

ORDINANCE NO. 2253

AN ORDINANCE AUTHORIZING AND PROVIDING FOR THE ISSUANCE BY THE CITY OF GRAND JUNCTION, COLORADO, OF ITS \$1,000,000 INDUSTRIAL DEVELOPMENT REVENUE BONDS (SUNDSTRAND CORPORATION PROJECT) SERIES 1985, FOR THE PURPOSE OF FINANCING A PORTION OF THE COST OF CONSTRUCTING CERTAIN INDUSTRIAL FACILITIES FOR SUNDSTRAND CORPORATION WITHIN THE CITY OF GRAND JUNCTION, COLORADO, PURSUANT TO THE COUNTY AND MUNICIPALITY DEVELOPMENT REVENUE BOND ACT, SAID BONDS AND ALL OBLIGATIONS OF THE CITY IN CONNECTION WITH SUCH TRANSACTION TO BE PAYABLE SOLELY AND EXCLUSIVELY FROM THE REVENUES ARISING FROM THE PLEDGE OF A NOTE OF SUNDSTRAND CORPORATION, GIVEN AS SECURITY FOR SAID BONDS AND IN NO EVENT TO CONSTITUTE A GENERAL OBLIGATION OR LIABILITY OF THE CITY OR A CHARGE AGAINST ITS GENERAL CREDIT OR TAXING POWERS; AUTHORIZING THE EXECUTION BY THE CITY OF GRAND JUNCTION, COLORADO, OF A LOAN AGREEMENT, AN INDENTURE OF TRUST AND A BOND PURCHASE AGREEMENT IN CONNECTION WITH SUCH TRANSACTION, DIRECTING THE PUBLICATION OF THIS ORDINANCE AND REPEALING ALL ORDINANCES, RESOLUTIONS OR PORTIONS THEREOF IN CONFLICT WITH THE PROVISIONS HEREOF, AND DECLARING AN EMERGENCY.

WHEREAS, Sundstrand Corporation, a Delaware corporation ("Company") has proposed to construct and install certain industrial facilities ("Project") to be located in the City of Grand Junction, Colorado ("City"), and has requested the City to assist in the financing pursuant to the provisions of the County and Municipality Development Revenue Bond Act, appearing as Sections 29-3-101 through 29-3-123, inclusive, Colorado Revised Statutes, 1973, as supplemented and amended ("Act"); and

WHEREAS, pursuant to the provisions of the Act, the City proposes to enter into a Loan Agreement ("Agreement") by and between the City and the Company in connection with the financing of a portion of the cost of the Project and to enter into an Indenture of Trust ("Indenture") with a bank or trust company to be hereafter designated ("Trustee") pursuant to which the City will issue its \$1,000,000 Industrial Development Revenue Bonds (Sundstrand Corporation Project) Series 1985 ("Bonds"); and

WHEREAS, the Act and all documents to be signed by the City provide that the Bonds shall not constitute nor give rise to a general obligation or liability of the City or be a charge against its general credit or taxing powers and that the Bonds will be payable from and secured only by the revenues arising from the pledge and assignment under the Indenture of a promissory note ("Note") of the company to the City; and

WHEREAS, the Project consists of a 140,000 square foot manufacturing facility and related improvements to be located at 2800 Sundstrand Way in the City of Grand Junction, Colorado, such Project to be owned and used by the Company in the manufacture of aluminum housings for aerospace applications and other products; and

WHEREAS, a special emergency exists by reason of the expiration of the allocation of state authority to issue the Bonds, effective December 31, 1985;

WHEREAS, it is necessary to authorize the execution and delivery of a Loan Agreement dated as of December 1, 1985, by and between the City and the Company (the "Agreement"), under the terms of which the City agrees to lend the proceeds of the Bonds to the Company, and the Company agrees to pay to the City or to the Trustee (hereinafter referred to) for the account of the City amounts sufficient to pay at maturity the principal of, interest and redemption premium, if any, on the Bonds hereinafter authorized by executing and delivering its Promissory Note in the principal amount of \$1,000,000 (the "Note"); and

