



**CITY OF BOULDER
CITY COUNCIL AGENDA ITEM**

MEETING DATE: March 6, 2025

AGENDA TITLE

Introduction, first reading, consideration of a motion to order published by title only, and adopt by emergency measure Ordinance 8690 authorizing the issuance by the City of Boulder, Colorado, acting through its Stormwater and Flood Management Utility Enterprise, of its Stormwater and Flood Management Revenue Bonds, Series 2025 for the purpose of providing funds to acquire, construct, improve and equip various stormwater and flood mitigation improvements for the first phase of the South Boulder Creek flood mitigation project, including the acquisition of ownership and easement interests in land necessary for such improvements; establishing a reserve fund; prescribing the form of the Series 2025 Bonds; setting forth parameters and restrictions with respect to the Series 2025 Bonds; authorizing a competitive sale of the 2025 Bonds in an aggregate principal amount of not to exceed \$66,000,000; providing for the payment and redemption of the Series 2025 Bonds from and out of the stormwater and flood management fee; providing other details and approving other documents in connection with the Series 2025 Bonds; authorizing city officials to take all action necessary to carry out the transactions contemplated hereby; ratifying actions previously taken; and declaring an emergency and providing the effective date hereof; and setting forth related details.

PRESENTERS

Nuria Rivera-Vandermyde, City Manager
Teresa Taylor Tate, City Attorney
Joel Wagner, Interim Chief Financial Officer
Joe Taddeucci, Utilities Director
Chris Douville, Utilities Deputy Director of Operations
Chris Douglass, Utilities Civil Engineering Senior Manager
Brandon Coleman, Utilities Civil Engineering Manager
Steph Klingeman, Utilities Principal Budget Analyst
Ron Gilbert, Assistant Controller

EXECUTIVE SUMMARY

City Council is asked to consider approval of the following documents: 1. Proposed Emergency Ordinance 8690 (**Attachment A**) authorizing the issuance of the 2025 Bonds with the following parameters: the aggregate principal amount of the 2025 Bonds shall not exceed \$66,000,000, the final maturity date shall be no later than December 1, 2044, the net effective interest rate shall not exceed 5.25%, and delegating approval of the final terms of the 2025 Bonds to the interim chief financial officer or the city manager following a competitive sale and approving the Notice of Bond Sale prescribing certain details for the competitive sale of the 2025 Bonds; and 2. the Preliminary Official Statement (POS) (**Attachment B**) to be distributed in connection with the offering of the 2025 Bonds.

The Bond proceeds will be used to fund capital improvements to the city's Stormwater and Flood Management Utility (the "Project"). The city currently expects the Project will be comprised of the first phase of the South Boulder Creek Flood Mitigation Project. The city retains the discretion, however, to fund different or additional capital improvement projects for the Stormwater and Flood Management Utility.

STAFF RECOMMENDATION

Suggested Motion Language:

Staff requests council consideration of this matter and action in the form of the following motion:

Motion to introduce, order published by title only, and adopt by emergency measure Ordinance 8690 authorizing the issuance by the City of Boulder, Colorado, acting through its Stormwater and Flood Management Utility Enterprise, of its Stormwater and Flood Management Revenue Bonds, Series 2025 for the purpose of providing funds to acquire, construct, improve and equip various stormwater and flood mitigation improvements for the first phase of the South Boulder Creek flood mitigation project, including the acquisition of ownership and easement interests in land necessary for such improvements; establishing a reserve fund; prescribing the form of the Series 2025 Bonds; setting forth parameters and restrictions with respect to the Series 2025 Bonds; authorizing a competitive sale of the 2025 Bonds in an aggregate principal amount of not to exceed \$66,000,000; providing for the payment and redemption of the Series 2025 Bonds from and out of the stormwater and flood management fee; providing other details and approving other documents in connection with the Series 2025 Bonds; authorizing city officials to take all action necessary to carry out the transactions contemplated hereby; ratifying actions previously taken; and declaring an emergency and providing the effective date hereof; and setting forth related details

COMMUNITY SUSTAINABILITY ASSESSMENTS AND IMPACTS

- **Economic** - The stormwater infrastructure Project will support economic goals by enhancing resiliency through flood risk reduction, safeguarding local community members, property, major utilities, and transportation infrastructure, including US-36 and Foothills Parkway, from costly damage, and promoting long-term economic stability.

- **Environmental** - The stormwater infrastructure is planned, designed, and built to minimize construction impacts to the environment, and includes significant environmental mitigation features that go above and beyond formal permitting requirements.
- **Social** – The stormwater infrastructure Project improves public safety by reducing flood hazards, protecting homes and critical infrastructure, and fostering a more resilient community. Reliable and effective stormwater management is essential to the health, safety, and well-being of the community.

OTHER IMPACTS

- **Fiscal** - The issuance of the bonds will address major capital needs of the utility that are summarized in the Key Project Identification section of this Agenda Memorandum. The annual debt service payments will be made from revenues collected in the Stormwater and Flood Management Fund, the first of which was included in the 2025 approved budget.
- **Staff time** - Administration of the revised debt service on this Bond issue is part of normal staff time that is included in the appropriate department budgets.

RESPONSES TO QUESTIONS FROM COUNCIL AGENDA COMMITTEE

None

BOARD AND COMMISSION FEEDBACK

The Bond related projects included in this Memorandum along with the corresponding bond issuance are part of the [Utilities CIP plan](#) which was [recommended by the Water Resources Advisory Board \(WRAB\) in July 2024](#) (as well as prior years).

PUBLIC FEEDBACK

Extensive public outreach was done on the Project and public feedback was taken into consideration. While the city typically does not solicit public feedback on bonds, some community members have sent emails commenting on the bond approach and staff have responded.

BACKGROUND AND ANALYSIS

Key Project Identification

The Project will involve capital improvements within the city’s Stormwater and Flood Mitigation Utility. A key component is the South Boulder Creek Flood Mitigation project, designed to reduce flood risks for community members and critical infrastructure. Within city limits, approximately 600 structures and 3,500 people are located in the South Boulder Creek floodplain. Over the past 80 years, South Boulder Creek has experienced significant flooding six times, with US-36 overtopped in both 1969 and 2013. When US-36 is overtopped, floodwaters impact an area within the city known as the “West Valley.”

The primary goal of the first phase of the South Boulder Creek Flood Mitigation Project is to protect community members, property, major utilities, and transportation infrastructure—including US-36 and Foothills Parkway—while minimizing impacts to city open space. City staff have collaborated with CU-Boulder and the Colorado Department of Transportation (CDOT) to develop the Project’s design.

Key Project elements include a 470-acre-foot stormwater detention facility, a 2,300-foot-long spillway, and outlet works that will direct detained water under US-36 before returning it to South Boulder Creek. The Project also required property acquisition as part of the Annexation Agreement between the city and CU-Boulder, approved in 2021. The Annexation Agreement included approximately 36 acres for the flood mitigation project, with the potential for the city to acquire an additional 119 acres for open space.

