

MINUTES of a regular public meeting of the Council of the City of Rochelle, Ogle and Lee Counties, Illinois, held in the Council Chambers at City Hall in said City, located at 420 North 6th Street, Rochelle, Illinois, at 6:30 o'clock P.M. on the 13th day of July, 2020.

The Mayor called the meeting to order and directed the City Clerk to call the roll.

Upon the roll being called, the following Council Members were physically present at said location: _____

The following Council Members attended the meeting by video or audio conference: _____

The following Council Members were absent and did not participate in the meeting in any manner or to any extent whatsoever: _____

The following officials of the City were physically present at said location and ensured that members of the public present could hear all discussion and testimony and all votes of the members of the body, the availability of electronic meeting access by video and/or audio conference to any members of the public attending the meeting in person at said location and requesting such access: _____

Access to the meeting was provided to members of the public to contemporaneously hear all discussion, testimony, and roll call votes by the following means: _____

The Mayor announced that the next item on the agenda was the consideration of an ordinance providing for the payment of the City's outstanding Electric System Revenue Bonds, Series 2014, dated November 4, 2014, and Electric System Revenue Bonds, Series 2015, dated March 4, 2015, in advance of their respective maturities, authorizing the execution and delivery of an escrow agreement in connection therewith, and certain related matters.

Whereupon, the Mayor presented and the City Clerk made available to the Council Members and interested members of the public, complete copies of an ordinance entitled:

ORDINANCE providing for the payment of the outstanding Electric System Revenue Bonds, Series 2014, and Electric System Revenue Bonds, Series 2015, of the City of Rochelle, Ogle and Lee Counties, Illinois, in advance of their respective maturities, authorizing the execution and delivery of an escrow agreement in connection therewith and related matters.

(the "*Ordinance*").

Council Member _____ then moved and Council Member _____ seconded the motion that the Ordinance as presented be adopted.

After a full discussion thereof, the Mayor directed that the roll be called for a vote upon the motion to adopt the Ordinance.

Upon the roll being called, the following Council Members voted AYE: _____

and the following Council Members voted NAY: _____

Whereupon, the Mayor declared the motion carried and the Ordinance adopted, and henceforth did approve and sign the same in open meeting, and did direct the City Clerk to record the same in full in the records of the Council of the City of Rochelle, Ogle and Lee Counties, Illinois.

Other business was duly transacted at said meeting.

Upon motion duly made and carried, the meeting adjourned.

City Clerk

ORDINANCE providing for the payment of the outstanding Electric System Revenue Bonds, Series 2014, and Electric System Revenue Bonds, Series 2015, of the City of Rochelle, Ogle and Lee Counties, Illinois, in advance of their respective maturities, authorizing the execution and delivery of an escrow agreement in connection therewith and related matters.

* * *

WHEREAS, the City of Rochelle, Ogle and Lee Counties, Illinois (the “*City*”), has for many years owned and operated an electric system comprised of generation, distribution and transmission assets (the “*System*”) pursuant to Division 119 of Article 11 of the “Illinois Municipal Code”, approved May 29, 1961, and all other laws amendatory thereof and supplementary thereto (the “*Municipal Code*”); and

WHEREAS, the City has previously issued and there are currently outstanding Electric System Revenue Bonds, Series 2014, dated November 4, 2014 (the “*2014 Bonds*”), and Electric System Revenue Bonds, Series 2015, dated March 4, 2015 (the “*2015 Bonds*” and together with the 2014 Bonds, the “*Bonds*”), for lawful System purposes; and

WHEREAS, the Council of the City (the “*Council*”) has determined that the City has funds on hand and lawfully available in an amount not to exceed \$14,800,000, being lawfully available funds of the City received from the sale of certain System transmission assets, lawfully available fund balance reserves in certain System funds and lawfully available fund balance reserves in the debt service funds and reserve funds related to the Bonds (collectively, the “*Available Funds*”); and

WHEREAS, the Available Funds are sufficient to provide for the payment of all of the outstanding Bonds prior to maturity (the “*Defeased Bonds*”); and

WHEREAS, the Council hereby finds that it is in the best interests of the City to apply the Available Funds to the payment of the Defeased Bonds when due and upon redemption prior to maturity (the “*Defeasance*”); and

WHEREAS, in accordance with their terms, the Defeased Bonds may be called for redemption in advance of their respective maturities, and it is necessary and desirable to make such call for the redemption of the Defeased Bonds on their earliest possible call date, and provide for the giving of proper notice to the registered owners of the Defeased Bonds; and

WHEREAS, in order to properly provide for the payment of the Defeased Bonds, it will be necessary to irrevocably deposit the Available Funds in escrow with The Bank of New York Mellon Trust Company, National Association, Chicago, Illinois (the “*Escrow Agent*”), to pay the principal of and interest on the Defeased Bonds when due and upon redemption prior to maturity; and

WHEREAS, it is necessary that the Council authorize the form of escrow agreement (the “*Agreement*”) with the Escrow Agent and direct the execution of the Escrow Agreement by officers of the City; and

NOW, THEREFORE, Be It Ordained by the Council of the City of Rochelle, Ogle and Lee Counties, Illinois, as follows:

Section 1. Incorporation of Preambles. The Council hereby finds that all of the recitals contained in the preambles to this Ordinance are full, true and correct and does incorporate them into this Ordinance by this reference.