WHEREAS, it is now necessary to authorize the execution and delivery of an Indenture of Trust dated as of December 1, 1985 (the "Indenture") from the City of Norwest Bank Minneapolis, N.A., of Minneapolis, Minnesota, as Trustee (the "Trustee"), for the benefit of the owners of the Bonds; and

WHEREAS, it is now necessary to authorize the execution and delivery of a Bond Purchase Agreement dated as of December 1, 1985 (the "Bond Purchase Agreement") by and among the City, the Company, and Norwest Bank, Minneapolis, N.A. (the "Purchaser") whereby the City agrees to sell the Bonds to the Purchaser, and the Purchaser agrees to purchase the Bonds from the City; and

WHEREAS, the City has caused to be prepared and presented to this meeting the following documents, which the City proposes to enter into or accept:

1. The form of Agreement (including the form of Note);
2. The form of Indenture (including the form of Bonds); and
3. The form of Bond Purchase Agreement; and

WHEREAS, pursuant to the provisions of the Tax Equity and Fiscal Responsibility Act of 1982 and the applicable regulations proposed pursuant thereto, a public hearing on the proposed plan of financing a portion of the cost of the Project through the issuance of the Bonds was held by the City Council of the City prior to the adoption of this Ordinance, pursuant to notice of said public hearing duly published on December 3, 1985, in The Daily Sentinel, a newspaper of general circulation in the City of Grand Junction, Colorado;

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF GRAND JUNCTION, COLORADO, AS FOLLOWS:

Section 1. That the City Council of the City hereby finds and determines that the Project, and the financing of a portion of the cost thereof by the City through the issuance of the Bonds, will

preserve and promote the right to gainful employment, business opportunities and the general welfare of the inhabitants of the City of Grand Junction and the State of Colorado, and will preserve and enhance the tax base of the City, and hereby approves the construction and installation of the Project and a portion of the cost of the financing thereof through the issuance of the Bonds. The action of the City Clerk of the City in publishing said notice of public hearing as required by the Tax Equity and Fiscal Responsibility Act of 1982 is in all respects hereby ratified, approved and confirmed, and the holding of said public hearing by this City Council is hereby acknowledged, ratified, approved and confirmed.

Section 2. That the form, terms and provisions of the Agreement be, and they hereby are, in all respects approved: that the President of the Council of the City be, and hereby is, authorized, empowered and directed to execute, and the City Clerk of the City be, and hereby is, authorized, empowered and directed to attest and to affix the official seal of the City to, the Agreement in the name and on behalf of the City, and thereupon to cause the Agreement to be delivered to the Company; that the Agreement is to be in substantially the same form presented to and before this meeting and hereby approved or with such changes therein as shall be approved by the officer of the City executing the Agreement, his execution thereof to constitute conclusive evidence of his approval of any and all changes or revisions therein from the from of Agreement before this meeting; and that from and after the execution and delivery of the Agreement, the officials, agents and employees of the City are hereby authorized, empowered and directed to do all such acts and things and to execute all such documents as may be necessary to carry out and comply with the provisions of the Agreement as executed. The Agreement shall constitute, and is hereby made, a part of this authorizing Ordinance, and a copy of the Agreement shall be placed in the official records of the City and shall be available for public inspection at the office of the City.

Section 3. That the form, terms and provisions of the Indenture be, and they hereby are, in all respects approved; that the appointment of Norwest Bank Minneapolis N.A. \*bond registrar and fiscal agent of the City under the Indenture is in all respects hereby approved and confirmed; that the President of the Council of the City be, and hereby is authorized, empowered and directed to execute, and the City Clerk of the City be, and hereby is, authorized, empowered and directed to attest and to affix the official seal of the City to, the Indenture in the name and on behalf of the City, and thereupon to cause the Indenture to be delivered to the Trustee, and the Indenture shall constitute a lien for the security of the Bonds issued under the Indenture upon the revenues and receipts derived from the Agreement and the Note assigned and pledged thereunder; that the Indenture is to be in substantially the same form presented to and before this meeting and hereby approved, or with such changes therein as shall be approved by the officer of the City executing the Indenture, his

execution thereof to constitute conclusive evidence of his approval of any and all changes or revisions therein from the form of Indenture before this meeting; and that from and after the execution and delivery of the Indenture, the officials, agents and employees of the City are hereby authorized, empowered and directed to do all such acts and things and to execute all such documents as may be necessary to carry out and comply with the provisions of the Indenture as executed. The Indenture shall constitute, and hereby is made, a part of this authorizing Ordinance, and a copy of the Indenture shall be placed in the official records of the City and shall be available for public inspection at the office of the City.