To complete this Bond offering, the City Council is requested to approve:

The attached parameter bond Proposed Emergency Ordinance 8690, **Attachment A**, which authorizes the 2025 Bonds in an amount not to exceed \$66,000,000, with a final maturity date not later than December 1, 2044, and a net effective interest rate shall not exceed 5.25%, and delegates approval of the final terms of the 2025 Bonds to the chief financial officer, interim chief financial officer or designee, or, if such person is not available, the city manager following a competitive sale; and authorizes such person to call for a public competitive sale of the 2025 Bonds on such date as such person determines (currently set as April 15, 2025), and approves the form of the Notice of Bond Sale and approves the POS that is included as **Attachment B**. This process is consistent with the way that the city has been handling bond ordinances for several years and eliminates the scheduling conflicts between the financial processes associated with the bond and the city processes associated with an ordinance. The POS and the Notice of Bond Sale will be distributed to potential bond buyers to provide information required to make an informed financial decision regarding the possible purchase of the 2025 Bonds.

The 2025 budget adopted by City Council in October 2024 included the appropriation of the annual debt service associated with supporting the bond issuance for this project. In addition, the 2025 budget included within the six-year capital improvement program the plan to appropriate the project funds at the time of the bond sale. As planned, Ordinance 8689 included as a separate Special Adjustment-to-Base (ATB) item within this council meeting agenda will appropriate \$66.0M to the Stormwater and Flood Management Fund. This Special ATB will appropriate funds to support this project.

Additional Information Regarding a Bond Sale by the city:

Ratings – The city applied to Standard & Poor’s for ratings on these Bonds. Standard & Poor’s is one of the major rating services in the United States. The rating review meeting between Standard & Poor’s and the city will be on March 18, 2025. The current bond rating for the Stormwater Revenue bonds is AAA from Standard and Poor’s. This is an excellent rating for this type of bond in Colorado. Credit ratings are made after analyzing the credit worthiness of the issuer and the quality of the bond being issued. The ratings are then used by potential buyers of the bonds as one of the determinants in whether they will purchase the bonds or not. The highest investment grade rating given is AAA and the lowest is BBB. The city expects to get the results of the rating call with Standard & Poor’s later that week and will share the results with the council.

Lowest Bid Evaluation – The city’s Charter requires bonds to be sold to the best advantage of the city. Because it incorporates the time value of money, the true interest cost (“TIC”) method of evaluating the cost of an issue has become the norm in the industry to determine winning bids for competitive underwritings. Technically it is defined as that semiannual discount rate which equates the principal and interest payments on the bonds to the purchase price paid by the underwriters to the issuer. In a competitive sale, all the bonds are purchased by one bidder and the bids are submitted

electronically through the i-Deal Parity electronic bidding system (“PARITY”).

Continuing Disclosure Procedures and Required Follow Up Over the Lifetime of the Bonds –

Due to actions taken by the Securities Exchange Commission (SEC) in 2014, continuing disclosure and adherence to reporting requirement commitments has become a much more serious concern in the eyes of the SEC. Continuing disclosure consists of important information about a municipal bond that arises after the initial issuance of the bonds. This information generally reflects the financial health or operating condition of the state of local government as it changes over time, or the occurrence of specific events that can have an impact on key features of the Bonds. The city has systems in place to ensure all required continuing disclosure requirements are met.

NEXT STEPS

- April 15, 2025: 9:30 a.m. Competitive Sale of Bonds – Competitive bids from underwriters will be submitted electronically to the city by means of PARITY. The 2025 Bonds will be awarded to the bidder offering to purchase the 2025 Bonds at the lowest TIC. The final terms of the 2025 Bonds will be set forth in a Sale Certificate approved by the chief financial officer or city manager pursuant to the authority delegated to them in the Emergency Ordinance 8690.
- April 30, 2025: Closing on the Bond sale – By this date, all bond documents will be signed and the funds from the sale will be received.

ATTACHMENTS

A – Proposed Emergency Ordinance 8690

B – Draft Preliminary Official Statement

ORDINANCE 8690

AN EMERGENCY ORDINANCE AUTHORIZING THE ISSUANCE BY THE CITY OF BOULDER, COLORADO, ACTING THROUGH ITS STORMWATER AND FLOOD MANAGEMENT UTILITY ENTERPRISE, OF ITS STORMWATER AND FLOOD MANAGEMENT REVENUE BONDS, SERIES 2025 FOR THE PURPOSE OF PROVIDING FUNDS TO ACQUIRE, CONSTRUCT, IMPROVE AND EQUIP VARIOUS STORMWATER AND FLOOD MITIGATION IMPROVEMENTS FOR THE FIRST PHASE OF THE SOUTH BOULDER CREEK FLOOD MITIGATION PROJECT, INCLUDING THE ACQUISITION OF OWNERSHIP AND EASEMENT INTERESTS IN LAND NECESSARY FOR SUCH IMPROVEMENTS; ESTABLISHING A RESERVE FUND; PRESCRIBING THE FORM OF THE SERIES 2025 BONDS; SETTING FORTH PARAMETERS AND RESTRICTIONS WITH RESPECT TO THE SERIES 2025 BONDS; AUTHORIZING A COMPETITIVE SALE OF THE 2025 BONDS IN AN AGGREGATE PRINCIPAL AMOUNT OF NOT TO EXCEED \$66,000,000; PROVIDING FOR THE PAYMENT AND REDEMPTION OF THE SERIES 2025 BONDS FROM AND OUT OF THE STORMWATER AND FLOOD MANAGEMENT FEE; PROVIDING OTHER DETAILS AND APPROVING OTHER DOCUMENTS IN CONNECTION WITH THE SERIES 2025 BONDS; AUTHORIZING CITY OFFICIALS TO TAKE ALL ACTION NECESSARY TO CARRY OUT THE TRANSACTIONS CONTEMPLATED HEREBY; RATIFYING ACTIONS PREVIOUSLY TAKEN; AND DECLARING AN EMERGENCY AND PROVIDING THE EFFECTIVE DATE HEREOF; AND SETTING FORTH RELATED DETAILS

All capitalized terms used herein shall have the meaning set forth in Section 1.02 of this Bond Ordinance.

