

EMERGENCY ORDINANCE NO. 1985
ENROLLED ORDINANCE NO. 1749

INTRODUCED BY: SHUMWAY

ORDINANCE NO. 1749

AN ORDINANCE AUTHORIZING THE ISSUANCE BY THE CITY OF LARAMIE, WYOMING OF WATER REFUNDING REVENUE BONDS, SERIES 2018, IN A MAXIMUM PRINCIPAL AMOUNT OF \$3,220,000, FOR THE PURPOSE OF REFINANCING THE CITY OF LARAMIE, WYOMING, SECOND RENEWAL PROMISSORY NOTE; PRESCRIBING THE FORM OF SAID BONDS; PROVIDING FOR THE PLEDGE OF REVENUES TO PAY THE PRINCIPAL AND INTEREST THEREON; PROVIDING OTHER DETAILS IN CONNECTION THEREWITH; AND DECLARING AN EMERGENCY.

WHEREAS, the City of Laramie, Wyoming (the "City"), is an incorporated municipality duly organized and operating under the Constitution and laws of the State of Wyoming; and

WHEREAS, the City applied for and received from the Wyoming Water Development Commission a project loan pursuant to 2008 Wyoming Session Laws, Chapter 75, authorizing the design of the Laramie Transmission Pipeline Project. (the "WWDC Loan"); and

WHEREAS, the WWDC Loan is outstanding and has the following remaining repayment schedule:

Payment Date (December 1)	Payment	Interest (4%)	Principal
2017	\$264,773.33	\$213,163.71	\$51,609.62
2018	167,390.50	113,716.50	53,674.00
2019	167,390.50	111,569.54	55,820.96
2020	167,390.50	109,336.70	58,053.80
2021	167,390.50	107,014.55	60,375.95
2022	167,390.50	104,599.51	62,790.99
2023	167,390.50	102,087.87	65,302.63
2024	167,390.50	99,475.77	67,914.73
2025	167,390.50	96,759.18	70,631.32
2026	167,390.50	93,933.92	73,456.58
2027	167,390.50	90,995.66	76,394.84
2028	167,390.50	87,939.87	79,450.63
2029	167,390.50	84,761.84	82,628.66
2030	167,390.50	81,456.69	85,933.81
2031	167,390.50	78,019.34	89,371.16
2032	167,390.50	74,444.50	92,946.00
2033	167,390.50	70,726.66	96,663.84
2034	167,390.50	66,860.10	100,530.40
2035	167,390.50	62,838.89	104,551.61
2036	167,390.50	58,656.82	108,733.68
2037	167,390.50	54,307.47	113,083.03
2038	167,390.50	49,784.15	117,606.35
2039	167,390.50	45,079.90	122,310.60
2040	167,390.50	40,187.48	127,203.02
2041	167,390.50	35,099.35	132,291.15
2042	167,390.50	29,807.71	137,582.79
2043	167,390.50	24,304.40	143,086.10
2044	167,390.50	18,580.95	148,809.55
2045	167,390.50	12,628.57	154,761.93
2046	161,993.03	1,040.68	160,952.35
Total	\$5,113,700.36	\$2,219,178.28	\$2,894,522.08

and

WHEREAS, the City is current on all payments with respect to the WWDC Loan; and

WHEREAS, the WWDC Loan is subject to prepayment at any time at the option of the City; and

WHEREAS, it appears that a savings in interest costs and other economies can be realized for the City by refinancing the WWDC Loan; and

WHEREAS, the City Council of the City (the "**Governing Body**") has determined and hereby determines that it is in the best interest of said City that the outstanding WWDC Loan maturing on December 1, 2046 (the "**Refunded Loan**") be refinanced and that Water Refunding Revenue Bonds be issued to accomplish such purpose (the "**Project**"); and

WHEREAS, pursuant to the provisions of Title 16, Chapter 5, Article 1; Title 15, Chapter 7, Article 5; and Title 15, Chapter 8, of the Wyoming Statutes (collectively, the "**Act**") the City will issue its "City of Laramie, Wyoming, Water Refunding Revenue Bonds, Series 2018" (the "**Bonds**") to refinance the Refunded Loan, to fund a debt service reserve fund in connection with the payment thereof, and to further pay certain incidental costs incurred in connection with the issuance of such Bonds and the financing of the Project; and

WHEREAS, the City has now received (i) an offer from ANB Bank to purchase at a private sale \$2,845,000 principal amount of the City's Bonds; (ii) an offer from First Interstate Bank to purchase at a private sale \$300,000 principal amount of the City's Bonds; and (iii) an offer from Wyoming Bank & Trust to purchase at a private sale \$75,000 principal amount of the City's Bonds (collectively, the parties listed in (i)-(iii) shall be known as the "**Purchaser**") such purchases totaling in aggregate principal amount the sale of \$3,220,000 of the City's Bonds, in accordance with the respective "Sophisticated Investor" letters dated June 28, 2018 (collectively, the "**Investment Letter**"), a copy of each of which is attached hereto as Exhibit A and by this specific reference made a part hereof; and

WHEREAS, the \$3,220,000 of proceeds from the sale of the Bonds, plus the amount of \$65,114.38 from available funds of the City, have been certified to the Governing Body to be sufficient to pay the costs of the Project, to establish a debt service reserve fund for the payment of the Bonds, and to pay the costs and expenses of such actions and of issuing the Bonds; and

WHEREAS, the Governing Body has determined that the Bonds shall be sold to the Purchaser, in accordance with its proposal(s), and that such sale is to the best advantage of the City; and

WHEREAS, insofar as it is necessary to issue the Bonds immediately in order to take advantage of presently existing interest rates, which savings will allow the City to protect and/or expand infrastructure critical to the well-being of City residents, this Bond Ordinance is necessary to the immediate preservation of the public health and safety; and

WHEREAS, the Governing Body hereby determines that it is necessary at this time to confirm the sale of the Bonds and to further authorize the issuance thereof;

THEREFORE, BE IT ORDAINED BY THE GOVERNING BODY OF THE CITY OF LARAMIE, WYOMING:

Section 1. Authorization and Sale. For the purpose of financing the Project, establishing a debt service reserve fund for the payment of the Bonds and paying the costs and expenses of such actions and of issuing the Bonds, the City shall issue its "City of Laramie, Wyoming, Water Refunding Revenue Bonds, Series 2018," in the aggregate principal amount of \$3,220,000, and said Bonds shall be, and the same are, hereby sold to the Purchaser, subject only to review and approval of Bond Counsel. The firm of Kutak Rock LLP, of Omaha, Nebraska is hereby designated to act as Bond Counsel for said issue. The firm of Kaiser Wealth Management, of Cheyenne, Wyoming, is hereby designated to act as Municipal Advisor for said issue.

