reserve funds, including reserves for any Revenue Obligations and operating reserves (to the extent provided by the Board of Finance), created under this Ordinance and an Administrative Resolution.
- (b) The net proceeds from the sale of Refunding Obligations shall be used and applied for the public purposes of (i) refinancing, restructuring, refunding, or renewing, in whole or in part, from time to time, any outstanding Revenue Obligations, including the payment of any redemption premium on them; (ii) paying the Costs of Issuance of any series of Revenue Obligations; and (iii) funding any reserve funds for the Refunding Obligations, including reserves for the payment of the Refunding Obligations and operating reserves (to the extent provided by the Board of Finance), created under this Ordinance and an Administrative Resolution.

Section 5. And be it further ordained, That:

- (a) The City finds and determines that the Board of Finance, being primarily responsible for the issuance and sale of the City's certificates of indebtedness, has the expertise and experience necessary to be primarily responsible for the determination of matters set forth in this Ordinance to be within its jurisdiction.
- (b) The market for Revenue Obligations of the City may change from time to time, and it is in the City's best interest to grant broad authority and flexibility to the Board of Finance in connection with the issuance of Revenue Obligations.

Section 6. And be it further ordained, That:

- (a) Before delivery of any series of Revenue Obligations, the Board of Finance shall adopt an Administrative Resolution.

- (b) The Administrative Resolution shall prescribe the following, subject to the Enabling Laws:
- (1) the maximum principal amount of such Revenue Obligations to be issued at any one time;
 - (2) the date of issue of such Revenue Obligations;
 - (3) the interest rate or rates to be borne by the Revenue Obligations or the method by which the interest rate or rates is computed, including limitations on the interest rate or rates beyond which further approvals of the Board of Finance are required;
 - (4) the time periods and method of payment of interest on the Revenue Obligations;
 - (5) the redemption provisions, if any, for the Revenue Obligations;
 - (6) the maturity or maturities of the Revenue Obligations;
 - (7) the denomination or denominations of any Revenue Obligations;
 - (8) the form, use of registration, and mechanics for payment of the Revenue Obligations; and
 - (9) any other terms necessary or desirable to carry out this Ordinance, including other matters determined by the Board of Finance under Section 17.

Section 7. And be it further ordained, That the Board of Finance may determine whether a particular issue or series of Revenue Obligations shall be sold by competitive bidding or by private negotiation. That determination shall be set forth in the Administrative Resolution for the issue or series to which it applies.

Section 8. And be it further ordained, That:

- (a) The Board of Finance may adopt a master resolution that establishes procedures to facilitate the prompt determination and approval of one or more of the matters set forth in this Ordinance.
- (b) These procedures may include telephonic approval and subsequent telegraphic, electronic, or written confirmation of one or more matters by a designated officer of the City, subject to safeguards and guidelines prescribed in the master resolution.

Section 9. And be it further ordained, That the Board of Finance may:

- (a) establish procedures whereby a variable or floating rate or rates of interest can be utilized for any Revenue Obligations;
- (b) determine that the City should obtain a Credit Facility securing such Revenue Obligations and approve the terms and provisions of such Credit Facility and any agreement entered in connection therewith; and
- (c) determine that the City should enter into a hedging contract or agreement, payable from Operating Revenues, on such Revenue Obligations, including any interest rate swap agreement, currency swap agreement, forward payment conversion agreement, or futures contract, any contract providing for payments based on levels of, or changes in, interest rates, currency exchange rates, or stock or other indices, any contract to exchange cash flows or a series of payments, or any contract, including an interest rate floor or cap, or an option, put, or call, to hedge payment, currency, interest rate, spread, or similar exposure, on the terms and provisions that the Board of Finance considers necessary or desirable.