Section 2. Form and Authorization of Agreement. The Agreement and all the terms thereof, in the form provided hereby, are hereby approved, and the Mayor and City Clerk of the City are hereby authorized and directed to execute the Agreement in the name of the City. The Agreement shall be in substantially the form attached hereto as *Exhibit A*, subject to final review by the City Attorney. Amounts in the escrow may be used to purchase direct obligations of or

obligations guaranteed by the full faith and credit of the United States of America as to principal and interest (the “*Government Securities*”) to provide for the payment of the principal of and interest on the Defeased Bonds when due and upon redemption prior to maturity, as provided in the Agreement. Robert W. Baird & Co. Incorporated and the Escrow Agent be and the same are hereby authorized to act as agent for the City in the purchase of the Government Securities described and set forth in the Agreement. The City Treasurer is hereby authorized to award the escrow portfolio, consisting of the Government Securities.

Section 3. Transfer and Deposit of Available Funds. The Available Funds are hereby appropriated for the Defeasance and are hereby ordered deposited in an escrow account (the *Escrow Account*”) pursuant to the Agreement to provide for the payment of all principal of and interest on the Defeased Bonds when due and upon redemption prior to maturity. The City Treasurer is hereby authorized and directed forthwith to transfer the Available Funds in the amount necessary to effectuate the Defeasance to the Escrow Agent to be deposited into the Escrow Account. The amount of such Available Funds which are necessary to be deposited into the Escrow Account shall be conclusively established under the terms of the Agreement.

Section 4. Call of the Defeased Bonds. In accordance with the redemption provisions of the ordinance authorizing the Bonds, the City by the Council does hereby make provision for the payment of and does hereby call the Defeased Bonds for redemption on their earliest possible call date.

Section 5. Severability. If any section, paragraph, clause or provision of this Ordinance shall be held to be invalid or unenforceable for any reason, the invalidity or unenforceability of such section, paragraph or provision shall not affect any of the remaining provisions of this Ordinance.

Section 6. Superseder and Effective Date. All ordinances, resolutions, and orders, or parts thereof, in conflict herewith, are to the extent of such conflict hereby superseded, and this Ordinance shall be in full force and effect immediately upon its passage and approval.

ADOPTED: July 13, 2020

AYES: _____

NAYS: _____

ABSENT: _____

Approved: July 13, 2020

Mayor, City of Rochelle,
Ogle and Lee Counties, Illinois

ATTEST:

City Clerk, City of Rochelle,
Ogle and Lee Counties, Illinois

Recorded in the City Records on July 13, 2020.

EXHIBIT A

FORM OF ESCROW AGREEMENT

STATE OF ILLINOIS)
) SS
COUNTY OF OGLE)

CERTIFICATION OF ORDINANCE AND MINUTES

I, the undersigned, do hereby certify that I am the duly qualified and acting City Clerk of the City of Rochelle, Ogle and Lee Counties, Illinois (the “City”), and as such official I am the keeper of the records and files of the Council of the City (the “Council”).

I do further certify that the foregoing constitutes a full, true and complete transcript of the minutes of the meeting of the Council held on the 13th day of July, 2020, insofar as same relates to the adoption of Ordinance No. _____ entitled:

ORDINANCE providing for the payment of the outstanding Electric System Revenue Bonds, Series 2014, and Electric System Revenue Bonds, Series 2015, of the City of Rochelle, Ogle and Lee Counties, Illinois, in advance of their respective maturities, authorizing the execution and delivery of an escrow agreement in connection therewith and related matters.

a true, correct and complete copy of which said ordinance as adopted at said meeting appears in the foregoing transcript of the minutes of said meeting.

I do further certify that the deliberations of the Council on the adoption of said ordinance were conducted openly, that the vote on the adoption of said ordinance was taken openly, that said meeting was held at a specified time and place convenient to the public, that notice of said meeting was duly given to all of the news media requesting such notice, that an agenda for said meeting was posted at the location where said meeting was held and at the principal office of the Council at least 72 hours in advance of the holding of said meeting, that at least one copy of said agenda was continuously available for public review during the entire 72-hour period preceding said meeting, that said agenda contained a separate specific item concerning the proposed adoption of said ordinance, a true, correct and complete copy of the agenda as so posted being attached hereto as *Exhibit A*, that said meeting was called and held in strict compliance with the provisions the Open Meetings Act of the State of Illinois, as amended, and with the provisions of the Illinois Municipal Code, as amended, and that the Council has complied with all of the applicable provisions of said Act and said Code and its procedural rules in the adoption of said ordinance.

IN WITNESS WHEREOF, I hereunto affix my official signature and the seal of the City, this 13th day of July, 2020.

City Clerk

[SEAL]

[Clerk to attach agenda]