



Legislation Text

File #: RES 11-403, **Version:** 1

Approving approximately \$8,500,000 Tax Exempt Bond Issue For Energy Park Utility Company.

WHEREAS:

1. The Port Authority of the City of Saint Paul (the Port Authority) has given its approval to the issuance of its Revenue Bonds (Energy Park Utility Company Project) Series 2011-1 (the Bonds) in the aggregate principal amount of approximately \$8,500,000. The proceeds of the Bonds will be used to finance conversion of the Energy Park Utility system from a two-pipe to a four-pipe system, and to pay other related costs of the financing (the Project).
2. Laws of Minnesota 1976, Chapter 234, provides that any issue of revenue bonds authorized by the Port Authority shall be issued only with the consent of the City Council of the City of Saint Paul, by resolution adopted in accordance with law.
3. Approval of the issuance of the proposed Bonds by the City Council may also be required by Section 147(f) of the Internal Revenue Code of 1986, as amended (the Code).
4. To meet the requirements of both state and federal law, the Port Authority has conducted the public hearing required by Section 147(f) of the Code requested that the City Council give its approval to the issuance of the proposed Bonds by the Port Authority, subject to final approval of the details of said Bonds by the Port Authority.
5. In addition to the approvals required by state and federal law, Section 6(f) of the Franchise Ordinance granted by the City in connection with the operation of the Energy Park Utility Company requires that the City approve any amendments to Sections 4, 5 and 10 of the Customer Contracts currently in place with respect to the Energy Park Utility Company. Proposed amendments to those contracts (the Proposed Amendments) have been filed with the City as required by Section 6(f) of the Franchise Ordinance.

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Saint Paul that:

In accordance with the requirements of Section 147(f) of the Code, and in accordance with Laws of Minnesota 1976, Chapter 234, the City Council hereby approves the issuance of the aforesaid Bonds by the Port Authority for the purposes described in the Port Authority resolution adopted February 22, 2011, the exact details of which, including but not limited to, provisions relating to principal amount, maturities, interest rates, discount, redemption, and the issuance of additional bonds are to be determined by the Port Authority, and the City Council hereby authorizes the issuance of any additional bonds (including refunding bonds) by the Port Authority found by the Port Authority to be necessary for carrying out the purposes for which the aforescribed Bonds are issued.