Section 2. Bond Details. The Bonds shall be issued only as fully registered Bonds, without coupons, in the denominations of the principal amount of each respective serial maturity. Unless the Governing Body shall otherwise direct, the registered Bonds shall be numbered separately from 1 upwards, with the number of each Bond preceded by "R-." The Bonds shall be dated the date of delivery, and shall bear interest from such date to maturity, payable on December 1, 2018 and semi-annually thereafter on December 1 and June 1 of each year (the "Interest Payment Dates"), and shall mature on June 1 and December 1 of each year in the respective amounts set forth below:

Date	Principal	Rate	Interest	Total Debt Service	Fiscal Debt Service
12/01/18	\$25,000	1.78%	\$38,008.81	\$ 63,008.81	
06/01/19	70,000	1.90	44,493.75	114,493.75	\$177,502.56
12/01/19	70,000	1.90	43,828.75	113,828.75	
06/01/20	75,000	2.00	43,163.75	118,163.75	231,992.50
12/01/20	70,000	2.00	42,413.75	112,413.75	
06/01/21	75,000	2.10	41,713.75	116,713.75	229,127.50
12/01/21	75,000	2.10	40,926.25	115,926.25	
06/01/22	75,000	2.20	40,138.75	115,138.75	231,065.00
12/01/22	75,000	2.20	39,313.75	114,313.75	
06/01/23	75,000	2.30	38,488.75	113,488.75	227,802.50
12/01/23	75,000	2.30	37,626.25	112,626.25	
06/01/24	75,000	2.40	36,763.75	111,763.75	224,390.00
12/01/24	75,000	2.40	35,863.75	110,863.75	
06/01/25	75,000	2.50	34,963.75	109,963.75	220,827.50
12/01/25	75,000	2.50	34,026.25	109,026.25	
06/01/26	75,000	2.60	33,088.75	108,088.75	217,115.00
12/01/26	75,000	2.60	32,113.75	107,113.75	
06/01/27	75,000	2.75	31,138.75	106,138.75	213,252.50
12/01/27	75,000	2.75	30,107.50	105,107.50	
06/01/28	75,000	2.80	29,076.25	104,076.25	209,183.75
12/01/28	85,000	2.80	28,026.25	113,026.25	
06/01/29	85,000	2.90	26,836.25	111,836.25	224,862.50
12/01/29	85,000	2.90	25,603.75	110,603.75	
06/01/30	85,000	3.00	24,371.25	109,371.25	219,975.00
12/01/30	85,000	3.00	23,096.25	108,096.25	
06/01/31	85,000	3.05	21,821.25	106,821.25	214,917.50
12/01/31	95,000	3.05	20,525.00	115,525.00	
06/01/32	95,000	3.10	19,076.25	114,076.25	229,601.25
12/01/32	95,000	3.10	17,603.75	112,603.75	
06/01/33	95,000	3.15	16,131.25	111,131.25	223,735.00
12/01/33	95,000	3.15	14,635.00	109,635.00	
06/01/34	95,000	3.20	13,138.75	108,138.75	217,773.75
12/01/34	95,000	3.20	11,618.75	106,618.75	
06/01/35	95,000	3.25	10,098.75	105,098.75	211,717.50
12/01/35	95,000	3.25	8,555.00	103,555.00	
06/01/36	95,000	3.30	7,011.25	102,011.25	205,566.25
12/01/36	325,000	3.35	5,443.75	330,443.75	330,443.75

Section 3. Payment of Bonds; Paying Agent and Bond Registrar. The City has appointed Wyoming Bank & Trust as paying agent and bond registrar (the “Paying Agent” or the “Bond Registrar”) for the Bonds. The principal of the Bonds is payable in lawful money of the United States of America to the Registered Owner of each Bond upon presentation and surrender at the principal office of the Paying Agent in Cheyenne, Wyoming or its successor, as paying agent. If any Bond is not paid upon presentation and surrender at or after maturity, it will continue to draw interest at the rate borne by such Bond until the principal is paid in full.

Notwithstanding anything contained in this Bond Ordinance to the contrary, interest on any Bond is payable to the person in whose name such Bond is registered, at his or her address as it appears on the registration books maintained by or on behalf of the City by the Bond Registrar, at the close of business on the fifteenth (15th) day (whether or not a business day) of the calendar month next preceding each Interest Payment Date (the "Record Date"), irrespective of any transfer or exchange of such Bond subsequent to such Record Date and prior to such Interest Payment Date. Such payment shall be paid by check or draft of the Paying Agent mailed on or before the Interest Payment Date (or, if such Interest Payment Date is not a business day, on or before the next succeeding business day) to such Registered Owner at his or her address as it appears on such registration books. Any such interest not so timely paid or duly provided for will cease to be payable to the person who is the Registered Owner thereof at the close of business on the regular Record Date and will be payable to the person who is the Registered Owner thereof at the close of business on a Special Record Date. Such Special Record Date will be fixed by the Bond Registrar whenever moneys become available for payment of the defaulted interest and notice of the Special Record Date will be given by first class mail not less than ten (10) days prior to the Special Record Date to each Registered Owner as shown on the Bond Registrar's books on a date selected by the Bond Registrar. Alternate means of payment of interest may be used if mutually agreed to between the Registered Owner of any Bond and the Paying Agent.

The principal of, premium, if any, and interest on the Bonds shall be paid in accordance with the terms of a "Bond Paying Agent and Registrar Agreement" between the City and Wyoming Bank & Trust.

Section 4. Redemption Provisions of the Bonds. Bonds maturing on or after December 1, 2023 are subject to redemption in whole or in part prior to maturity at the option of the City at any time on or after June 1, 2023, at the principal amount thereof plus accrued interest to the date set for redemption, with no redemption premium. The City may select the maturity of the Bonds so to be redeemed in its sole discretion.

Notice of redemption of any Bonds or a portion thereof shall be given by first class mail to the Registered Owner of such Bond, addressed to his or her registered address and placed in the mail not less than 30 nor more than 60 days prior to the date fixed for redemption. Such notice shall specify the numbers of the Bonds called for redemption, the redemption date and the place where the redemption amount will be payable, and in the case of Bonds to be redeemed in part only, such notice shall specify the respective portion of the principal amount thereof to be redeemed. A notice of optional redemption shall describe whether and the conditions under which the call for redemption shall be revoked. If the Paying Agent shall hold funds sufficient for such redemption on the date fixed for redemption and such notice shall have been given, the Bonds or the portion thereof thus called for redemption shall not bear interest after the date fixed for redemption.

If less than all of the Bonds of any maturity are to be redeemed, the Paying Agent shall determine, in its sole discretion in any manner deemed by it to be fair and equitable, the particular portions of such maturity so to be redeemed. Any Bond shall be subject to redemption in part in a principal amount equal to \$5,000 or any integral multiple thereof.

In case of any optional redemption at the election of the City, the City shall, at least 45

days prior to the redemption date fixed by the City (unless a shorter notice shall be satisfactory to the Paying Agent) give written notice to the Paying Agent directing the Paying Agent to call Bonds for redemption and give notice of redemption specifying the redemption date, the principal amount, and portions of Bonds to be called for redemption, the applicable redemption price or prices and the provision or provisions of this Bond Ordinance pursuant to which such Bonds are to be called for redemption.

Section 5. Form and Execution of Bonds. The Bonds shall be signed in the name and on behalf of the City with the manual or facsimile signature of the Mayor, countersigned and attested with the manual or facsimile signature of the City Clerk and sealed with a manual impression or facsimile of the seal of the City. As further provided by Section 12, the City Clerk shall endorse a certificate on every Bond stating that the same is issued pursuant to law and is within the lawful debt limit of the City, which certificate shall be signed with the manual or facsimile signature of the City Clerk, and shall bear a manual impression or facsimile of the seal of the City. There shall also be a certificate relating to the registration of said Bond by the Administrative Services Director printed thereon, which certificate shall be signed with the manual or facsimile signature of the Administrative Services Director, and shall bear a manual impression or facsimile of the seal of the City. Should any officer whose facsimile or manual signature appears on the Bonds, or the certificates appearing thereon, cease to be such officer before delivery of the Bonds to the Purchaser thereof, such facsimile or manual signature shall nevertheless be valid and sufficient for all purposes.

The Bonds and certificates appearing thereon shall be in substantially the form attached as Exhibit B.

Section 6. Authentication. No Bond shall be valid or obligatory for any purpose or be entitled to any security or benefit under this Bond Ordinance unless and until a certificate of authentication on such Bond substantially in the form set forth on Exhibit B shall have been duly executed by the Bond Registrar, and such executed certificate of the Bond Registrar upon any such Bond shall be conclusive evidence that such Bond has been authenticated and delivered under this Bond Ordinance. The Bond Registrar's certificate of authentication on any Bond shall be deemed to have been executed by it if signed by an authorized officer or signatory of the Bond Registrar, but it shall not be necessary that the same officer or signatory sign the certificate of authentication on all of the Bonds issued hereunder.