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\* as Trustee paying agent

Section 4. That the form, terms and provisions of the Bond Purchase Agreement be, and they hereby are, in all respects approved; that the President of the Council of the City be and hereby is, authorized, empowered and directed to execute the Bond Purchase Agreement in the name and on behalf of the City, and thereupon to cause the Bond Purchase Agreement to be delivered to the Company and the Purchaser; that the Bond Purchase Agreement is to be in substantially the form presented to and before this meeting and hereby approved, or with such changes therein as shall be approved by the officer of the City executing the Bond Purchase Agreement, his execution thereof to constitute conclusive evidence of his approval of any and all changes or revisions therein from the form of Bond Purchase Agreement before this meeting; and that from and after the execution and delivery of the Bond Purchase Agreement, the officials, agents and employees of the City are hereby authorized, empowered and directed to do all such acts and things and to execute all such documents as may be necessary to carry out and comply with the provisions of the Bond Purchase Agreement as executed. The Bond Purchase Agreement shall constitute, and hereby is made, a part of this authorizing Ordinance, and a copy of the Bond Purchase Agreement shall be placed in the official records of the City and shall be available for public inspection at the office of the City.

Section 5. That the President of the Council of the City and the City Clerk of the City be, and they hereby are, authorized, empowered and directed to cause to be prepared an issue of Bonds of the City in the aggregate principal amount of \$1,000,000, dated the date of their initial issuance and delivery, subject to redemption prior to maturity, in such form and having the other terms and provisions specified in the Indenture (as executed and delivered).

The Bonds shall mature on December 1, 2015, and shall bear interest (computed on the basis of a 365 or 366 day year, as the case may be) from their date until the date the Bonds are converted, at the option of the Company, to bear interest at the Fixed Rate (the "Conversion Date") on the unpaid principal balance

thereof until paid at the Floating Rate (as defined in the Indenture) or, under certain circumstances, at the Adjusted Interest Rate, determined as described in the Indenture.

Commencing on the Conversion Date, the Bonds shall bear interest (computed on the basis of a 360-day year of twelve 30-day months) on the outstanding principal balance thereof at the Fixed Rate, as described in the Indenture until maturity.

The Bonds shall be executed in the name of the City with the manual or facsimile signature of the President of the Council of the City and attested by the manual or facsimile signature of the City Clerk of the City and the official seal of the City may be affixed thereto or imprinted thereon. The President of the Council of the City or the City Clerk of the City shall cause the Bonds, as so executed, to be delivered to the Trustee for authentication.

Section 6. That the form of the Bonds contained in the Indenture submitted to this meeting, subject to appropriate insertion and revision in order to comply with the provisions of the Indenture be, and the same hereby is, approved, and when the Bonds shall be executed on behalf of the City in the manner contemplated by the Indenture and this authorizing Ordinance in the aggregate principal amount of \$1,000,000, they shall represent the approved form of the Bonds of the City.

Section 7. That the President of the Council of the City or the City Clerk of the City be, and he hereby is, authorized, empowered and directed to issue and sell the Bonds to the Purchaser in the aggregate principal amount of \$1,000,000, as provided in the Bond Purchase Agreement, at a price of 100% of the principal amount thereof.

Section 8. That the proper officials, agents and employees of the City be, and they hereby are, authorized, empowered and directed to do all such acts and things and to execute all such documents (including without limitation an Arbitrage Regulation Agreement) and certificates as may be necessary to carry out and comply with the provisions of said documents as executed and to further the purposes and intent of this authorizing Ordinance, including the preamble hereto.