Section 10. And be it further ordained, That:

- (a) The principal of and premium (if any) and interest on, and purchase price of Revenue Obligations and, to the extent provided in the Administrative Resolution, the amounts owed to the provider of any Credit Facility securing any Revenue Obligations:
 - (1) do not constitute an indebtedness of the City within the meaning of City Charter Article II, Section (50) or of any other political subdivision of the State of Maryland or a charge against the general credit or taxing powers of the City; and
 - (2) may be paid from a pledge of the following, in the order and manner that the Board of Finance prescribes in the Administrative Resolution:
 - (i) Operating Revenues;
 - (ii) amounts in any funds pledged under the Administrative Resolution to the payment of the Revenue Obligations, including any reserve fund established by the Board of Finance for payment of the principal of and premium (if any) and interest on the Revenue Obligations and any investment earnings on those funds (to the extent provided by the Board of Finance);
 - (iii) unexpended proceeds of the Revenue Obligations, including investment earnings on those proceeds (to the extent provided by the Board of Finance); and
 - (iv) other amounts legally available for these purposes.
- (b) The issuance of Revenue Obligations does not constitute (directly, indirectly, or contingently) an obligation, moral or otherwise, of the State of Maryland, of the City, or of any other political subdivision of the State, to levy or pledge any form of taxation whatsoever for their payment.
- (c) Rates and charges of the Stormwater Utility shall be set, assessed and collected in accordance with City procedures, the City Charter, Administrative Resolutions, and applicable law to the extent deemed necessary to operate the Stormwater Facilities and provide payment for the outstanding Revenue Obligations.

Section 11. And be it further ordained, That:

- (a) From the proceeds of the Revenue Obligations, from other funds of the Stormwater Utility, or from any other sources, the Board of Finance may establish one or more reserve funds for the Revenue Obligations, including debt service reserve funds, which may be pledged to the payment of the principal of and premium (if any) and interest on, and purchase price of one or more series of Revenue Obligations in the event that the Operating Revenues for any year are insufficient to pay these items for that year.
- (b) This section does not preclude the establishment of other reserve funds that are not pledged to payment of Revenue Obligations in connection with the Revenue Obligations or any subordinate obligations of the Stormwater Utility, including a renewal and replacement fund, a rate stabilization fund, a residual fund and an operating reserve fund.

Section 12. And be it further ordained, That the City covenants that it will pay the principal of and the premium (if any) and interest on any Revenue Notes or Refunding Revenue Notes in the nature of bond anticipation notes from funds made available for such payment or the first proceeds of Refunding Revenue

Bonds issued under this Ordinance when, and as soon as, the reason for deferring their issuance no longer exists and, in any event, in sufficient time to permit the Revenue Obligations to be paid at maturity or extended maturity.

Section 13. And be it further ordained, That:

- (a) All Revenue Obligations and any other agreements of the City entered into under this Ordinance shall be executed in the name of the City and on its behalf by the Mayor and the Director of Finance, by manual or facsimile signatures. The corporate seal of the City shall be printed or imprinted on the Revenue Obligations and attested by the Custodian or Alternate Custodian of the City Seal, by manual or facsimile signature.
- (b) If the Board of Finance finds that the nature of a transaction so requires, the Board may establish in an Administrative Resolution a procedure whereby the Trustee, a responsible trust company, or other authorized trustee, issuing agent, or paying agent maintains an inventory of blank Revenue Obligations that have been previously imprinted and signed and are available for delivery to purchasers under conditions that require prompt action and delivery.
- (c) If any official whose signature appears on any Revenue Obligations ceases to be an official before the delivery of such Revenue Obligations, or if any official whose signature appears on any Revenue Obligations became an official after the date of issue, such Revenue Obligations are nonetheless valid and legally binding limited obligations of the City in accordance with their terms.

Section 14. And be it further ordained, That:

- (a) The proceeds from the sale of Revenue Obligations shall be paid to the Director of Finance for deposit, investment, and disbursement in accordance with the Enabling Laws, this Ordinance, and the Administrative Resolution. All premiums resulting from the sale of the Revenue Obligations issued and sold pursuant to the provisions of this Ordinance shall be applied as directed by the Board of Finance.
- (b) On presentation of the appropriate invoices, as provided in the Administrative Resolution, the Trustee or the City shall pay from the proceeds of each series of Revenue Obligations all Costs of Issuance. Nothing prevents the City from paying any underwriting discount or placement fee payable in connection with any Revenue Obligations by the underwriters' or placement agents' deduction of an amount equal to the discount or placement fee from the offering price of the Revenue Obligations.
- (c) The Trustee shall credit to a special account established under the Administrative Resolution the amount, if any, of the proceeds of each series of Revenue Obligations designated as capitalized interest on that series of Revenue Obligations.
- (d) Before the proceeds of any series of Revenue Obligations are expended, all or any part of the proceeds may be invested by the Trustee in accordance with the Administrative Resolution and within any limitation and in the manner provided by law.
- (e) On presentation to the Trustee or the City of appropriate requests, the Trustee shall make payments from the proceeds of any series of Revenue Obligations for any of the purposes specified in this Ordinance and in the Administrative Resolution.
- (f) If the funds derived from the sale of the Revenue Obligations exceed the amount needed (i) to refund any outstanding obligations of the City to be refunded under the Administrative Resolutions, (ii) to finance the Financed Facilities, (iii) to pay Cost of Issuance and capitalized interest, and (iv) to fund any reserves and for any other purpose authorized by the Administrative Resolution, the

