BOARD BILL # 159 INTRODUCED BY ALDERMAN STEPHEN CONWAY

An ordinance of the City of St. Louis, Missouri (the "City") authorizing and directing the defeasance of all or any portion of the General Obligation Refunding Bonds, Series 2005, issued by the City in the initial aggregate principal amount of $37,555,000 (the "Series 2005 Bonds") and/or the General Obligation Bonds, Series 2006, issued by the City in the initial aggregate principal amount of $13,000,000 (the "Series 2006 Bonds") for the general welfare, safety, and benefit of the citizens of the City; making an appropriation from the General Fund to the Fund 1311, Center 1602005, to be used for payment of principal of, and interest and premium, if any, on any portion of the Series 2005 Bonds defeased as authorized hereunder and other costs associated with the defeasance of said Series 2005 Bonds and making an appropriation from the General Fund to Fund 1311, Center 1602006, to be used for payment of principal of, and interest and premium, if any, on any portion of the Series 2006 Bonds defeased as authorized hereunder and other costs associated with the defeasance of said Series 2006 Bonds; authorizing and directing the officers of the City to execute and deliver, as necessary, an Escrow Deposit Agreement (as defined herein); authorizing and directing the conducting of a competitive procurement process for open market securities and/or the filing of a subscription for State and Local Government Securities; authorizing the selection of a financial advisor, structuring agent, bond counsel, escrow agent, and verification agent in connection with the defeasance of all or any portion of the Series 2005 Bonds and/or the Series 2006 Bonds; authorizing and directing the taking of other actions and approval and execution of other documents as necessary or desirable to carry out and comply with the intent hereof; and superseding provisions of prior ordinances of the City to the extent inconsistent with the terms hereof.

WHEREAS, the City has previously issued its Public Safety General Obligation Bonds, Series 1999 in the initial aggregate principal amount of $65,000,000 (the "Series 1999 Bonds") to finance or refinance certain new fire equipment, new fire communication equipment, reconstruction and renovation of various existing fire houses, and construction of new fire houses; new police laboratory equipment, reconstruction and renovation of existing police buildings; and demolition and abatement of various abandoned or condemned buildings under the control of the City, as further described in the ordinance pursuant to which the Series 1999 Bonds were authorized;

WHEREAS, the City has previously issued the Series 2005 Bonds to refund a portion of the Series 1999 Bonds then outstanding, as further described in the ordinance pursuant to which the Series 2005 Bonds were authorized;

WHEREAS, no Series 1999 Bonds are currently outstanding and the Series 2005 Bonds are currently outstanding in the amount of $34,470,000;

WHEREAS, the City has previously issued the Series 2006 Bonds to finance or refinance the replacement, improvement, and maintenance of the City's radio system used by the Police Department, Fire Department, Emergency Medical Services, and other City departments; and the reconstruction, repair, and improvement of major streets, bridges, and the City's flood wall where federal funding was available and local funding was required, as further described in the ordinance pursuant to which such Series 2006 Bonds were authorized;

WHEREAS, the Series 2006 Bonds are currently outstanding in the amount of $11,830,000;

WHEREAS, the City has determined that it is in the best interest of the City to authorize and direct the defeasance of all or any portion of the Series 2005 Bonds and/or the Series 2006

Bonds (the defeased portions of which are referred to collectively herein as the "Defeased Bonds");

WHEREAS, it is necessary and desirable in connection with the defeasance of the Defeased Bonds for the City to appropriate certain moneys in the General Fund to provide for the defeasance of the Defeased Bonds and certain costs in connection therewith, as provided herein; to execute and deliver certain documents, as necessary, including an Escrow Deposit Agreement; to conduct a competitive procurement process for open market securities and/or to file a subscription for State and Local Government Securities; to select a financial advisor, structuring agent, bond counsel, escrow agent, and verification agent; and to take certain other actions and approve certain other documents, as herein provided.

NOW THEREFORE, BE IT ORDAINED BY THE CITY OF ST. LOUIS AS FOLLOWS:

Section 1. Definitions. As used in this Ordinance, the following words shall be defined as follows:

"City" means The City of St. Louis, Missouri.

"City Documents" means, as necessary, the Escrow Deposit Agreement, and such other documents, certificates, and instruments as may be necessary or desirable to facilitate the defeasance of the Defeased Bonds and to carry out the defeasance of the Defeased Bonds and to comply with the intent of this Ordinance.

"Costs" means all costs incurred in connection with the defeasance of the Defeased Bonds, including but not limited to the following: (i) the cost of selecting and engaging the financial advisor, structuring agent, bond counsel, escrow agent, and verification agent and such other advisors, counsel, and participants as authorized herein; (ii) fees and expenses of the

escrow agent, financial advisor, structuring agent, bidding agent, and other consultants; (iii) fees and expenses of counsel, including bond counsel, counsel to the City, counsel to the escrow agent, and any other specialized counsel; (iv) fees of independent certified public accounts or consultants for escrow verification services; (v) fees for the approval of the defeasance of the Defeased Bonds by any credit provider for the Defeased Bonds; (vi) the cost of conducting a competitive procurement process for open market securities and/or the filing of a subscription for State and Local Government Securities; and (vii) all other fees and expenses of the City incurred in connection with the defeasance of the Defeased Bonds.