WHEREAS, the City of Boulder (the "City"), in the County of Boulder and the State of Colorado (the "State"), is a municipal corporation duly organized and existing as a home-rule city pursuant to Article XX of the Constitution of the State (the "Constitution") and the Charter of the City (the "Charter"); and

WHEREAS, the City now owns, operates and maintains a stormwater and flood management utility in the utilities department (as hereinafter defined, the "Stormwater and Flood Management Utility Enterprise"); and

WHEREAS, Ordinance No. 5601, introduced, read, passed and adopted on the 9th day of November 1993, and Ordinance No. 7400 (2004) (collectively, the "Enterprise Ordinance"), established the City's "Stormwater and Flood Management Utility Enterprise" to operate and maintain City's stormwater and flood management system and added Sections 11-5-1 to 11-5-20 to the Boulder Revised Code, 1981 (the "City Code"); and

WHEREAS, the City has established a Stormwater and Flood Management Fee pursuant to Section 4-20-45, B.R.C. 1981 (the "Fee"), and the Fee is billed monthly to customers of the City's sewer and water system; and

1 WHEREAS, Article X, Section 20 of the State Constitution (“TABOR”) requires that
2 bonded debt (other than certain refunding bonds) not be issued without prior voter approval unless
the issuer is an “Enterprise” as defined in TABOR; and

3 WHEREAS, pursuant to the Charter, the Enterprise Ordinance and Section 11-5-18 of the
4 City Code, the Stormwater and Flood Management Utility Enterprise may issue revenue bonds
5 payable from the Fee and other revenues derived from the operation of such enterprise without
6 voter approval so long as such Stormwater and Flood Management Utility Enterprise qualifies as
an “Enterprise” within the meaning of TABOR during the City’s fiscal year of the issuance of such
revenue bonds; and

7 WHEREAS, the Stormwater and Flood Management Utility Enterprise is an “Enterprise”
within the meaning of TABOR; and

8 WHEREAS, the City Council of the City (the “Council”) is the governing body of the
9 Stormwater and Flood Management Utility Enterprise and the Council need not announce or
10 acknowledge that actions taken by the Council are taken by the governing body of the Stormwater
and Flood Management Utility Enterprise; and

11 WHEREAS, the current outstanding bonds payable from, and the payment of which is
12 secured by Net Income (defined herein) derived from the Fee as provided herein are the bonds
13 designated as the Stormwater and Flood Management Revenue Refunding Bonds, Series 2015 (the
“Series 2015 Bonds” and the “Outstanding Parity Bonds”) issued in the original principal amount
14 of \$22,845,000 and currently outstanding in the aggregate principal amount of \$13,415,000 issued
in accordance with Ordinance No. 8051 of the City (the “Series 2015 Ordinance”); and

15 WHEREAS, for the purpose of providing funds to (a) acquire, construct, improve and
16 equip certain stormwater and flood mitigation improvements for the first phase of the South
17 Boulder Creek flood mitigation project, including the acquisition of ownership and easement
18 interests in land necessary for such improvements, (b) establish a reserve fund and (c) pay all
19 necessary, incidental and appurtenant expenses in connection therewith, including the costs of
20 issuance, the Council has determined, and does hereby declare its intent to issue, acting through
its Stormwater and Flood Management Utility Enterprise, its City of Boulder, Colorado
Stormwater and Flood Management Revenue Bonds, Series 2025 (the “Series 2025 Bonds”) in the
21 aggregate principal amount not to exceed \$66,000,000, pursuant to the Charter and the
Supplemental Public Securities Act (being Part 2, Articles 57, Title 11 of the Revised Statutes of
the State of Colorado) as now in effect and as it may from time to time be amended (the
“Supplemental Public Securities Act”); and

22 WHEREAS, the City shall arrange for the sale of the Series 2025 Bonds by means of a
23 competitive sale through the i-Deal Parity electronic bidding system, as the City through its Chief
24 Financial Officer shall direct; and the responsible bidder bidding the lowest actuarial yield on the
Series 2025 Bonds shall be the Initial Purchaser of the Series 2025 Bonds, whose bid is in all cases
to the best advantage of the City in accordance with Section 98 of the Charter; and

25 WHEREAS, there will be distributed in connection with the offering of the Series 2025
Bonds, a Notice of Bond Sale (the “Notice of Bond Sale”), a Preliminary Official Statement (the

“Preliminary Official Statement”) and a final Official Statement (the “Final Official Statement”) relating to the Series 2025 Bonds as approved by the Mayor, Chief Financial Officer or City Manager of the City; and

WHEREAS, except as hereinabove provided with respect to the Outstanding Parity Bonds, the City has not pledged, nor in any way hypothecated, the Net Income derived from the Fee to the payment of any bonds or for any other purpose (excluding proceedings authorizing the issuance of any bonds which have heretofore been paid in full, or provision for the payment thereof in full has been made), with the result that the resulting Net Income may now be pledged lawfully and irrevocably for payment of the Series 2025 Bonds herein authorized on a parity with the Outstanding Parity Bonds as provided herein; and

WHEREAS, a reserve fund for the Series 2025 Bonds will be funded with other monies of the Stormwater and Flood Management Utility Enterprise; and

WHEREAS, the Series 2015 Ordinance includes certain financial tests that must be met prior to the issuance of any additional bonds payable from the Net Income; and

WHEREAS, the Series 2025 Bonds are being issued in compliance with the Series 2015 Ordinance authorizing the Outstanding Parity Bonds; and

WHEREAS, the Series 2025 Bonds shall be secured by an irrevocable and first and prior (but not exclusive) lien upon the Net Income and upon moneys deposited from time to time in the 2025 Bond Fund and the 2025 Reserve Fund for the Series 2025 Bonds; and

WHEREAS, none of the members of the Council have any potential conflicting interests in connection with the authorization of the loan or the issuance and delivery of the Series 2025 Bonds, or the use of the proceeds thereof; and

NOW THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF BOULDER, COLORADO:

ARTICLE I

SHORT TITLE, DEFINITIONS, INTERPRETATION, RATIFICATION, AUTHENTICATION, PUBLICATION AND EFFECTIVE DATE

Section 1.01. Short Title. This bond ordinance may be designated by the short title “Series 2025 Bond Ordinance” (the “Bond Ordinance”).

Section 1.02. Meanings and Construction.

(a) **Definitions.** The terms in this Section defined for all purposes of this Bond Ordinance and of any ordinance amendatory hereof or supplemental hereto, and of any other ordinance or any other document appertaining hereto), except where the context by clear implication otherwise requires, shall have the meanings herein specified:

1 “*Bond Counsel*” means (a) as of the date of issuance of the Series 2025 Bonds,
2 Kutak Rock LLP; and (b) as of any other date, Kutak Rock LLP or such other attorneys
3 selected by the City with nationally recognized expertise in the issuance of municipal
4 obligations.

5 “*Chief Financial Officer*” shall mean the Chief Financial Officer or Interim Chief
6 Financial Officer of the City, or his or her designee.

7 “*City*” means the City of Boulder, Colorado, and its successors.

8 “*City Manager*” means the City Manager of the City.

9 “*Clerk*” means the City Clerk of the City.

10 “*Code*” means the Internal Revenue Code of 1986, as amended.

11 “*Continuing Disclosure Undertaking*” means the Continuing Disclosure
12 Undertaking of the City, dated the date of issuance of the Series 2025 Bonds, in the form
13 set forth as Appendix C to the Official Statement.

14 “*Council*” shall mean the City Council of the City.

15 “*Dated Date*” means the original dated date for the Series 2025 Bonds, which shall
16 be the date of delivery of the Series 2025 Bonds or such other date as established in the
17 Sale Certificate.

18 “*DTC*” shall mean The Depository Trust Company, New York, New York, or its
19 successors or assigns and any other securities depository for the Series 2025 Bonds.

20 “*Enabling Laws*” means the Charter, the Enterprise Ordinance and the
21 Supplemental Public Securities Act, each as may be amended.