funds so borrowed and not needed shall be applied as determined by the Board of Finance, under the terms and conditions set forth in the Administrative Resolution, including to fund reserve fund deficiencies or other reserves, if any, to pay principal of or interest on Revenue Obligations, to redeem or purchase Revenue Obligations, or to pay for other capital projects of the Stormwater Utility within any limitation provided by law.

Section 15. And be it further ordained, That:

- (a) The Board of Finance may take the actions and make the commitments on behalf of the City described in this Section 15.
- (b) The Board of Finance may determine and set forth the form, terms, provisions (including redemption provisions and sinking fund requirements, if any), manner or method of issuing and selling the Revenue Obligations (including negotiated or competitive bid sale), time or times of issuance, and security for the Revenue Obligations, and all other details and other matters necessary or desirable in connection with the authorization, issuance, sale, and payment of the Revenue Obligations.
- (c) In conjunction with the prospective underwriters or placement agents, if any, for the Revenue Obligations, the Board of Finance may prepare and distribute preliminary and final official statements or placement memoranda or circulars as the Board of Finance considers necessary or desirable. All preliminary official statements or placement memoranda or circulars shall be clearly marked to indicate that they are subject to completion and amendment.
- (d) The Board of Finance may determine the dates, times, and places for submission of an underwriting or placement agreement or purchase contract by the underwriters or placement agents for the Revenue Obligations or purchasers of the revenue obligations. Such underwriting or placement agreement or purchase contract shall specify (i) the interest rate or rates proposed to be paid on the Revenue Obligations or the method by which the interest rate or rates shall be computed; (ii) the price at which the Revenue Obligations are to be sold to the underwriters, placement agents, or purchasers; and (iii) any other matters that the underwriters, placement agents, or purchasers and the Board of Finance consider necessary or desirable to effect the sale and delivery of the Revenue Obligations.
- (e) The Board of Finance may determine the interest rate or rates to be paid by the City on the Revenue Obligations or the method by which the interest rate or rates is computed.
- (f) The Board of Finance, as it considers necessary or desirable, may appoint one or more banks with trust powers, or trust companies, as trustee, registrar, or paying agent for the Revenue Obligations.
- (g) The Board of Finance may approve the form of trust agreements (which may be the Administrative Resolution) between the City and the Trustee, which trust agreements may:
 - (1) pledge or assign all or any part of the security for the Revenue Obligations, consistent with the covenants contained in this Ordinance and the Administrative Resolution and the provisions of any contract to which the City is a part that is then in effect;
 - (2) contain reasonable and proper provisions for the protection and enforcement of the rights and remedies of the holders of Revenue Obligations;
 - (3) set forth the rights and remedies of the holders of Revenue Obligations and any trustee;
 - (4) restrict the individual right of action by the holders of Revenue Obligations;

- (5) provide for the issuance of additional Revenue Obligations subordinate to, or on parity with, Revenue Obligations previously issued under the trust agreement or the Administrative Resolution, consistent with this Ordinance and the provisions of the trust agreement or the Administrative Resolution; and
 - (6) contain whatever other provisions the Board of Finance considers reasonable and proper for the security of the holders of Revenue Obligations.
- (h) The Board of Finance may amend, restate, or supplement the Administrative Resolution in accordance with the Enabling Laws, this Ordinance, and the Administrative Resolution.

Section 16. And be it further ordained, That the Board of Finance may perform any and all actions that it considers necessary or desirable to effect the issuance and sale of the Revenue Obligations in accordance with this Ordinance and the underwriting or placement agreements or purchase contracts for the Revenue Obligations.