Section 7. Delivery of Bonds. Upon the adoption of this Bond Ordinance, the City shall execute the Bonds and deliver them to the Bond Registrar, and the Bond Registrar shall authenticate the Bonds and deliver them to the Purchaser, as directed by the City.

Section 8. Registration, Transfer and Exchange of Bonds; Persons Treated as Owners. The Bond Registrar shall maintain the books of the City for the registration of ownership of each Bond as provided in this Bond Ordinance. Subject to applicable requirements of law and the requirement that a bond shall not be sold or otherwise transferred until the City and the Bond Registrar shall have received an Investment Letter in the form attached hereto as Exhibit A from the prospective transferee, Bonds may be transferred upon the registration books upon delivery of the Bonds to the Bond Registrar, accompanied by a written instrument or instruments of transfer in form and with guaranty of signature satisfactory to the Bond Registrar, duly executed by the Owner of the Bonds to be transferred or his or her attorney-in-fact or legal

representative, containing written instructions as to the details of the transfer of such Bonds, along with the social security number or federal identification number of such transferee. Prior to such a transfer, the transferee shall provide to the Bond Registrar an Investment Letter of the transferee substantially in the form attached as Exhibit A. No transfer of any Bond shall be effective until entered on the registration books.

In all cases of the transfer of a Bond, the Bond Registrar shall enter the transfer of ownership in the registration books and shall authenticate and deliver in the name of the transferee or transferees and deliver in the name of the transferee or transferees a new fully registered Bond or Bonds of the same maturity and interest rate for the aggregate principal amount which the Registered Owner is entitled to receive at the earliest practicable time in accordance with the provisions of this Bond Ordinance. The City shall pay for every such transfer an amount sufficient to reimburse the Bond Registrar for its reasonable fees and the Bond Registrar may charge the Owner of such Bond an amount for any tax or other governmental charge required to be paid with respect to such transfer.

Bonds may be exchanged at the principal office of the Bond Registrar for other Bonds in the minimum denominations of \$5,000 of the same series and maturity. The City shall execute and the Bond Registrar shall authenticate and deliver Bonds which the Owner making the exchange is entitled to receive, bearing numbers not contemporaneously outstanding. The execution by the City of any Bond in increments of \$5,000 shall constitute full and due authorization of such denomination and the Bond Registrar shall thereby be authorized to authenticate and deliver such Bond.

The City, the Paying Agent and the Bond Registrar shall not be required to transfer or exchange any Bonds: (1) during a period beginning on the Record Date and ending at the close of business on the ensuing Interest Payment Date and (2) during the period beginning on any date of selection of Bonds to be redeemed and ending on the day on which the applicable notice of redemption is given. The Bond Registrar shall not be required to transfer any Bonds selected or called for redemption, in whole or in part, except the unredeemed portion of Bonds being redeemed in part.

New Bonds delivered upon any transfer or exchange shall be valid special, limited obligations of the City, evidencing the same obligation as the Bonds surrendered, shall be secured by this Bond Ordinance and shall be entitled to all of the security and benefits hereof the same extent as the Bonds surrendered.

The City, the Paying Agent and the Bond Registrar may deem and treat the Registered Owner of any Bond as the absolute Owner thereof for all purposes (whether or not such Bond shall be overdue), and any notice to the contrary shall not be binding upon the City, the Paying Agent, or the Bond Registrar.

Section 9. Cancellation of Bonds. Whenever any outstanding Bond shall be delivered to the Bond Registrar for cancellation pursuant to this Bond Ordinance, and upon payment of the principal amount and interest represented thereby, or whenever any outstanding Bond shall be delivered to the Bond Registrar for transfer or exchange pursuant to the provisions hereof, such

Bond shall be cancelled and returned by the Bond Registrar to the City for retention and later destruction in accordance with the laws of the State of Wyoming.

Section 10. Lost Bonds. Any Bond that is lost, stolen, destroyed, or mutilated may be replaced or paid by the Bond Registrar in accordance with and subject to the limitations of applicable law. The applicant for any such replacement Bond shall post such security, pay such costs, and present such proof of ownership and loss as may be required by applicable law or, in the absence of specific requirements, as may be required by the Bond Registrar.

Section 11. Registration by Administrative Services Director. A record of each Bond sold and delivered by the City shall be kept by the Administrative Services Director in a public book kept for that purpose, and therein shall be stated the number, date, to whom issued, amount, date of payment, and any other proper description thereof for future identification.

Section 12. Certificate of City Clerk. The City Clerk shall endorse on each of said Bonds the certificate required by Section 8 of Article XVI of the Constitution of the State of Wyoming, and by W.S. 15-7-105(a).

Section 13. Additional Bonds or Other Obligations. No additional bonds shall be issued payable from the income and revenue of the City's water system and having a lien upon the Net Revenues (as defined below) which is superior to the lien of the Bonds authorized herein.

However, nothing contained in this Bond Ordinance shall be construed in such a manner as to prevent the issuance by the City of additional bonds or other obligations payable from the Net Revenues derived from the operation of the water system and constituting a lien upon said revenues equal to or on a parity with the lien of the Bonds authorized herein; provided the Net Revenues derived from the operation of the water system ("Net Revenues" are defined as the gross income and revenue of the water system less the amounts necessary for operation and maintenance thereof plus adequate depreciation funds therefor) for the fiscal year preceding the year in which such parity bonds or other obligations are to be issued was one hundred twenty-five percent (125%) of the combined average annual debt service requirements on the Bonds authorized herein which are then outstanding, and the additional bonds or other obligations to be issued. If rates and charges have been increased during the previous fiscal year, then the Net Revenues can be determined by applying the new rates and charges to the quantities of service actually furnished during such previous fiscal year. In addition, the City shall be in compliance with all the provisions of this Bond Ordinance. However, the limitations relating to the issuance of additional parity lien bonds or other obligations may be waived or modified by the written consent of Bond Owners representing one hundred percent (100%) of the then-outstanding principal amount.

Section 14. Disposition of Bond Proceeds. The Bonds shall be issued and sold for the purpose of refinancing the Refunded Loan. Neither the Purchaser nor any subsequent Owners of the Bonds shall be responsible for the application or disposal by the City or any of its officers of the funds derived from the sale thereof.

The proceeds of the sale of the Bonds (together with the amount on deposit to pay accrued interest on the Refunded Loan), other than accrued interest which shall be deposited into

the Bond Fund and other than \$322,000 which shall be deposited into the Bond Reserve Fund, shall, as further provided by Section 17, be paid to the Paying Agent for the repayment of the Refunded Loan.

All or any portion of the Bond proceeds may be temporarily invested or reinvested pending such use, in securities or obligations which are lawful investments. It is hereby covenanted and agreed by the City that the temporary investment or reinvestment of the original proceeds of the Bonds, or of any moneys treated as proceeds of the Bonds within the meaning of Sections 103 and 148 of the Internal Revenue Code of 1986, as amended (the "Code"); and pertinent regulations, rulings and decisions shall be of such nature and extent, for such period, and at such yield, that the Bonds shall not be or become "arbitrage bonds" within the meaning of Sections 103 and 148 of the Code and pertinent regulations, rulings and decisions.

Section 15. Payment of Interest and Principal on the Bonds.

(a) **Pledge Securing Bonds.** The Pledged Water Revenues (as defined in the form of the Bonds attached as Exhibit B) and all moneys and securities paid to or held in the Funds identified in this Section 15 are hereby pledged to secure the payment of the principal of and interest on the Bonds; and this pledge shall be valid and binding from and after the date of the first delivery of any Bonds, and the moneys, as received by the City and hereby pledged, shall immediately be subject to the lien of this pledge without any physical delivery thereof, any filing, or further act, and the lien of this pledge and the obligation to perform the contractual provisions hereby made shall have priority over any and or all other obligations of the City.