22 “*Event of Default*” shall mean any of the events stated in Section 10.03 hereof.

23 “*Fee*” shall mean the Stormwater and Flood Management Fee billed to customers
24 of the City’s water and sewer systems pursuant to Section 4-20-45, B.R.C. 1981, as
25 amended.

 “*Federal Securities*” shall mean bills, certificates of indebtedness, notes, bonds, or
similar securities which are direct obligations of, or the principal and interest of which
securities are unconditionally guaranteed by, the United States of America or evidences of
such indebtedness which are noncallable at the option of the City thereof.

 “*Fiscal Year*” for the purposes of this Bond Ordinance means the Fiscal Year of the
City as provided by State law.

1 “*Gross Income*” shall mean all income and revenues derived directly or indirectly
2 by the City from the Fee, including interest earnings on moneys in any fund or account
created by this Bond Ordinance and includes all revenues earned by the City therefrom.

3 “*Hereby*,” “*herein*,” “*hereinabove*,” “*hereinafter*,” “*hereinbefore*,” “*hereof*,”
4 “*hereto*,” “*hereunder*,” and any similar term refer to this Bond Ordinance and not solely to
the particular portion thereof in which such work is used; “*heretofore*” means before the
5 adoption of this Bond Ordinance; and “*hereafter*” means after the adoption of this Bond
Ordinance.

6 “*Independent Accountant*” shall mean any certified public accountant, or any firm
7 of such certified public accountants, duly licensed to practice and practicing as such under
the laws of the State, appointed and paid by the Council, in the name of the City, as
8 determined by the Council:

9 (i) who is, in fact, independent and not under the domination of the
City;

10 (ii) who does not have any substantial interest, direct or indirect, with
11 the City; and

12 (iii) who is not connected with the City as an officer or employee thereof,
but who may be regularly retained to make annual or similar audits of any books or
13 records of the City.

14 “*Initial Purchaser*” has the meaning set forth in the recitals hereof.

15 “*Insured Bank*” shall mean a bank which is a member of the Federal Deposit
Insurance Corporation or Federal Savings and Loan Insurance Corporation.

16 “*Interest Payment Date*” means each June 1 and December 1, commencing on June
17 1, 2025, or such other dates set forth in the Sale Certificate.

18 “*Issuance Expense Fund*” means the “City of Boulder, Colorado, Stormwater and
Flood Management Revenue Bonds, Series 2025 Issuance Expense Fund” created in
19 Section 4.01(a) hereof.

20 “*Maturity Date*” means the final date on which the principal of the Series 2025
Bonds is due and payable as set forth in the Sale Certificate.

21 “*Mayor*” shall mean the Mayor or the Mayor Pro-Tem of the City.

22 “*Municipal Advisor*” means Hilltop Securities Inc. of Denver, Colorado.

23 “*Net Income*” shall mean Gross Income, less Operations and Maintenance
24 Expenses.

1 “*Operation and Maintenance Expenses*” shall mean all reasonable and necessary
 2 current expenses of the City, paid or accrued, of operating, maintaining and repairing the
 3 Stormwater and Flood Management Utility System as may be designated; and the term
 4 may include at the City’s option (except as limited by law), without limiting the generality
 5 of the foregoing, engineering, auditing, reporting, legal and other overhead expenses of the
 6 City directly related to the administration, operation and maintenance thereof, insurance
 7 and fidelity bond premiums, the reasonable charges of the Paying Agent and any other
 8 depository bank appertaining thereto, payments to pension, retirement, health and
 9 hospitalization funds, any taxes, assessments or other charges which may be lawfully
 10 imposed on the City or its income or operations of any properties under its control and
 11 appertaining thereto, ordinary and current rentals of equipment or other property, refunds
 12 of any revenues lawfully due to others, expenses in connection with the issuance of bonds
 13 or other securities evidencing any loan to the City and payable from Gross Income, the
 14 expenses and compensation of any trustee or other fiduciary, contractual services and
 15 professional services required by this Bond Ordinance, salaries, labor and the cost of
 16 materials and supplies used for current operation, and all other administrative, general and
 17 commercial expenses, but:

18 (i) excluding any allowance for depreciation or any amounts for capital
 19 replacements;

20 (ii) excluding the costs of improvements, extensions, enlargements and
 21 betterments (or any combination thereof) that qualify as capital items in accordance
 22 with generally accepted accounting principles, or any reserves therefor;

23 (iii) excluding any reserves for operation, maintenance or repair of the
 24 Stormwater and Flood Management Utility System;

25 (iv) excluding any allowance for the redemption of any bond or other
 security evidencing a loan, or the payment of any interest on any bond or other
 security evidencing a loan, or any reserve therefor; and

 (v) excluding liabilities incurred by the City as the result of its
 negligence in the operation of the Stormwater and Flood Management Utility
 System or other ground of legal liability not based on contract, or any reserve
 therefor.

 “*Outstanding*” shall mean, when used with reference to bonds and as of any
 particular date, all bonds payable from the Fee in any manner theretofore and thereupon
 being executed and delivered:

 (i) except any bond canceled by the City, by the Paying Agent, or
 otherwise on the City’s behalf, at or before said date;

 (ii) except any bond for the payment or the redemption of which moneys
 at least equal to the principal amount of, any prior redemption premium due in
 connection with, and the interest on the bond to the date of maturity or the prior

redemption date, shall have theretofore been deposited with a commercial bank in escrow or in trust for that purpose, as provided in Section 9.01 hereof; and

(iii) except any bond in lieu of or in substitution for which another bond shall have been executed and delivered pursuant to Section 3.08, 3.09 or 11.08 hereof.

“*Parity Bonds*” shall mean bonds or other obligations payable from the Fee on a parity with the Series 2025 Bonds herein authorized to be issued, including the Series 2015 Bonds.

“*Paying Agent*” shall mean U.S. Bank Trust Company National Association, or its successors or assigns, acting as, among other things, paying agent, registrar and authenticating agent under this Bond Ordinance.

“*Paying Agent Agreement*” shall mean the Paying Agent Agreement, by and between the City and the Paying Agent, dated as of the date of issuance of the Series 2025 Bonds.

“*Permitted Investments*” means any investment permitted by the laws of the State and the City’s investment policies.

“*Person*” shall mean a corporation, firm, other body corporate, partnership, association, or individual, and also includes an executor, administrator, trustee, receiver or other representative appointed according to law.

“*Principal Payment Date*” means December 1, or such other date or dates of each year as established in the Sale Certificate for payment of principal of the Series 2025 Bonds.

“*Project*” means the acquisition, construction, improvement and equipping of certain stormwater and flood mitigation improvements for the first phase of the South Boulder Creek flood mitigation project, including the acquisition of ownership and easement interests in real property necessary for such improvements, and any other capital improvements with respect to the Stormwater and Flood Management Utility System.

“*Project Fund*” means the “City of Boulder, Colorado Stormwater Revenue Bonds, Series 2025 Project Fund” created in Section 4.01(c) hereof.

“*Record Date*” means the 15th day of the month prior to each Interest Payment Date with respect to the Series 2025 Bonds.