Section 17. And be it further ordained, That, before any Revenue Obligations are sold, the Board of Finance may determine by Administrative Resolution:

- (a) the provisions of any trust agreement between the City and the Trustee;
- (b) the manner of execution, authentication, registration, and transfer of the Revenue Obligations;
- (c) provisions for authentication and delivery of the Revenue Obligations;
- (d) the terms of any Credit Facility or other security for the Revenue Obligations;
- (e) provisions for creating, holding, and disbursing any funds and accounts to be held by any trustee or the Director of Finance;
- (f) provisions for applying the Operating Revenues;
- (g) provisions for the security for and investment of money held by any trustee or the Director of Finance;
- (h) the procedures for redeeming the Revenue Obligations;
- (i) remedies for holders of Revenue Obligations in the event of default;
- (j) the duties, rights, and immunities of any trustee;
- (k) the manner of executing instruments by holders of Revenue Obligations and the method of proving ownership of Revenue Obligations;
- (l) provisions for modifying the trust agreement;
- (m) provisions for the defeasance of Revenue Obligations;
- (n) the forms of the Revenue Obligations (including book-entry or certificated bonds) and of any trustee's authentication certificate;
- (o) the preparation and distribution of an official statement, placement memorandum or other disclosure document; and
- (p) any other matters in connection with the authorization, issuance, security, sale, payment, and

refunding of the Revenue Obligations that the Board of Finance considers appropriate.

Section 18. And be it further ordained, That any resolution, including the Administrative Resolution, adopted under this Ordinance is considered to be administrative.

Section 19. And be it further ordained, That nothing in this Ordinance precludes a consolidation or other combination of the Stormwater Utility, the wastewater utility and the water utility or any budgetary restructuring or interfund reorganization of these utilities, so long as it is determined, in accordance with procedures set forth in the Administrative Resolution, that the consolidation or combination will not impair the security for the Revenue Obligations.

Section 20. And be it further ordained, *That nothing in this Ordinance precludes a pledge of revenues of and amounts held by the Stormwater Utility, including the Operating Revenues to the payment of any Revenue Obligations.*

Section 21. And be it further ordained, That the Mayor and City Council may amend or supplement this Ordinance from time to time as necessary or desirable to increase the authorized amount of Revenue Obligations and for any other purpose, as long as the action is otherwise consistent with the terms of this Ordinance, the Administrative Resolution, and the Revenue Obligations.

Section 22. And be it further ordained, That if the Board of Finance fails to take any action or act on any matter delegated to it or authorized to be implemented by it, the action or matter may be taken or acted on or implemented by a resolution of the Mayor and City Council.

Section 23. And be it further ordained, That:

- (a) Revenue Obligations may be issued under this Ordinance with the expectation that interest on the Revenue Obligations will be exempt from federal income taxation (“Tax-exempt Obligations”).
- (b) The Administrative Resolution under which Tax-exempt Obligations are issued shall prescribe covenants and matters that the Board of Finance considers necessary or desirable to assure that the Revenue Obligations will not be considered “arbitrage bonds” within the meaning of Section 148 of the Internal Revenue Code and its regulations and to assure holders of the Revenue Obligations that interest on them will be and remain exempt from federal income taxation.
- (c) The Mayor, the Director of Finance, and the Chief of the Bureau of Treasury Management shall prepare or cause to be prepared and shall execute any certification, opinion, or other document that may be required to maintain the exemption of interest on Tax-exempt Obligations from federal income taxation.

Section 24. And be it further ordained, That the covenants contained in this Ordinance are for the benefit of the holders of the Revenue Obligations from time to time and are enforceable by those holders, subject to any limitations set forth in the Administrative Resolution.

Section 25. And be it further ordained, That the provisions of this Ordinance are severable. If any provision, sentence, clause, section, or other part of this Ordinance is held illegal, invalid, unconstitutional, or inapplicable to any person or circumstances, that illegality, invalidity, unconstitutionality, or inapplicability does not affect or impair any of the remaining provisions, sentences, clauses, sections, or parts of this Ordinance or their application to other persons or circumstances. It is the intent of the Mayor and City Council that this Ordinance would have been adopted even if the illegal, invalid, unconstitutional, or inapplicable provision, sentence, clause, section, or other part had not been included in this Ordinance, and as if the person or circumstances to which this Ordinance or part are inapplicable had been specifically exempted.

Section 26. And be it further ordained, That this Ordinance takes effect on the date it is enacted.