(b) **Bond Fund.** A special trust account is authorized hereby to be established by the City and maintained by the Paying Agent and known as the "Water Refunding Revenue Bonds, Series 2018 Bond Fund" (the "**Bond Fund**"). So long as any of the Bonds are outstanding, the Pledged Water Revenues are to be deposited into the Bond Fund as hereinafter provided in Section 19.

The accrued interest deposited into the Bond Fund upon the issuance of the Bonds shall be used to pay interest on the Bonds on December 1, 2018. Moneys in the Bond Fund shall be used solely for the payment of the principal of and interest on the Bonds.

(c) **Bond Reserve Fund.** A special trust account is authorized hereby to be established by the City and maintained by the Paying Agent and known as the "Water Refunding Revenue Bonds, Series 2018 Bond Reserve Fund" (the "**Bond Reserve Fund**"). There shall initially be deposited in the Bond Reserve Fund, from proceeds of the Bonds or from other readily available City funds, the amount of \$322,000 (the "**Bond Reserve Requirement**"). In addition, there shall also be deposited in the Bond Reserve Fund all other moneys received by the Paying Agent when accompanied by directions not inconsistent herewith that such moneys are to be paid into the Bond Reserve Fund.

Moneys in the Bond Reserve Fund shall be used solely for the payment of the principal of and interest on the Bonds in the event moneys in the Bond Fund are insufficient to make such payments when due, whether on an Interest Payment Date or maturity date. On the final maturity date of the Bonds, any moneys in the Bond Reserve Fund shall be used for the payment of

principal of and interest on the Bonds. If on any payment date the amount in the Bond Reserve Fund is greater than the Bond Reserve Requirement, such excess shall be transferred to the Bond Fund; provided, however, that the amount remaining in the Bond Reserve Fund immediately after such transfer shall not be less than the Bond Reserve Requirement on that date.

Section 16. Administration of Funds and Accounts. The funds and accounts established in Section 15 are to be administered as follows:

(a) **Places and Times of Deposits.** The above accounts and funds are to be separately maintained as book accounts, kept separate from each other and all other accounts solely for the purposes designated, and the moneys accounted for in such special book accounts shall be deposited in a commercial bank or banks or in savings and loan associations or invested as determined by the City in accordance with applicable law. Each periodic payment is to be credited to the proper account not later than the date designated, except that when any date is a Saturday, a Sunday or a legal holiday, then the payment is due to be made on or before the next preceding business day.

(b) **Investment of Money.** Any moneys in any fund or account designated herein may be invested or reinvested in any securities or other obligations, which at the time of investment are legal investments for the funds proposed to be so invested, in the WYO-STAR Program of the Wyoming State Treasurer or another AAA-rated money market fund that meets the Wyoming Investment of Public Funds criteria as set forth in W.S. §9-4-831 (herein "**Investment Securities**"). Such Investment Securities either are to be subject to redemption at any time at a fixed value at the option of the holder thereof, or are to mature, not later than the day prior to the date or respective dates on which the proceeds are to be expended. For the purpose of the above requirements, Investment Securities are deemed to mature at the earliest date on which the obligor is, on demand, obligated to pay a fixed sum in discharge of the whole of such obligations. The City is to specify the securities in which such investments and reinvestments will be made and, to the extent consistent with the other provisions of this Bond Ordinance, the times and prices of their purchase and sale and all such investments will be valued at cost.

(c) **Accounting for Investments.** The Investment Securities purchased as investment of moneys in any fund or account are to be deemed at all times to be part of that fund or account, and the interest accruing thereon and any profit realized therefrom are to be credited to the fund and any loss resulting from such investment shall be charged to the fund. Investment Securities purchased as an investment of moneys in any fund or account are to be presented for redemption or sale at the prevailing market whenever it shall be necessary to do so in order to provide moneys to meet any payment or transfer from such fund.

Section 17. Redemption of the Refunded Loan. The amount of \$2,908,026.84, being the amount required on June 28, 2018 (the "**Redemption Date**") to prepay the Refunded Loan, shall be paid to the Wyoming Water Development Commission (the "**Commission**"), on the date of issuance, sale and delivery of the Bonds to the Purchaser. The Commission shall apply such moneys upon receipt to the payment in full and cancellation of the Refunded Loan.

Section 18. [Reserved].

Section 19. Covenants of the Governing Body and the City. The Governing Body, on behalf of the City, makes the following covenants, with the Owners of the Bonds:

(a) **Performance of Covenants.** The City covenants that it will faithfully perform and observe at all times any and all covenants, undertakings, stipulations and provisions contained in this Bond Ordinance, in any and every Bond and in all proceedings of the City, as the case may be, pertaining thereto. The City represents that it is duly authorized under the Constitution and the laws of the State of Wyoming, including particularly and without limitation the Act, to issue the Bonds and to execute this Bond Ordinance, to pledge the Pledged Water Revenues in the manner and to the extent herein set forth, that all actions on its part required for the issuance of the Bonds and the execution and delivery of this Bond Ordinance have been duly and effectively taken or will be duly taken as provided herein, and that this Bond Ordinance is a valid and enforceable instrument of the City and that the Bonds in the hands of the Owners thereof are and will be valid and enforceable special, limited obligations of the City according to the terms thereof.

(b) **Payment of Principal and Interest: Other Payments.** The City will promptly pay or cause to be paid the principal of and interest on all Bonds issued hereunder according to the terms hereof. The principal and interest payments are payable solely from the Pledged Water Revenues, which are hereby specifically pledged to the payment thereof in the manner and the extent herein specified. Nothing in the Bonds or in this Bond Ordinance shall be considered or construed as pledging any funds or assets of the City other than those pledged hereby or creating any liability of the City's members, employees or other agents.

The City shall pay, into the Bond Fund, simultaneously with required transfers to the bond funds for any parity bonds or other obligations payable from Pledged Water Revenues, the amounts of principal and interest coming due with respect to the Bonds on December 1, 2018, and each December 1 and June 1 thereafter until the Bonds are paid in full, which payments shall be made and deposited on or before May 15 and November 15 of each year, commencing on November 15, 2018.

After the payments hereinabove referred to have been made, any remaining Net Revenues of the water system shall be used (i) to replenish the Bond Reserve Fund and any other debt service reserve fund for any parity bonds or other obligations, (ii) to pay other obligations having a lien on the revenues of the water system subordinate to the lien of the Bonds authorized by this Bond Ordinance and (iii) for any lawful purpose of the City.

In the event any moneys in the Bond Reserve Fund are transferred to the Bond Fund, pursuant to Section 15 hereof, the City will replenish the Bond Reserve Fund in the amount of such withdrawal, within 30 days of said withdrawal, from Net Revenues of the water system or any other legally available moneys of the City.

In the event the City should fail to make any of the payments required by this Section, the item or installment in default shall continue as an obligation of the City until the amount in default shall have been fully paid, and the City agrees to pay the same.

(c) **Additional Bonds or Other Obligations.** The City will not issue any additional bonds or other obligations having a parity lien on the revenues of the water system without satisfaction of the requirements set forth in Section 13 hereof.

(d) **Conditions Precedent.** Upon the date of issuance of the Bonds, the City hereby covenants that all conditions, acts and things required by the Constitution or statutes of the State of Wyoming or by the Act or by this Bond Ordinance to exist, to have happened or to have been performed precedent to or in the issuance of the Bonds shall exist, have happened and have been performed.