“*Registered Owner*” shall mean the Person or Persons in whose name or names a Series 2025 Bond shall be registered on the registration books of the City maintained by the Paying Agent.

1 “*Sale Certificate*” means the certificate executed by the Sale Delegate under the
2 authority delegated pursuant to this Bond Ordinance, which sets forth certain financial
terms of the Series 2025 Bonds.

3 “*Sale Delegate*” means the Chief Financial Officer of the City or, in the event such
4 person is unavailable, the City Manager.

5 “*Series 2015 Bonds*” shall mean the “City of Boulder, Colorado, Stormwater and
Flood Management Revenue Bonds, Series 2015.”

6 “*Series 2015 Ordinance*” means Ordinance No. 8051, introduced, passed and
7 adopted by the Council on the 16th day of June 2015.

8 “*Series 2025 Bonds*” shall mean the “City of Boulder, Colorado, Stormwater and
Flood Management Revenue Bonds, Series 2025.”

9 “*State*” shall mean the State of Colorado.

10 “*Stormwater and Flood Management Fee Fund*” shall mean the “City of Boulder
11 Stormwater and Flood Management Fee Fund” created in Section 5.02 hereof.

12 “*Stormwater and Flood Management Utility Enterprise*” shall have the meaning
set forth in the introductory clauses of this Ordinance.

13 “*Stormwater and Flood Management Utility System*” formerly known as “*Flood*
14 *Control System*,” shall mean the City’s stormwater and flood management system
operating as the City’s Stormwater and Flood Management Utility Enterprise and
15 constituting an “enterprise” under Article X, Section 20 of the Colorado Constitution.

16 “*Subordinate Bonds*” shall mean bonds payable from Net Income subordinate and
junior to the lien of the Outstanding Parity Bonds herein authorized to be issued.

17 “*Tax Certificate*” shall mean the Tax Compliance Certificate of the City concerning
18 the tax status of the Series 2025 Bonds, dated the Dated Date.

19 “*Tax Letter of Instructions*” shall mean the Tax Letter of Instructions, dated the date
of delivery of the Series 2025 Bonds, delivered by Bond Counsel to the City as part of the
20 Tax Certificate, as the same may be superseded or amended in accordance with its terms.

21 “*2015 Bond Fund*” shall mean the “City of Boulder, Colorado, Stormwater and
22 Flood Management Revenue Bonds, Series 2015, Bond Fund” created in the Series 2015
Ordinance.

23 “*2015 Minimum Bond Reserve*” means the “Minimum Bond Reserve,” as defined
24 in the Series 2015 Ordinance.
25

1 “*2015 Reserve Fund*” shall mean the “City of Boulder, Colorado, Stormwater and
2 Flood Management Revenue Bonds, Series 2015, Reserve Fund” created in the Series 2015
Ordinance.

3 “*2025 Bond Fund*” shall mean the “City of Boulder, Colorado, Stormwater and
4 Flood Management Revenue Bonds, Series 2025, Bond Fund” created in Section 5.05
hereof.

5 “*2025 Minimum Bond Reserve*” shall mean with respect to the Series 2025 Bonds
6 the amount set forth in the Sale Certificate, which shall equal the lesser of 125% of the
7 average annual debt service on the Series 2025 Bonds or 10% of the principal amount of
the Series 2025 Bonds at the time the Series 2025 Bonds are issued.

8 “*2025 Rebate Fund*” shall mean the “City of Boulder, Colorado, Stormwater and
9 Flood Management Revenue Bonds, Series 2025, Rebate Fund” created in Section 5.12
hereof.

10 “*2025 Reserve Fund*” shall mean the “City of Boulder, Colorado, Stormwater and
11 Flood Management Revenue Bonds, Series 2025, Reserve Fund,” created in Section
4.01(a) hereof.

12 “*2025 Reserve Policy*” means the municipal bond debt service reserve insurance
13 policy issued by the 2025 Reserve Policy Provider guaranteeing certain payments from the
2025 Reserve Fund with respect to the Series 2025 Bonds, which shall be credited to the
2025 Reserve Fund.

14 “*2025 Reserve Policy Provider*” has the meaning set forth in the Sale Certificate.

15 (b) **Construction.** This Bond Ordinance, except where the context by clear
16 implication herein otherwise requires, shall be construed as follows:

17 (i) definitions include both singular and plural;

18 (ii) pronouns include both singular and plural and cover all genders;

19 (iii) any percentage of Series 2025 Bonds is to be figured on the unpaid
20 principal amount thereof then Outstanding;

21 (iv) articles, sections, clauses, paragraphs and subparagraphs mentioned
22 by number, letter, or otherwise, correspond to the respective articles, sections,
clauses, paragraphs and subparagraphs of this Bond Ordinance so numbered or
otherwise so designated; and

23 (v) the titles applied to articles, sections, clauses, paragraphs and
24 subparagraphs of this Bond Ordinance are inserted only as a matter of convenience
and ease in reference and in no way define, limit or describe the scope or intent of
25 any provisions of this Bond Ordinance.

Section 1.03. Successors. Whenever herein the City or the Council is named or is referred to, such provision shall be deemed to include any successors of the City or the Council, respectively, whether so expressed or not. All of the covenants, stipulations, obligations and agreements by or on behalf of and other provisions for the benefit of the City or the Council contained herein shall bind and inure to the benefit of any such successors and shall bind and inure to the benefit of any officer, board, district, commission, authority, agent or instrumentality to whom or to which there shall be transferred by or in accordance with law any right, power or duty of the City or the Council or of their respective successors, if any, the possession of which is necessary or appropriate in order to comply with any such covenants, stipulations, obligations, agreements or other provisions hereof.

Section 1.04. Parties Interested Herein. Nothing herein expressed or implied is intended or shall be construed to confer upon or give to any Person, other than the City, the Council, and the Registered Owners of the Series 2025 Bonds any right, remedy or claim under or by reason hereof or any covenant, condition or stipulation hereof. All the covenants, stipulations, promises and agreements herein contained by and on behalf of the City shall be for the sole and exclusive benefit of the City, the Council and any Registered Owner of any Series 2025 Bonds.

ARTICLE II

COUNCIL'S DETERMINATIONS; AUTHORITY FOR AND AUTHORIZATION OF PROJECT AND OBLIGATION OF CITY

Section 2.01. Authority for Bond Ordinance. This Bond Ordinance is adopted by virtue of the City's powers as a city organized and operating pursuant to Articles X and XX of the State Constitution, the Charter; the Enterprise Ordinance and the Supplemental Public Securities Act; and the City has ascertained and hereby determines that each and every matter and thing as to which provision is made herein is necessary in order to carry out and to effectuate the purposes of the City in accordance with the Charter.

Section 2.02. Necessity of Project and Series 2025 Bonds. It is necessary and for the best interests of the City and the inhabitants thereof that the City effect the Project and defray the cost thereof by issuing revenue bonds therefor; and the Council hereby so determines and declares.

