

ORDINANCE NO. ____ SERIES 2018

AN ORDINANCE APPROVING THE RESOLUTION ADOPTED BY THE BOARD OF THE LOUISVILLE AND JEFFERSON COUNTY METROPOLITAN SEWER DISTRICT (HEREINAFTER THE "DISTRICT") AUTHORIZING THE ISSUANCE OF THE DISTRICT'S SEWER AND DRAINAGE SYSTEM SUBORDINATED PROGRAM NOTES IN THE MAXIMUM OUTSTANDING PRINCIPAL AMOUNT OF \$500,000,000, CONSISTING OF COMMERCIAL PAPER NOTES AND DIRECT PURCHASE NOTES (HEREINAFTER THE "NOTES"), FOR THE PURPOSE OF PAYING ALL OR A PORTION OF THE COSTS OF THE ACQUISITION OR CONSTRUCTION OF IMPROVEMENTS, ADDITIONS OR EXTENSIONS FOR THE DISTRICT'S SEWER AND DRAINAGE SYSTEM, INCLUDING CAPITAL ASSETS AND FACILITIES INCIDENT AND RELATED TO THEIR OPERATION, MAINTENANCE AND ADMINISTRATION; AND PROVIDING FOR THE SALE OF SAID NOTES.

SPONSORED BY: COUNCIL MEMBER BUTLER

WHEREAS, pursuant to Chapter 76 of the Kentucky Revised Statutes, as amended (the "Enabling Act"), the Louisville and Jefferson County Metropolitan Sewer District (hereinafter the "District" or "MSD") has been created and organized as a public body corporate, and is a valid political subdivision in good standing under the laws of the Commonwealth of Kentucky, having jurisdiction, control, possession, and supervision of the existing sewer and drainage system serving Louisville/Jefferson County Metro Government; to maintain, operate, reconstruct and improve the sewer and drainage system; to make additions, betterments and improvements to the sewer and drainage system, with the power and authority to issue its negotiable interest-bearing revenue bonds for any of its corporate purposes; and

WHEREAS, pursuant to the Enabling Act and Chapters 65, 58 and 76 and Section 56.513 of the Kentucky Revised Statutes, as amended (collectively, the "Act") the District has determined that it is necessary and desirable to issue Notes from time to time to finance on an interim basis all or a portion of the costs of additions, betterments and improvements to the District's sewer and drainage system, including (i) wastewater and

drainage system expansion and improvements; (ii) improvements to wastewater treatment facilities; (iii) rehabilitation of combined sewer overflow systems; (iv) improvements to flood control and drainage facilities; (v) drainage and District improvements; (vi) construction of collector sewers (vii) construction and improvements of detention and retention basins, (viii) construction of interceptor sewers; (ix) combined sewer overflow and sanitary overflow abatement projects; (x) construction and improvements to force mains; (xi) repairs and improvements to District pumping stations; (xii) construction of regional storage facilities; and (xiii) miscellaneous improvements and acquisition of equipment and mapping hardware and software (collectively, the "Projects"); and

WHEREAS, on May 29, 2018, the Board of the District adopted a Resolution (the "Resolution") providing for the issuance and sale from time to time by the District of Notes in an aggregate principal amount not to exceed \$500,000,000 outstanding at any time in order to provide funds to pay, on an interim basis, all or a portion of the costs of the Projects, pending the issuance of the District's revenue bonds to provide permanent financing for the Projects; and

WHEREAS, the Resolution adopted by the District's Board extends to the Notes and all outstanding bonds and notes of the District the requirement for the District to fix, establish, maintain and collect rents, rates and charges for services of the sewer and drainage system which, together with other revenues, are expected to produce revenues for each fiscal year at least sufficient:

- (a) to pay the sum of principal and interest coming due on all issued and outstanding revenue bonds, notes and other indebtedness of the District for such fiscal year;

- (b) to pay all operating expenses for such fiscal year; and
- (c) to pay and discharge all charges or liens payable out of revenues of the District; and,

WHEREAS, the approval of this Ordinance ratifies the MSD Resolution providing for the issuance and sale of commercial paper as referenced above.

BE IT ORDAINED BY THE LEGISLATIVE COUNCIL OF THE LOUISVILLE/JEFFERSON COUNTY METRO GOVERNMENT ("COUNCIL") AS FOLLOWS:

SECTION I. That all statements of fact set forth in the recitals of this Ordinance are true and correct in all respects, and such recitals are incorporated into the body of this Ordinance by reference as if set forth at length herein.

SECTION II. That the Resolution adopted by the Board of the District authorizing the issuance and sale from time to time of its Notes in an aggregate amount at any time outstanding not to exceed \$500,000,000 is hereby approved and authorized.

SECTION III. That the District is authorized to construct the Projects.

SECTION IV. That all previous ordinances relating to the District's Debt Service Adjustments as set forth in the Louisville/Jefferson County Metro Government Code of Ordinances Section 50.24 continue to be in full force and effect and will continue to be a covenant for as long as any District Revenue Bonds or Notes are outstanding and this Ordinance ratifies the authorization and procedures concerning the Louisville/Jefferson County Metro Government's approval of MSD's schedule of rates, rental and charges as approved in Lou. Metro. Am. Ord. No. 275-2007.

SECTION V. That the Notes are limited obligations issued pursuant to the provisions of the Act and shall not constitute an obligation or indebtedness of Louisville/Jefferson County Metro Government within the meaning of any constitutional

provision or statutory limitation. Neither the faith and credit nor the taxing power of the Louisville/Jefferson County Metro Government is pledged or committed to the payment of the principal of, premium, if any, or interest on the Notes. Further, no recourse under any obligation shall be had against any officer, elected official, employee, or agent as such, past, present, or future, of the Louisville/Jefferson County Metro Government.

SECTION VI. That this Ordinance shall take effect upon its passage and approval.

H. Stephen Ott
Metro Council Clerk

David James
President

Greg Fischer
Mayor

Approval Date

APPROVED AS TO FORM AND LEGALITY:

Michael J. O'Connell
Jefferson County Attorney

By: _____

CERTIFICATE OF THE CLERK

I, H. Stephen Ott, Metro Council Clerk, hereby certify that I am the duly qualified and acting Metro Council Clerk of the Louisville/Jefferson County Metro Government, that the foregoing Ordinance is a true copy of said Ordinance duly enacted by the Metro Council of said Metro Government, signed by the Mayor and President of the Council of said Metro Government, and attested under seal by me as Metro Council Clerk of the Metro Government, at a properly convened term and session of said Metro Council held on June __, 2018, as shown by the official records in my custody and under my control; that attached hereto are true copies of the documents approved therein, and that copies of such documents have also been duly filed and recorded in the official records of the Metro Government.

IN WITNESS WHEREOF, I have hereunder set my hand as Metro Council Clerk of the Louisville/Jefferson County Metro Government and the seal of the Metro Government this ____ day of _____, 2018.

H. Stephen Ott, Clerk

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