(e) **Performance of Duties.** The City shall faithfully and punctually perform or cause to be performed all duties with respect to the Pledged Water Revenues, the Net Revenues and its water facilities required by the Constitution and laws of the State of Wyoming and the various resolutions and ordinances of the City, including, without limitation, the proper segregation of the Pledged Water Revenues.

(f) **Efficient Operation and Operation.** The City shall at all times cause its water facilities to be properly operated in a sound and economical manner; and the City shall maintain, preserve and keep the same properly or cause the same to be maintained, preserved and kept, with the appurtenances and every part and parcel thereof in good repair, working order and condition, and shall from time to time make or cause to be made all necessary and proper repairs, replacements and renewals so that at all times the operation of the water facilities may be properly and advantageously conducted. All salaries, fees, wages and other compensation paid by the City in connection with the maintenance, repair and operation of the water facilities shall be reasonable and not substantially more than would be paid by other bodies corporate and politic for similar services.

(g) **Compliance with Laws, etc.** The City shall observe and perform all of the terms and conditions contained in this Bond Ordinance and the Act; and all laws supplemental thereto and shall comply with all valid acts, rules, regulations, orders and directives of any legislative, executive, administrative or judicial body applicable to its water facilities, or to the City, as the case may be.

(h) **Payment of Governmental Charges.** The City shall pay or cause to be paid all taxes and assessments or other municipal or governmental charges, if any, lawfully levied or assessed upon or in respect of its water facilities, or upon any part thereof, or upon any portion of the Pledged Water Revenues, when the same shall become due (provided that with respect to assessments or to other governmental charges that may lawfully be paid in installments over a period of years, the City shall be obligated to pay only such installments as may have become due during the term of this Bond Ordinance), and shall duly observe and comply with all valid requirements of any municipal or governmental authority relative to its water facilities or any part thereof, except for any period during which the same is being contested in good faith by proper legal proceedings. The City shall not create or suffer to be created any lien or charge upon its water facilities, or any part thereof, or upon the Pledged Water Revenues, except the pledge and lien created by this Bond Ordinance for the payment of the Bonds and the City's outstanding parity bonds and obligations, and except as herein otherwise permitted. The City shall satisfy and discharge, within 60 days after the same shall become payable, all lawful

claims and demands for labor, materials, supplies or other objects, which, if unpaid, might by law become a lien upon its water facilities, or any part thereof, or the Pledged Water Revenues; but nothing herein requires the City to pay or to cause to be discharged or to make provision for any such tax, assessment, lien or charge, so long as the validity thereof is contested in good faith and by appropriate legal proceedings.

(i) **Corporate Existence.** The City shall maintain its corporate identity and existence so long as any of the Bonds remain outstanding, unless an acceptable entity under the Code or unless another body corporate and politic by operation of law succeeds to the powers, privileges, rights, liabilities, disabilities, duties and immunities of the City and is obligated by law to operate and maintain its water facilities and to fix and collect the revenues as herein provided without adversely affecting to any substantial degree at any time the privileges and rights of any Owner of any outstanding Bond.

(j) **Competent Management.** The City shall employ or enter into contract(s) for the services of experienced and competent management personnel for its water facilities and shall operate the water facilities for the City, subject to the reasonable control and direction of the City.

(k) **Rates and Charges.** The City covenants and agrees to cause its water facilities and other auxiliary services to be operated as revenue producing facilities on a nondiscriminatory basis and, in each fiscal year to charge such fees and rates for such facilities and services and to exercise such skill and diligence as to provide Net Revenues from its water facilities which equal at least 125% of the average annual principal and interest requirements payable with respect to the Bonds in such fiscal year.

(l) **Budgets.** The City shall annually and at such other times as may be provided by law prepare a budget relating to its water facilities and the operation of the City.

(m) **Insurance.** The City shall at all times maintain fire and extended coverage insurance, special hazard insurance, workers' compensation insurance, replacement cost insurance in an amount equal to at least 100% of the cost of the City's water system facilities, fidelity insurance, public liability insurance, medical liability insurance and all such other insurance as is customarily maintained with respect to facilities of like character against loss of Net Revenues and against public and other liability to the extent reasonably necessary to protect the interests of the City and of each Owner of any Bond or any other security payable from the Pledged Water Revenues.

(n) **Damage, Destruction and Condemnation.** If the City's water facilities are damaged or destroyed or if title to, or the temporary use of, the facilities shall have been taken under the exercise of the power of eminent domain, insurance proceeds or condemnation awards, as the case may be, shall be used either to repair or replace the facilities or to redeem pro rata the Bonds and any parity bonds or other obligations.

(o) **Impairment of Contract.** The City agrees that any law, resolution or other action of the City in any manner affecting the Pledged Water Revenues or the Bonds, or otherwise appertaining thereto, shall not be repealed or otherwise directly or indirectly

modified, in such a manner as to impair adversely any Bonds outstanding, unless such Bonds have been discharged in full or provision has been fully made therefor, or unless the consent of the required percentage of the Owners of the then-outstanding Bonds is obtained as provided by Section 22 hereof.

(p) **Disposition of Facilities.** As long as any Bonds remain outstanding, the City agrees that it will not lease, sell or dispose of the water facilities without applying the net proceeds thereof to pay principal of and interest on the Bonds and any parity bonds.

(q) **Tax Covenant.** The City covenants and agrees that it will comply with the requirements of the Code, in order to establish, maintain and preserve the exclusion from "gross income" of interest on the Bonds under the Code. The City further covenants and agrees that it will not take any action, fail to take any action, or permit any action within its control to be taken, or permit at any time or times any of the proceeds of the Bonds or any other funds of the City to be used directly or indirectly in any manner, the effect of which would be to cause the Bonds to be "arbitrage bonds" within the meaning of the Code or would result in the inclusion of the interest on any of the Bonds in gross income under the Code, including, without limitation, (i) the failure to comply with the limitation on investment of Bond proceeds, if any, or (ii) the use of the proceeds of the Bonds in a manner which would cause the Bonds to be "private activity bonds" within the meaning of the Code.

Section 20. Events of Default. Each of the following constitutes an "Event of Default," that is, if:

(a) **Nonpayment of Principal.** Payment of principal of any Bond is not made when due at maturity or upon prior redemption.

(b) **Nonpayment of Interest.** Payment of interest on any Bond is not made when due.

(c) **Incapable to Perform.** The City is not capable of fulfilling its obligations hereunder.

(d) **Default of any Provision.** The City defaults in the punctual performance of its covenants under this Bond Ordinance for 60 days after written notice shall have been given to the City by the Owners of 25% of the then-outstanding Bonds.

Upon the happening and continuance of any of the Events of Default as provided herein then and in every case the Owners or Owners of not less than 25% in principal amount of the Bonds then outstanding, including but not limited to a trustee or trustees therefor, may proceed against the City and its agents, officers and employees to protect and enforce the rights of any Owner of Bonds under this Bond Ordinance by mandamus or other suit, action or special proceedings in equity or at law, in any court of competent jurisdiction, either for specific performance of any covenant or agreement contained in this Bond Ordinance or in any award or execution of any power therein granted for the enforcement of any power or legal or equitable remedy as such Owner or Owners may deem most effectual to protect and enforce said rights, or thereby to enjoin any act or thing which may be unlawful or in violation of any right of any Bond Owner, or to require the City to act as if it were the trustee of an express trust, or any

combination of such remedies. All such proceedings at law or in equity shall be instituted, had and maintained for the equal benefit of all Owners of the Bonds then outstanding. The failure of any such Owner so to proceed shall not relieve the City or any of its officers, agents or employees of any liability for failure to perform any duty. Each right or privilege of any such Owner (or trustee thereof) is in addition and cumulate to any other right or privilege thereof. NO OWNER WILL HAVE THE RIGHT TO ACCELERATE THE PAYMENT OF PRINCIPAL OF OR INTEREST ON THE BONDS UPON THE OCCURRENCE OF AN EVENT OF DEFAULT.