Section 2.03. Authorization of Project. The Council, on behalf of the City, does hereby determine to acquire, construct, improve and equip certain stormwater and flood mitigation improvements for the first phase of the South Boulder Creek flood mitigation project, including the acquisition of ownership and easement interests in land necessary for such improvements, and make any other capital improvements with respect to the Stormwater and Flood Management Utility System (as defined herein, the "Project"); and the Project is hereby so authorized. The accomplishment of the Project is hereby authorized, approved and ordered and it is hereby determined that the Series 2025 Bonds mature at such time not exceeding the estimated life of the Project.

Section 2.04. Bond Ordinance To Constitute Contract. In consideration of the purchase and the acceptance of the Series 2025 Bonds by those who shall hold the same from time to time, the provisions hereof shall be deemed to be and shall constitute contracts between the City

and the Registered Owners from time to time of the Series 2025 Bonds; and the covenants and agreements herein set forth to be performed on behalf of the City shall be for the equal benefit, protection and security of the Registered Owners of any and all of the Outstanding Series 2025 Bonds, all of which, regardless of the time or times of their issue or maturity, shall be of equal rank without preference, priority or distinction of any of the Series 2025 Bonds over any other thereof, except as otherwise expressly provided in or pursuant to this Bond Ordinance.

Section 2.05. Special Obligations. All of the Series 2025 Bonds, together with the interest accruing thereon, shall be payable and collectible solely out of the Net Income derived from the Fee so pledged; the Registered Owner or Registered Owners thereof may not look to any general or other fund for the payment of principal of and interest on such obligations except the herein designated special funds pledged therefor; the Series 2025 Bonds shall not constitute an indebtedness or a debt within the meaning of any constitutional, the Charter or statutory provision or limitation; and the Series 2025 Bonds shall not be considered or held to be general obligations of the City but shall constitute its special obligations. None of the covenants, agreements, representations and warranties contained herein or in the Series 2025 Bonds issued hereunder, in the absence of any breach thereof, shall ever impose or shall be construed as imposing any liability, obligation or charge against the City or its general credit, payable out of its general fund or out of any funds derived from taxation.

ARTICLE III

AUTHORIZATION, TERMS, EXECUTION AND ISSUANCE OF THE SERIES 2025 BONDS

Section 3.01. Authorization and Purpose of the Series 2025 Bonds. Pursuant to and in accordance with the Enabling Laws, the City hereby authorizes, approves and orders that there shall be issued the "City of Boulder, Colorado Stormwater and Flood Management Revenue Bonds, Series 2025," for the purpose of paying the costs of the Project. The Series 2025 Bonds are payable both as to principal and interest solely out of the Net Income derived from the Fee, are hereby authorized to be issued, pursuant to the City's powers as a home rule city, and the City pledges irrevocably but not necessarily exclusively, such Net Income to the payment of the Series 2025 Bonds and the interest thereon. In issuing the Series 2025 Bonds, the City is acting through its Stormwater and Flood Management Utility Enterprise.

Section 3.02. Series 2025 Bond Details.

(a) ***Registered Form, Denominations, Dated Date and Numbering.*** The Series 2025 Bonds shall be issued in fully registered form, shall be dated as of the Dated Date, and shall be registered in the names of the Persons identified in the registration books maintained by the Paying Agent pursuant hereto. The Series 2025 Bonds shall be issued in denominations of \$5,000 in principal amount or any integral multiple thereof. The Series 2025 Bonds shall be consecutively numbered, beginning with the number one, preceded by the letter "R."

(b) ***Maturity Dates, Principal Amounts and Interest Rates.*** The Series 2025 Bonds shall mature on the Principal Payment Date of the years and in the principal

amounts, and shall bear interest at the rates per annum (calculated based on a 360-day year of twelve 30-day months) set forth in the Sale Certificate.

(c) ***Accrual and Dates of Payment of Interest.*** Interest on the Series 2025 Bonds shall accrue at the rates set forth in the Sale Certificate from the later of the Dated Date or the latest Interest Payment Date (or in the case of defaulted interest, the latest date) to which interest has been paid in full and shall be payable on each Interest Payment Date.

(d) ***Manner and Form of Payment.*** Principal of each Series 2025 Bond shall be payable to the Owner thereof upon presentation and surrender of such Series 2025 Bond at the principal operations office of the Paying Agent or at such other office of the Paying Agent designated by the Paying Agent for such purpose. Interest on each Series 2025 Bond shall be payable by check or draft of the Paying Agent mailed on each Interest Payment Date to the Owner thereof as of the close of business on the corresponding Record Date; provided that interest payable to any Owner may be paid by any other means agreed to by such Registered Owner and the Paying Agent that does not require the City to make moneys available to the Paying Agent earlier than otherwise required hereunder or increase the costs borne by the City hereunder. All payments of the principal of and interest on the Series 2025 Bonds shall be made in lawful money of the United States of America.

(e) ***Delegation for Sale Certificate.*** The Council hereby delegates to the Sale Delegate for a period of one year from the date of adoption of the Bond Ordinance the authority to determine the following terms (which shall be set forth in the Sale Certificate for the Series 2025 Bonds) and any other matters that, in the judgment of the Sale Delegate and not inconsistent with the authority conferred by Enabling Laws and the parameters set forth below, are necessary or convenient to be established in the Sale Certificate:

(i) the Dated Date of the Series 2025 Bonds;

(ii) the Principal Payment Date;

(iii) the Interest Payment Dates;

(iv) the aggregate principal amount of the Series 2025 Bonds;

(v) the price at which the Series 2025 Bonds will be sold on a competitive basis;

(vi) the amount of principal of the Series 2025 Bonds maturing in any particular year and the respective interest rates borne by the Series 2025 Bonds;

(vii) the date on which the Series 2025 Bonds may be optionally redeemed;

(viii) the principal amounts, if any, of Series 2025 Bonds subject to mandatory sinking fund redemption and the years in which such Series 2025 Bonds will be subject to such redemption;

(ix) the amount of the 2025 Minimum Bond Reserve for the 2025 Reserve Fund;

(x) the Maturity Date; and

(xi) the details regarding any 2025 Reserve Policy and 2025 Reserve Policy Provider.

(f) ***Sale Parameters.*** The authority delegated to the Sale Delegate by this Section shall be subject to the following parameters:

(i) the aggregate principal amount of the Series 2025 Bonds shall not exceed \$66,000,000;

(ii) the Maturity Date of the Series 2025 Bonds shall be no later than December 1, 2044; and

(iii) the net effective interest rate on the Series 2025 Bonds shall not exceed 5.25%.

