RESOLUTION NO. 2019-082

RESOLUTION AUTHORIZING THE ISSUANCE AND SALE OF AIRPORT REVENUE REFUNDING BONDS, SERIES 2019A (PFC SUPPORTED), TO REFINANCE THE COST OF IMPROVEMENTS TO THE RAPID CITY REGIONAL AIRPORT AND DEFINING THE TERMS AND MANNER OF PAYMENT OF THE BONDS AND THE SECURITY THEREFOR

BE IT RESOLVED by the City Council of the City of Rapid City, South Dakota (the “City”), as follows:

Section 1. Recitals.

1.01 Pursuant to Chapter 50-7, South Dakota Codified Laws and Rapid City Code of Ordinances, Section 2.72.010 et seq., the Rapid City Regional Airport (the “Airport”) is owned by the City and operated by the Board of Rapid City Regional Airport (the “Board”).

1.02 The City has heretofore issued its Airport Revenue Refunding Bonds, Series 2011A (PFC Supported) (the “Series 2011A Bonds”), dated as of March 1, 2011, in the aggregate principal amount of $11,675,000, pursuant to an Indenture of Trust, dated as of December 1, 2010, as supplemented by a First Supplemental Indenture of Trust, dated as of March 1, 2011, each between the City and The First National Bank in Sioux Falls, in Sioux Falls, South Dakota. The proceeds of the Series 2011A Bonds were used to refund the City’s Airport Revenue Bonds, Series 2010A (PFC Supported), which were issued to finance a portion of the costs of remodeling of and additions to the existing terminal at the Airport, together with related costs (collectively, the “Project”).

1.03 The City desires to refinance the Project by the issuance of its Airport Revenue Refunding Bonds, Series 2019A (PFC Supported) (the “Series 2019A Bonds”) the proceeds of which will be used to refund all or a portion of the Series 2011A Bonds. The aggregate principal amount of the Series 2019A Bonds shall not exceed $9,615,000. The Series 2019A Bonds will be issued pursuant to this resolution, a resolution expected to be adopted by the Board on October 8, 2019 (the “Board Resolution”), and an Indenture of Trust (the “Indenture”) to be entered into by the City and U.S. Bank National Association, as trustee.

1.04 Under the provisions of South Dakota Codified Laws, Chapters 50-7 and 6-8B (the “Act”), and Sections 142 of the Internal Revenue Code of 1986, as amended (the “Code”), the City is authorized to issue the Series 2019A Bonds. The Series 2019A Bonds shall be special, limited obligations of the City payable, as provided in the Indenture, from passenger facility charges and revenues of the Airport. The Series 2019A Bonds to be issued are not general obligations of the City, and the general credit and taxing powers of the City are not pledged to the payment thereof.
Section 2. **Approval of Issuance of the Series 2019A Bonds.** The City hereby approves the issuance of the Series 2019A Bonds pursuant to the Indenture, provided that the Series 2019A Bonds shall mature not later than December 1, 2035 and provided that debt service savings as a result of the refunding has a net present value of at least thirty percent (30%).

Section 3. **Official Statement.** The Mayor, Finance Officer and City Attorney are authorized, in cooperation with the Underwriter and President and Secretary of the Airport Board, to prepare an Official Statement to be distributed to prospective purchasers of the Series 2019A Bonds. The Mayor and Finance officer are hereby authorized and directed to approve, and, if requested, to execute the Official Statement.

Section 4. **Authorization of Documents.** In connection with the authorization, issuance and delivery of the Series 2019A Bonds, the officers designated by Section 5 of this Resolution shall enter into, execute and deliver the following agreements and documents:

4.01 the Indenture to provide for the issuance of the Series 2019A Bonds and setting forth the terms thereof;

4.02 the Bond Purchase Agreement or similar agreement providing for sale of Series 2019A Bonds;

4.03 a continuing disclosure agreement or undertaking satisfying the requirements of Rule 15c2-12 adopted by the Securities and Exchange Commission under the Securities Exchange Act of 1934, as amended; and

4.04 such other documents, agreements or instruments as may be necessary to make covenants and recite facts required to demonstrate the validity and enforceability of the Series 2019A Bonds under the laws of the State of South Dakota and to assure the exclusion of the interest thereon from the gross income of the owners of the Series 2019A Bonds under the Internal Revenue Code of 1986, as amended, and to effectuate the terms and intent of this Resolution. The execution and delivery of such indenture, agreements and documents is hereby authorized and directed, the indenture, agreements and documents to be in such form and to contain such terms, consistent with this Resolution, as the officers designated by Section 5 hereof shall determine to be necessary and desirable.

Section 5. **Officers.** The Mayor, Finance Officer and City Attorney of the City are hereby authorized and directed to execute and deliver the Indenture, agreements and documents authorized by Section 4 hereof. Execution and delivery of such items by the Mayor, Finance Officer and City Attorney shall constitute evidence that such items are consistent with the terms of this Resolution and have been duly authorized, executed and delivered by the City and are enforceable against the City in accordance with their terms, subject to customary exceptions relating to bankruptcy, reorganization, insolvency and other laws affecting creditors’ rights. The Mayor, Finance Officer and City Attorney are further authorized to take such other actions as may be required to effectuate the terms and intent of this Resolution. In the event of the absence
or disability of the Mayor, Finance Officer or City Attorney, the acting Mayor or Finance Officer, as applicable, are hereby authorized to act in the place and stead of the Mayor, Finance Officer and City Attorney, and to take all actions and execute all documents approved hereby.

Section 6. Retention of Underwriter and Bond Counsel. The City hereby retains D.A. Davidson & Co., in Omaha, Nebraska, as senior managing underwriter (the “Underwriter”). The City hereby retains the firm of Dorsey & Whitney LLP, Minneapolis, Minnesota, to act as bond counsel with respect to the Series 2019A Bonds.

Section 7. Amendment. This resolution may be amended from time to time, prior to the issuance of the Series 2019A Bonds, by an administrative resolution adopted by the City.

Section 8. Effective Date. This resolution shall become effective in accordance with Section 9-19-8, South Dakota Codified Laws.

Adopted October 7, 2019.

________________________________________
Mayor

ATTEST:

_____________________________
Finance Officer

Published: ________________, 2019.

Effective Date: ________________, 2019.

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