Upon the happening of any of the Events of Default as provided above, the City, in addition, shall do and perform all proper acts on behalf of and for the Owners of the Bonds to protect and preserve the security created for the payment of the principal of and interest on said Bonds promptly as the same become due. All proceeds derived from the Net Revenues of the water system so long as any of the Bonds, either as to principal or interest, are outstanding and unpaid, are to be paid pro rata into the Bond Fund and the Bond Reserve Fund and the corresponding such funds for the parity bonds and obligations, if any, when necessary, and used for the purposes therein provided. In the event the City fails or refuses to proceed as provided in this Bond Ordinance, the Owner or Owners of not less than twenty-five percent (25%) in principal amount of the Bonds then outstanding, after demand in writing, may proceed to protect and enforce the rights of the Bond Owners as hereinabove provided.

Any Owner of any one or more of said Bonds may, either at law or in equity, by suit, action, mandamus or other appropriate proceedings in any court of competent jurisdiction, protect the lien created by this Bond Ordinance on the Pledged Water Revenues or the Net Revenues, as the case may be, and may by suit, action, mandamus or other appropriate proceedings in any court of competent jurisdiction, protect the lien created by this Bond Ordinance on the Pledged Water Revenues or the Net Revenues, as the case may be, and may by suit, action, mandamus or other appropriate proceeding or proceedings enforce and compel the performance of any duty imposed upon the City by the provisions of this Bond Ordinance.

Section 21. Defeasance. When the Bonds have been fully paid both as to principal and interest, the pledge and lien and all obligations under this Bond Ordinance shall be discharged, and the Bonds shall no longer be deemed to be outstanding. Payment of any Bonds is deemed made when the City has placed in trust in a commercial bank exercising trust powers, an amount of money and Federal Securities sufficient (including the known minimum yield from Federal Securities) to meet all requirements of principal of and interest on such Bonds as the same become due to maturity or to a designated prior redemption date or dates. The Federal Securities are to become due prior to the respective times on which the proceeds thereof shall be needed, in accordance with a schedule agreed upon between the City and such bank at the time of the creation of the trust. Federal Securities within the meaning of this paragraph include only direct obligation of, or obligations the principal of and interest on which are unconditionally guaranteed by, the United States and which are not callable prior to their scheduled maturities by the issuer thereof.

Section 22. Amendment of Bond Ordinance. This Bond Ordinance may be amended, without receipt by the City of any additional consideration, but with the written consent of the Owners of 51% of the Bonds then outstanding (not including Bonds which may be held for the

account of the City); but no ordinance adopted without the written consent of the Owners of all outstanding Bonds adversely affected is to have the effect of permitting:

- (a) An extension of the maturities of any Bond;
- (b) A reduction in the principal amount or interest rate of any Bond;
- (c) The creation of a lien upon Net Revenues of the City's water system ranking prior to the lien or pledge created by this Bond Ordinance;
- (d) The establishment of priorities as between Bonds issued and outstanding under the provisions of this Bond Ordinance;
- (e) A change in the prior redemption provisions and/or redemption prices with respect to any Bond;
- (f) A reduction of the principal amount of Bonds required for consent to such amendatory resolution;
- (g) The modification of or otherwise affecting the rights of the Owners of less than all of the outstanding Bonds.

Section 23. Sale of Bonds; Approval and Execution of Documents. The Bonds authorized to be issued herein shall be sold to the Purchaser at an aggregate purchase price of \$3,220,000, plus accrued interest to the date of delivery, pursuant to the provisions of the Investment Letters attached hereto as Exhibit A.

The members of the Governing Body are hereby authorized to take such actions and execute and deliver such documents, including, without limitation, a Bond Registrar and Paying Agent Agreement and a Safekeeping Agreement with the Bond Registrar and Paying Agent, and any certificates relating to the tax exemption of the interest on the Bonds and post-issuance tax compliance procedures, as may be necessary to give effect to this Bond Ordinance and issue and deliver the Bonds, subject to the final review of all transaction documents by the City Attorney.

The Governing Body, on behalf of the City, hereby acknowledges that no official statement, prospectus, offering circular or other comprehensive offering statement has been prepared with respect to the City or the Bonds and that the City has received an Investment Letter from each of the Purchasers with respect thereto.

Section 24. Designation of Bonds. The City has not issued or effected the issuance of, and reasonably anticipates that the City and all subordinate entities thereof have not and will not issue or effect the issuance of, more than ten million dollars (\$10,000,000) aggregate face amount of tax-exempt obligations during the current calendar year, and hereby designates the Bonds as "qualified tax-exempt obligations" as defined by Section 265(b)(3) of the Code.

Section 25. Ratification and Approval of Prior Action. All actions heretofore taken by the officers and members of the Governing Body and employees of the City not inconsistent

with the provisions of this Bond Ordinance, relating to the authorization, sale, issuance and delivery of said Bonds are hereby ratified, approved and confirmed.

Section 26. Bond Ordinance Irrepealable. After the Bonds authorized herein have been issued and are outstanding, this Bond Ordinance shall be irrepealable until both the principal of and interest on said Bonds shall be fully paid, satisfied and discharged.

Section 27. Repealer Clause. All orders, bylaws, resolutions and ordinances, or parts thereof in conflict with this Bond Ordinance are hereby repealed to the extent that they conflict with this Bond Ordinance.

Section 28. Severability. If any part or provision of this Bond Ordinance should ever be judicially determined to be invalid or unenforceable, such determination shall not affect the remaining parts and provisions hereof, the intention being that each part or provision of this Bond Ordinance is severable.

Section 29. Declaration of Emergency and Effective Date. By reason of the fact that market conditions are presently such that a savings in interest costs and other economies can be realized by the City through refinancing the Refunded Loan by immediately issuing the Bonds, it is necessary to immediately authorize the issuance of the Bonds at a time prior to the time an ordinance could be publicly read three (3) times and adopted as provided by law, and it is hereby declared that an emergency exists, that this Bond Ordinance is necessary for the immediate preservation of the public peace, health, safety and welfare, and that it shall be in full force and effect from and after its passage and approval.

Section 30. Suspension of Readings. The rule requiring ordinances, except emergency ordinances, to have public readings on three (3) different days unless three-fourths (3/4) of the Governing Body vote to suspend the rules as provided by W.S. § 15-1-115, is hereby suspended for the purpose of permitting the adoption of this Bond Ordinance at this meeting.

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Section 31. Recording. This Bond Ordinance, after its passage and approval, shall be recorded by the City Clerk in a book kept for that purpose, and said Bond Ordinance shall be published as required by law.

ADOPTED AND APPROVED this 19th day of June, 2018

(S E A L)

CITY OF LARAMIE, WYOMING
A Municipal Corporation



Mayor

ATTESTED:



City Clerk

PROCLAMATION

The foregoing Bond Ordinance adopted and approved this 19th day of June, 2018, which operates for the immediate preservation of the public peace, health, safety and welfare, shall become effective immediately upon the date of this proclamation and as soon thereafter as practical it shall be published as required by law.

(S E A L)

CITY OF LARAMIE, WYOMING



Mayor

ATTESTED:



City Clerk

June __, 2018

City of Laramie
406 Ivinson Street
Laramie, Wyoming 82073

Kaiser Wealth Management
1620 Pershing Blvd, Suite 110
Cheyenne, WY 82001

Kutak Rock LLP
The Omaha Building
1650 Farnam Street
Omaha, NE 68102-2186

RE \$3,220,000 City of Laramie, Wyoming Water Refunding Revenue Bonds,
Series 2018

Ladies and Gentlemen:

Bank in _____ (the "Purchaser"), has agreed to purchase a \$ _____ principal amount portion of the above-referenced Water Refunding Revenue Bonds, Series 2018, dated June __, 2018 (the "Bonds"), to be issued by the City of Laramie, Wyoming (the "City"), pursuant to Ordinance No. ____, adopted by the City Council of the City on June 19, 2018 (the "Bond Ordinance"). All capitalized terms used but not defined herein shall have the meanings assigned to them in the Bond Ordinance and each reference to the Bond Ordinance or any other document or instrument includes all exhibits and appendices thereto.