(g) ***Book-Entry Registration.*** Notwithstanding any other provision hereof, the Series 2025 Bonds shall be delivered only in book-entry form registered in the name of Cede & Co., as nominee of DTC, acting as securities depository of the Series 2025 Bonds and principal of and interest on the Series 2025 Bonds shall be paid by wire transfer to DTC; provided, however, if at any time the Paying Agent determines, and notifies the City of its determination, that DTC is no longer able to act as, or is no longer satisfactorily performing its duties as, securities depository for the Series 2025 Bonds, the Paying Agent may, at its discretion, either (i) designate a substitute securities depository for DTC and reregister the Series 2025 Bonds as directed by such substitute securities depository; or (ii) terminate the book-entry registration system and reregister the Series 2025 Bonds in the names of the beneficial owners thereof provided to it by DTC. Neither the City nor the Paying Agent shall have any liability to DTC, Cede & Co., any substitute securities depository, any Person in whose name the Series 2025 Bonds are reregistered at the direction of any substitute securities depository, any beneficial owner of the Series 2025 Bonds or any other Person for (A) any determination made by the Paying Agent pursuant to the proviso at the end of the immediately preceding sentence or (B) any action taken to implement such determination and the procedures related thereto that is taken pursuant to any direction of or in reliance on any information provided by DTC, Cede & Co., any substitute securities depository or any Person in whose name the Series 2025 Bonds are reregistered.

Section 3.03. Form of the Series 2025 Bonds. The Series 2025 Bonds shall be in substantially the form set forth in Exhibit A hereto, with such changes thereto, not inconsistent herewith, as may be necessary or desirable and approved by the officials of the City executing the same (whose manual or facsimile signatures thereon shall constitute conclusive evidence of such approval). All covenants, statements, representations and agreements contained in the Series 2025 Bonds are hereby approved and adopted as the covenants, statements, representations and agreements of the City. Although attached as an exhibit for the convenience of the reader,

Exhibit A is an integral part of the Bond Ordinance and is incorporated herein as if set forth in full in the body of the Bond Ordinance. The Series 2025 Bonds shall recite that it is issued under the authority of the Enabling Laws. Such recital shall be conclusive evidence of the validity and the regularity of the issuance of the Series 2025 Bonds after their delivery for value.

Section 3.04. Execution, Authentication and Delivery of the Series 2025 Bonds.

(a) **Execution.** The Series 2025 Bonds shall be executed in the name and on behalf of the City with the manual or facsimile signature of the Mayor, shall bear a manual or facsimile of the seal of the City and shall be attested by the manual or facsimile signature of the Clerk both of whom are hereby authorized and directed to prepare and execute the Series 2025 Bonds in accordance with the requirements hereof. Should any officer whose manual or facsimile signature appears on the Series 2025 Bonds cease to be such officer before delivery of the Series 2025 Bonds, such manual or facsimile signature shall nevertheless be valid and sufficient for all purposes.

(b) **Authentication.** When the Series 2025 Bonds has been duly executed, the officers of the City are authorized to, and shall, deliver the Series 2025 Bonds to the Paying Agent for authentication. The Series 2025 Bonds shall not be secured by or entitled to the benefit of the Bond Ordinance, nor shall it be valid or obligatory for any purpose, unless the certificate of authentication of the Paying Agent has been manually executed by an authorized signatory of the Paying Agent. The executed certificate of authentication of the Paying Agent upon the Series 2025 Bonds shall be conclusive evidence, and the only competent evidence, that the Series 2025 Bonds has been properly authenticated hereunder.

(c) **Delivery.** Upon the authentication of the Series 2025 Bonds, the payment to the City of the purchase price of the Series 2025 Bonds and the delivery of the approving opinion of Bond Counsel, the Paying Agent shall be directed to release the Series 2025 Bonds and deliver the same to the Initial Purchaser or as directed by the Initial Purchaser.

Section 3.05. Registration, Transfer and Exchange of the Series 2025 Bonds.

(a) **Registration.** The Paying Agent shall maintain registration books in which the ownership, transfer and exchange of Series 2025 Bonds shall be recorded. The Person in whose name the Series 2025 Bonds shall be registered on such registration book shall be deemed to be the absolute owner thereof for all purposes.

(b) **Transfer and Exchange.** The Series 2025 Bonds may be transferred or exchanged at the office of the Paying Agent for a like aggregate principal amount of Series 2025 Bonds in an authorized denomination and of the same type, maturity and interest rate, upon payment by the transferee of a transfer fee, any tax or governmental charge required to be paid with respect to such transfer or exchange and any cost of printing bonds in connection therewith. Upon surrender for transfer of the Series 2025 Bond, duly endorsed for transfer or accompanied by an assignment duly executed by the Registered Owner or his or her attorney duly authorized in writing, the City shall execute and the Paying Agent shall authenticate and deliver in the name of the transferee a new Series 2025 Bond.

Section 3.06. Replacement of Lost, Destroyed or Stolen Series 2025 Bonds. If any Series 2025 Bond shall become lost, apparently destroyed, stolen or wrongfully taken, it may be replaced in the form and tenor of the lost, destroyed, stolen or taken Series 2025 Bond and the City shall execute and the Paying Agent shall authenticate and deliver a replacement Series 2025 Bond upon the Registered Owner furnishing, to the satisfaction of the Paying Agent: (a) proof of ownership (which shall be shown by the registration books of the Paying Agent); (b) proof of loss, destruction or theft; and (c) an indemnity satisfactory to the City and the Paying Agent with respect to the Series 2025 Bonds lost, destroyed or taken; and (d) payment of the cost of preparing and executing the new Series 2025 Bond.

Section 3.07. Redemption of Series 2025 Bonds Prior to Maturity.

(a) **Optional Redemption.** Certain of the Series 2025 Bonds may be subject to redemption prior to maturity at the option of the City, if at all, on such dates and at such prices as set forth in the Sale Certificate.

(b) **Mandatory Sinking Fund Redemption.** All or any principal amount of the Series 2025 Bonds may be subject to mandatory sinking fund redemption by lot on the Principal Payment Date of the years and in the principal amounts specified in the Sale Certificate, at a redemption price equal to the principal amount to be redeemed (with no redemption premium), plus accrued interest to the redemption date.

(c) **Redemption Procedures.** No notice shall be required for mandatory sinking fund redemption as provided in Section 3.07(b). Not less than 30 days prior to the date established for optional redemption of the Series 2025 Bonds, as provided in Section 3.07(a), the Paying Agent shall provide notice of optional redemption to the Registered Owners of any Series 2025 Bonds to be so optionally redeemed; the Paying Agent shall send such Registered Owners a copy of a notice of optional redemption in the name of the City by certified or registered first class, postage-prepaid mail.

Any notice of redemption by the Paying Agent may contain a statement that the redemption is conditioned upon the receipt by the Paying Agent of funds on or before the date fixed for redemption sufficient to the pay the redemption price of the Series 2025 Bonds so called for redemption, and that if funds are not available, such redemption shall be cancelled by written notice to the Registered Owners in the same manner as the original redemption notice was mailed.