Section 9. That all acts of the officials, agents and employees of the City which are in conformity with the purposes and intent of this authorizing Ordinance and in furtherance of the issuance and sale of the Bonds in the aggregate principal amount of \$1,000,000 and the financing of the Project through the issuance of the Bonds be, and the same hereby are, in all respects, approved and confirmed.

Section 10. That after the Bonds are issued, this authorizing Ordinance shall be and remain irrevocable until the Bonds and the interest and redemption premium, if any, thereon shall have been fully paid, cancelled and discharged.

Section 11. That no covenant, stipulation, obligation or agreement herein contained or contained in the Bonds, the Bond Purchase Agreement, the Agreement or the Indenture shall be deemed to be a covenant, stipulation, obligation or agreement of any officer, agent or employee of the City or any member of the City Council in his or her individual capacity, and neither the members of the City Council nor any officer executing the Bonds shall be liable personally on the Bonds or be subject to any personal liability or accountability by reason of the issuance thereof.

Section 12. That the provisions of this authorizing Ordinance are hereby declared to be separable and if any section, phrase or provision of this authorizing Ordinance shall for any reason be declared to be invalid, such declaration shall not affect the validity of the remainder of the sections, phrases and provisions of this authorizing Ordinance.

Section 13. That all ordinances, regulations and orders, or parts thereof, in conflict herewith are hereby superseded to the extend of such conflict.

Section 14. That the subject matter of this Ordinance is hereby found and determined to constitute a special emergency; that after its adoption this Ordinance shall be signed by the President of the Council of the City and the City Clerk of the City, shall be recorded in a book kept for that purpose, shall be published in a newspaper of general circulation in the City of Grand Junction, Colorado and shall then take immediate effect.

Introduced at a regular Council Meeting, read, and passed as an emergency ordinance this 18th day of December, 1985.

Raymond G. Phipps

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President of the Council

Attest:

Neva B. Lockhart, CMC

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City Clerk

I HEREBY CERTIFY that the foregoing emergency ordinance, entitled AN ORDINANCE AUTHORIZING AND PROVIDING FOR THE ISSUANCE BY THE CITY OF GRAND JUNCTION, COLORADO, OF ITS \$1,000,000 INDUSTRIAL DEVELOPMENT REVENUE BONDS (SUNDSTRAND CORPORATION PROJECT) SERIES 1985, FOR THE PURPOSE OF FINANCING A PORTION OF THE COST OF CONSTRUCTING CERTAIN INDUSTRIAL FACILITIES FOR SUNDSTRAND CORPORATION WITHIN THE CITY OF GRAND JUNCTION, COLORADO, PURSUANT TO THE COUNTY AND MUNICIPALITY DEVELOPMENT REVENUE BOND ACT, SAID BONDS AND ALL OBLIGATIONS OF THE CITY IN CONNECTION WITH SUCH TRANSACTION TO BE PAYABLE SOLELY AND EXCLUSIVELY FROM THE REVENUES ARISING FROM THE PLEDGE OF A NOTE OF SUNDSTRAND CORPORATION, GIVEN

AS SECURITY FOR SAID BONDS AND IN NO EVENT TO CONSTITUTE A GENERAL OBLIGATION OR LIABILITY OF THE CITY OR A CHARGE AGAINST ITS GENERAL CREDIT OR TAXING POWERS; AUTHORIZING THE EXECUTION BY THE CITY OF GRAND JUNCTION, COLORADO, OF A LOAN AGREEMENT, AN INDENTURE OF TRUST AND A BOND PURCHASE AGREEMENT IN CONNECTION WITH SUCH TRANSACTION, DIRECTING THE PUBLICATION OF THIS ORDINANCE AND REPEALING ALL ORDINANCES, RESOLUTIONS OR PORTIONS THEREOF IN CONFLICT WITH THE PROVISIONS HEREOF was introduced, read, passed and adopted as an emergency ordinance, numbered 2253, and ordered published by the unanimous vote of the members of the City Council of the City of Grand Junction, Colorado, at a regular meeting of said Council held on the 18th day of December, 1985.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the official Seal of said City this 19th day of December, 1985.

Neva B. Lockhart

Neva B. Lockhart, CMC  
City Clerk

Published December 20, 1985