In order to induce the City to sell the Bonds to the Purchaser, and as part of the consideration for the City's sale of said Bonds to the Purchaser, and further in connection with such transaction, the Purchaser acknowledges and represents to the City, Kaiser Wealth Management, in its capacity as Municipal Advisor and Kutak Rock LLP, in its capacity as bond counsel, whom the Purchaser understands will rely upon its representations and warranties, as follows:

1. The Purchaser is an "accredited investor" within the meaning of the Securities Act of 1933, as amended (the "Act") and has sufficient knowledge and experience in financial and business matters, including purchases and ownership of securities the interest on which is excludable from gross income in the hands of the holder for federal income tax purposes, to be able to evaluate the risks and merits of the investment represented by the Bonds

Revenues (as defined in the Bond Ordinance), and from the special funds pledged in the Bond Ordinance.

3. The Purchaser understands that the Bonds are not being registered under the Act, and are not being registered or otherwise qualified for sale under the "Blue Sky" laws and regulations of any state and will carry no rating from any rating service.

4. The Purchaser is able to bear all economic risks of such investments with full knowledge that it could suffer a significant loss of such investments.

5. The Purchaser understands that the Bonds are being issued by the City for the purpose of refinancing the City of Laramie, Wyoming, Second Renewal Promissory Note, which is valid and outstanding special, limited obligations of the City.

6. The Purchaser will receive one (1) executed and authenticated registered Bond, dated June 28, 2018, for each maturity, in the aggregate principal amount of \$ _____, showing the Purchaser as the Registered Owner thereof, with maturities and interest rates as follows:

MATURITY DATE	BOND NUMBER	PRINCIPAL AMOUNT	INTEREST RATE
---------------	-------------	------------------	---------------

TOTAL

The Purchaser warrants that no changes will be made with respect to the Bonds.

7. The Bonds to be acquired by the Purchaser are being acquired solely for its own account for investment and not with a view to, or for the sale in connection with, any distribution thereof. No person other than Purchaser has any direct or indirect interest in the Bonds; notwithstanding the other statements in this paragraph, the disposition of the Bonds shall at all times be within the Purchaser's control; and Purchaser has no present intention to transfer, assign, hypothecate, mortgage or sell the Bonds.

8. The Purchaser understands that no official statement, prospectus, offering circular or other comprehensive offering statement containing material information with respect to the City, the Project or the Bonds is being issued and that there are no applicable continuing disclosure requirements with respect to such matters. Exercising due diligence, we have made our own inquiry and analysis with respect to the City, the Project, the Bonds, the security therefor and other material factors affecting the security for payment of the Bonds, and in like manner will be responsible for any such inquiry and analysis we believe necessary in the future. The Purchaser further understands that the City has undertaken no commitment to provide continuing disclosure of material information with

statements and other financial information, to which a reasonable investor would attach significance in making investment decisions and has had the opportunity to ask questions and receive answers from knowledgeable individuals concerning the City, the Project, the Bonds and the security therefor, and other material factors affecting the security for and payment of the Bonds so that, as a reasonable investor, Purchaser acknowledges that it has been sufficiently informed to make a decision to purchase the Bonds. Further, it has made any and all such arrangements as it deems necessary to acquire such information in the future.

10. The purchase of the Bonds by Purchaser is considered a private placement. There is no "participating underwriter" within the meaning of Rule 15(c)2-12 of the Securities and Exchange Commission (the "Rule") involved in the purchase of the Bonds. Purchaser acknowledges that its bid to buy the Bonds was not subject to the City preparing an official statement, private placement memorandum or undertaking any commitment to provide continuing disclosure of financial and operating data or material events.

11. The Purchaser hereby covenants that any sale, transfer, distribution, or hypothecation of the Bonds must be accomplished within the exceptions to the Rule.

12. The Purchaser hereby relieves the City and its agents, representatives and attorneys, including Kutak Rock Rock LLP ("Bond Counsel") and Kaiser Wealth Management (the "Municipal Advisor") of any liability for failure to provide any official statement or any further information relating to the City, the Project or the Bonds. The Purchaser also relieves the Bond Counsel and the Municipal Advisor for inclusion of any untrue statement in any such information provided or in any of the documents, representations or certifications provided by the City, or for failure to include therein any fact.

13. The Purchaser acknowledges that it is relying upon the opinion of Kutak Rock LLP, as Bond Counsel, only for the legal conclusions expressed therein relating to the validity of the Bonds and the exclusion of the interest thereon from gross income for federal income tax purposes and understands that the engagement of Kutak Rock LLP was only to render the aforesaid opinions and not to prepare or pass upon any official statement, prospectus, offering circular, or other documents used in the offer or sale of the Bonds or to make any investigations or render any other assistance incident to the preparation of such documents or to the offer or sale of the Bonds.

14. The Purchaser acknowledges that it understands the meaning and legal consequences of its representations, warranties and agreements contained in this letter; that the parties to whom this letter is addressed are relying on the accuracy of the representations and warranties by Purchaser and the performance by Purchaser of its agreements contained herein and that the Purchaser would not be permitted to purchase the Bonds if any such representation or warranty was known to be false or if any such agreement would not be complied with. Accordingly, the Purchaser agrees to indemnify

any entity succeeding to the Purchaser's corporate existence.

Very truly yours,

_____ BANK

By: _____
Title: _____

UNITED STATES OF AMERICA
CITY OF LARAMIE, WYOMING
WATER REFUNDING REVENUE BOND
SERIES 2018

INTEREST RATE MATURITY DATE ORIGINAL ISSUE DATE

_____%

June __, 2018

REGISTERED OWNER: _____

PRINCIPAL AMOUNT: _____

The City of Laramie, Wyoming (the "City"), an incorporated municipality duly organized and operating under the Constitution and laws of the State of Wyoming, for value received, hereby acknowledges itself indebted and promises to pay to the Registered Owned named above, or registered assigns, on the Maturity Date stated above, the Principal Amount specified above, and in like manner to pay interest on such Principal Amount (computed on the basis of a 360-day year of twelve 30-day months) from the Interest Payment Date next preceding the date of registration and authentication of this Bond, unless this Bond is registered and authenticated prior to December 1, 2018, in which event this Bond shall bear interest from June 28, 2018, at the Interest Rate per annum specified above, payable semi-annually on June 1 and December 1 each year, commencing on December 1, 2018, until such Principal Amount is paid, unless this Bond shall have been previously called for redemption and payment shall have been duly provided for or made. The principal of this Bond is payable in lawful money of the United States of America to the Registered Owner upon presentation at Wyoming Bank and Trust, or its successor, as paying agent and bond registrar (the "Paying Agent" or the "Bond Registrar").

Payment of each installment of interest shall be made to the Registered Owner

Record Date), and shall be paid by check or draft of the Paying Agent mailed to such Registered Owner at his or her address as it appears on such registration books.

REFERENCE IS HEREBY MADE TO FURTHER PROVISIONS OF THIS BOND SET FORTH HEREINAFTER, WHICH FURTHER PROVISIONS SHALL FOR ALL PURPOSES HAVE THE SAME EFFECT AS IF FULLY SET FORTH IN THIS PLACE.

It is hereby certified, recited and declared that all acts, conditions and things required to exist, happen and be performed precedent to and in the execution and delivery of this Bond do exist, have happened and have been performed in due time, form and manner as required by law.