"Defeased Bonds" means the portions of the Series 2005 Bonds and/or the Series 2006 Bonds defeased pursuant to this Ordinance.

"Escrow Deposit Agreement" means, collectively or singularly, as the context may require, one or more escrow agreements executed by the City and the escrow agent named therein, for the purpose of providing for the investment and application of funds of the City to the payment of the principal of, and interest and premium, if any, on all or a portion of the Defeased Bonds.

"Series 2005 Bonds" means the General Obligation Refunding Bonds, Series 2005, issued by the City in the initial aggregate principal amount of $37,555,000 for the purposes set forth in the recitals hereof.

"Series 2006 Bonds" means the General Obligation Bonds, Series 2006, issued by the City in the initial aggregate principal amount of $13,000,000 for the purposes set forth in the recitals hereof.

Section 2. Findings and Determinations. The Board of Aldermen hereby finds and determines that it is necessary and in the best interests of the City to authorize and direct the

defeasance of the Defeased Bonds; to appropriate certain moneys in the General Fund to provide for the defeasance of the Defeased Bonds and certain costs in connection therewith, as provided herein; to execute and deliver certain documents, as necessary, including an Escrow Deposit Agreement; to conduct a competitive procurement process for open market securities and/or to file a subscription for State and Local Government Securities; to select a financial advisor, structuring agent, bond counsel, escrow agent, and verification agent; and to take certain other actions and approve certain other documents.

Section 3. Authority and Direction to Defease the Defeased Bonds. The City hereby authorizes and directs the defeasance of the Defeased Bonds. The City hereby ratifies and confirms all prior actions of the City taken in connection with the defeasance of the Defeased Bonds.

Section 4. Appropriation of Funds. There is hereby appropriated and set apart funds in an aggregate amount not to exceed One Million Three Hundred Thousand Dollars ($1,300,000) from the General Fund to (a) Fund 1311, Center 1602005 to be used for payment of principal of, and interest and premium, if any, on any portion of the Series 2005 Bonds defeased as authorized hereunder and the Costs associated with the defeasance of said Series 2005 Bonds, and (b) Fund 1311, Center 1602006, to be used for payment of principal of, and interest and premium, if any, on any portion of the Series 2006 Bonds defeased as authorized hereunder and the Costs associated with the defeasance of said Series 2006 Bonds, all as are necessary or desirable to further the purposes of this Ordinance. Such funds appropriated for the purposes described above shall not be expended without specific approval of such purposes by the Board of Estimate and Apportionment. Such approval shall be evidenced by a majority vote of said

Board for each specific expenditure. Such approval by said Board shall be required in addition to the Board's approval of this Ordinance.

Section 5. Authorization and Direction to Execute and Deliver City Documents. In connection with the defeasance of the Defeased Bonds, the City is hereby authorized to enter into, and the Mayor and the Comptroller and such other officers of the City as are appropriate are hereby authorized and directed to execute, seal, attest, and deliver, for and on behalf of and as the act and deed of the City, the City Documents in such form and substance as shall be consistent with the terms and intent hereof and as shall be approved by the City Counselor and by the appropriate officers of the City executing such documents, such officers' signatures thereon being conclusive evidence of their approval thereof.

Section 6. Authorization with Respect to Securities. In connection with the defeasance of the Defeased Bonds, the City is hereby authorized to conduct a competitive procurement process for open market securities and/or to file a subscription for State and Local Government Securities, which open market securities and/or State and Local Government Securities shall be deposited with the escrow agent pursuant to the Escrow Deposit Agreement and shall be irrevocably applied to the payment of the principal of, and interest and premium, if any, on the Defeased Bonds. The Mayor, the Comptroller, and other appropriate officers, agents, and employees of the City, with the advice and concurrence of the City Counselor, are hereby authorized and directed to take such actions and execute such documents as are required in connection with such procurement of open market securities and/or subscription for State and Local Government Securities, with their respective signatures thereon to be evidence of the approval by the City of such actions and documents.

Section 7. Selection of Financial Advisor and Other Participants. The Comptroller is hereby authorized to select the financial advisor, structuring agent, bond counsel, escrow agent, and verification agent and such other advisors, counsel, and participants to the transaction contemplated in this Ordinance as are necessary or desirable to further the purposes of this Ordinance.

Section 8. Further Authority. The City and the Mayor, the Comptroller, the Treasurer (as to permitted investments only), and other appropriate officers, agents, and employees of the City are hereby authorized to take such further actions and execute such other documents as may be necessary or desirable to carry out and comply with the intent of this Ordinance and to carry out, comply with and perform the duties of the City with respect to the instruments and agreements authorized hereby.

Section 9. Severability. It is hereby declared to be the intent of the Board of Aldermen that each and every part, section, and subsection of this Ordinance shall be separate and severable from each and every other part, section, and subsection hereof and that the Board of Aldermen intends to adopt each said part, section, and subsection separately and independently of any other part, section, and subsection. In the event that any part, section, or subsection of this Ordinance shall be determined to be or to have been unlawful or unconstitutional, the remaining parts, sections, and subsections shall be and remain in full force and effect, unless the court making such finding shall determine that the valid portions standing alone are incomplete and are incapable of being executed in accord with the legislative intent.

Section 10. Superseding of Inconsistent Provisions. The provisions of this Ordinance hereby amend any provision of any ordinance of the City inconsistent with the terms hereof, but only to the extent of such inconsistency.