The Bond shall not be valid or become obligatory for any purpose or be entitled to any security or benefit under the authorizing Bond Ordinance until the certificate of authentication hereon shall have been signed by the Bond Registrar.

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wyoming, has caused this Bond to be signed by the manual or facsimile signature of the Mayor, sealed with a manual impression or facsimile of the seal of the City, and countersigned and attested with the manual or facsimile signatures of the City Clerk, all as of the 28th day of June, 2018.

(S E A L)

CITY OF LARAMIE
A MUNICIPAL CORPORATION

Mayor

Attested:

City Clerk

This Bond is one of the Bonds of the issue described in the within mentioned Bond Ordinance, and this Bond has been duly registered on the registration books and kept by the undersigned as Bond Registrar for such Bonds.

Wyoming Bank & Trust,
Cheyenne, Wyoming,
as Bond Registrar

Date of Registration
and Authentication:

By: _____
Authorized Officer

(Bond Legend)

THIS BOND WAS ISSUED AND DELIVERED WITHOUT REGISTRATION UNDER THE SECURITIES ACT OF 1933, OR OTHER SECURITIES LAWS, IN RELIANCE UPON THE AVAILABILITY OF AN APPROPRIATE EXEMPTION FROM ANY REGISTRATION OTHERWISE REQUIRED AND THE REPRESENTATION OF THE REGISTERED OWNER THAT THE BOND WAS BEING ACQUIRED SOLELY FOR INVESTMENT AND NOT WITH A VIEW TO DISTRIBUTION OR RESALE. SAID BOND SHALL NOT BE SOLD, PLEDGED, HYPOTHECATED, DONATED OR OTHERWISE TRANSFERRED, WHETHER OR NOT FOR CONSIDERATION, BY THE REGISTERED OWNER EXCEPT UPON THE RECEIPT BY THE CITY AND THE BOND REGISTRAR OF AN "ACCREDITED INVESTOR" LETTER FROM THE PROSPECTIVE TRANSFEREE AND/OR SUCH OTHER EVIDENCE AS MAY BE SATISFACTORY TO THEM, IN EITHER CASE, TO THE EFFECT THAT ANY SUCH TRANSFER SHALL NOT BE IN VIOLATION OF THE SECURITIES ACT OF 1933 OR OTHER APPLICABLE LAW.

ADDITIONAL PROVISIONS

This Bond is one of an authorized series (the "Bonds") aggregating THREE MILLION TWO HUNDRED TWENTY THOUSAND DOLLARS (\$3,220,000) par value, all of like date, tenor and effect except as to number, principal amount, interest rate and date of maturity, issued by the City of Laramie, Wyoming, for the purpose of refinancing outstanding City of Laramie, Wyoming, Second Renewal Promissory Note, dated May 15, 2012, which is a valid and outstanding special, limited obligation of the City. The Bonds are issued pursuant to the provisions of Title 16, Chapter 5, W.S. (the "Act") and all other laws of the State of Wyoming thereunto enabling, and pursuant to the duly adopted Bond Ordinance authorizing the issuance of this Bond. The governing body of the

STATUTORY PROVISION OR LIMITATION; THE BONDS SHALL NOT BE PAYABLE FROM THE PROCEEDS OF GENERAL PROPERTY TAXES; AND THE BONDS SHALL NOT BE CONSIDERED OR HELD TO BE GENERAL OBLIGATIONS OF THE CITY. THE BONDS ARE SPECIAL, LIMITED OBLIGATIONS OF THE CITY PAYABLE AND COLLECTIBLE SOLELY OUT OF PLEDGED WATER REVENUES (AS HEREINAFTER DEFINED), WHICH PLEDGED WATER REVENUES ARE SO PLEDGED; AND THE OWNER HEREOF MAY NOT LOOK TO ANY GENERAL OR OTHER FUND FOR THE PAYMENT OF PRINCIPAL AND INTEREST OF THIS BOND EXCEPT THE SPECIAL FUNDS PLEDGED THEREFOR.

This Bond and the issue of which it forms a part are secured by and payable solely out of a special fund created in full conformity with law and designated as the "Water Refunding Revenue Bonds Series 2018, Bond Fund" (the "Bond Fund") into which Fund the City covenants to deposit such amounts from the Net Revenues, as hereinafter defined, derived from rates, fees and charges for connection to, use of and services furnished by the City's water system (the "Pledged Water Revenues") which will be sufficient for the prompt payment of the principal of and interest on this Bond when the same become due and payable, respectively, all as is more particularly set forth in the Bond Ordinance authorizing the issuance of this Bond. ("Net Revenues" are defined as the gross income and revenue of the City's water system less amounts (excluding current depreciation balances or depreciation expenses appertaining to said system) necessary for the operation and maintenance of the City's water system.) If necessary, payment of principal and interest shall be made from the "Water Refunding Revenue Bonds Series 2018, Bond Reserve Fund" (the "Bond Reserve Fund") created for such purpose, all as more particularly set forth in the authorizing Bond Ordinance adopted and approved by the Governing Body prior to the issuance and delivery of this Bond. The Bonds of this issue are equitably and ratably secured by a lien on the Net Revenues, and such Bonds constitute an irrevocable and first lien (but not necessarily an exclusive first lien) on said Net Revenues.

Additional bonds or other obligations, subject to expressed conditions, may be issued and may be payable from the Net Revenues having a lien thereon on a parity with the lien of the Bonds, in accordance with the provisions of the Bond Ordinance. The City previously has issued, and there remain outstanding, the following issues of bonds having a lien on the Net Revenues on a parity with the lien of the Bonds: _____ and _____

Reference is made to the Bond Ordinance and any and all supplements thereto for any additional description of the nature and extent of the security for the Bonds, the funds or revenues pledged, the nature and extent and manner of enforcement of the pledge, the rights and remedies of the Owners of the Bonds with respect thereto, the terms and conditions upon which the Bonds are issued, and a statement of rights, duties, immunities and obligations of the City, and other rights and remedies of the Owners of the Bonds.

Optional Redemption

another fully registerable Bond of the same denomination, series and maturity, but only in the manner, subject to the limitations and conditions and upon payment of the charges provided in the Bond Ordinance.

The Bonds shall not be transferable or exchangeable, except as set forth in the Bond Ordinance.

I, the undersigned, Administrative Services Director of the City of Laramie, Wyoming, do hereby certify that the within Bond has been duly registered in a book kept for that purpose in my office.

IN WITNESS WHEREOF, I have caused this Certificate to be executed with my official signature and a manual impression or facsimile of the seal of the City, as of the ____ day of June, 2018.

(S E A L)

Administrative Services Director

I, the undersigned, Clerk of the City of Laramie, Wyoming, do hereby certify that the within Bond is within the lawful debt limit of the City of Laramie and is issued pursuant and according to law and that said Bond has been duly registered in a book kept for that purpose in my office or my representative's office.

IN WITNESS WHEREOF, I have caused this Certificate to be executed with my official signature and an impression of the seal of the City, as of the ____ day of June, 2018.

(SEAL)

City Clerk

FOR VALUE RECEIVED, the undersigned hereby sells, assigns and transfers
unto _____

SOCIAL SECURITY OR FEDERAL EMPLOYER IDENTIFICATION NUMBER OF
ASSIGNEE:

(Name and Address of Assignee)

the within Bond and does hereby irrevocably constitute and appoint _____
_____, attorney, to transfer said Bond on the books kept
for registration thereof with full power of substitution on the premises.

Dated: _____

Signature of Registered Owner: _____

NOTICE: The signature to this
Assignment must correspond with
the name of the Registered Owner
as if it appears upon the face of the
within Bond in ever particular,
without alteration or enlargement or
any change whatsoever.

Signature of Guarantee: _____

(Bank, Trust Company or Firm)