ARTICLE IV

USE OF SERIES 2025 BOND PROCEEDS AND OTHER FUNDS

Section 4.01. Disposition of Series 2025 Bond Proceeds. The proceeds of the Series 2025 Bonds upon the receipt thereof, shall be deposited promptly by the Chief Financial Officer in an Insured Bank designated by the Council (except as otherwise provided hereafter) and shall be accounted for in the following manner and priority and are hereby pledged therefor:

(a) **2025 Reserve Fund.** There initially will be credited to a separate account hereof created and to be known as the "City of Boulder, Colorado, Stormwater and Flood

Management Revenue Bonds, Series 2025, Reserve Fund,” funded in an amount equal to the 2025 Minimum Bond Reserve as set forth in the Sale Certificate. Notwithstanding the foregoing provisions of this subsection or anything else to the contrary provided in the Bond Ordinance, each holder of any of the Series 2025 Bonds shall, by its purchase of such Series 2025 Bond or Series 2025 Bonds, be deemed to have agreed that at such time as (i) the Series 2015 Bonds are no longer Outstanding (through maturity, refunding, redemption, defeasance or otherwise) or (ii) in accordance with Section 11.01 of the Series 2015 Ordinance, the holders of more than 50% of the remaining Outstanding Series 2015 Bonds shall have consented to the following clauses (A) and (B) as proposed amendments to the Series 2015 Ordinance, then: (A) the requirement of establishing or maintaining the 2025 Reserve Fund for the Series 2025 Bonds and the amount of the 2025 Minimum Bond Reserve, if any, for the Series 2025 Bonds shall be at the election of the City, in its sole discretion, and (B) the requirement in Section 7.03(e) hereof to establish and maintain a reserve fund, if any, for additional Parity Bonds and the minimum amount of any such reserve fund, if established, shall be at the election of the City, in its sole discretion.

(b) **Project Fund.** There is hereby established the “City of Boulder, Colorado Stormwater and Flood Management Revenue Bonds, Series 2025 Project Fund,” which shall be maintained by the City in accordance with the provisions of this Bond Ordinance. The Project Fund shall be funded in the amount set forth in the Sale Certificate.

(c) **Payment of Costs of Issuance.** Proceeds of the Series 2025 Bonds in amount set forth in the Sale Certificate shall be credited to a separate account hereby created and to be known as the “City of Boulder, Colorado, Stormwater and Flood Management Revenue Bonds, Series 2025 Issuance Expense Fund” and shall be used to pay costs of issuance in connection with the Series 2025 Bonds. Upon the determination of the City that all costs of issuance of the Series 2025 Bonds have been paid or are determinable, any balance remaining in this account shall be transferred to the 2025 Bond Fund.

Section 4.02. Use of Project Fund. The moneys in the Project Fund, except as herein otherwise expressly provided, shall be used and paid out solely for the purpose of paying costs of the Project including, without limitation, interest during construction of the Project, engineering, inspection, fiscal and legal expenses, costs of financial, professional and other estimates and advice, contingencies, any reimbursements due to the federal government, or any agency, instrumentality or corporation thereof, of any moneys theretofore expended for or in connection with the Project, and all such other incidental expenses as may be necessary or incidental to the financing and construction of the Project, or any part thereof, the issuance of the Series 2025 Bonds and the placing of the Project in operation.

Section 4.03. Application of Project Fund. Any interest earnings on moneys deposited to the Project Fund shall be retained in the Project Fund until the Project shall have been completed and then shall be transferred as provided in Section 4.05 below.

Section 4.04. Prevention of Bond Default. The Chief Financial Officer shall use any Series 2025 Bond proceeds credited to the Project Fund, without further order or warrant, to pay the interest on and the principal of the Series 2025 Bonds as the same become due whenever and

to the extent moneys in the 2025 Bond Fund or otherwise available therefor are insufficient for that purpose, unless such Series 2025 Bond proceeds shall be needed to defray obligations accrued and to accrue under any contracts then existing and appertaining to the Project. Any moneys so used shall be restored to the Project Fund, as permitted by Section 5.11 hereof, from the Net Income derived from the Fee thereafter received and not needed to meet the requirements provided in Sections 5.03 through 5.09 hereof.

Section 4.05. Completion of Project. When the Project shall have been completed in accordance with the relevant plans and specifications and all amounts due therefor, including all proper incidental expenses, shall have been paid, or for which full provision shall have been made, the Chief Financial Officer shall cause to be transferred to the 2025 Reserve Fund, all surplus moneys remaining in the Project Fund, if any, to the extent the amount on deposit in the 2025 Reserve Fund is less than the 2025 Minimum Bond Reserve, and any remaining surplus moneys shall be transferred to the 2025 Bond Fund, except for moneys to be retained to pay any unpaid accrued costs or contingent obligations. Nothing herein contained shall be construed as preventing the Chief Financial Officer from causing to be transferred from the Project Fund to the 2025 Reserve Fund, to the extent of any deficiency, at any time prior to the termination of the Project Fund any moneys which will not be necessary for the Project.

Section 4.06. Initial Purchaser Not Responsible. The validity of the Series 2025 Bonds shall not be dependent on, nor be affected by, the validity or regularity of any proceedings relating to the acquisition, construction, improvement and equipping of the Project, or any part thereof, or to the completion of the Project. The Initial Purchaser of the Series 2025 Bonds, any associate thereof, and any subsequent holder of any Series 2025 Bond shall in no manner be responsible for the application or disposal by the City or by any of its officers, agents and employees of the moneys derived from the sale of the Series 2025 Bonds or any other moneys herein designated.

Section 4.07. Lien on Bond Proceeds. Until the proceeds of the Series 2025 Bonds are applied as hereinabove provided and used to defray costs of the Project from time to time, the Series 2025 Bonds shall be secured by a lien on such proceeds which are pledged for the benefit of the holders of the Series 2025 Bonds from time to time as provided in Section 5.01.

Section 4.08. 2025 Reserve Policy. The Council hereby authorizes the Sale Delegate to execute and deliver any 2025 Reserve Policy Agreement. The Sale Delegate is also hereby authorized and directed to take all actions necessary to cause a 2025 Reserve Policy Provider to issue a 2025 Reserve Policy, including without limitation, payment of the premium(s) due in connection therewith and entering into any authorizing agreement. Further terms with respect to any 2025 Reserve Policy Agreement will be contained in the Sale Certificate.

ARTICLE V

ADMINISTRATION OF AND ACCOUNTING FOR PLEDGED REVENUES

Section 5.01. Pledge Securing the Series 2025 Bonds. The Gross Income and all moneys and securities paid or to be paid to or held or to be held in any account under Article V of this Bond Ordinance or under Section 4.01 hereof, less only the reasonable Operation and Maintenance Expenses of the Stormwater and Flood Management Utility System (the "Net Income") is hereby

pledged to secure the payment of the principal of and the interest on the Series 2025 Bonds; and this pledge of the Net Income derived from the Fee shall be valid and binding from and after the date of the first delivery of any Series 2025 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 or further act, and the lien of this pledge and the obligation to perform the contractual provisions hereby made shall have priority over any or all other obligations and liabilities of the City, and the lien of this pledge shall be valid and binding as against all parties having claims of any kind in tort, contract or otherwise against the City irrespective of whether such parties have notice thereof.

Section 5.02. Fee Deposits. So long as any of the Series 2025 Bonds shall be Outstanding, either as to principal or interest, or both, the Fee shall be set aside and credited to a separate account to be known as the “City of Boulder, Colorado, Stormwater and Flood Management Fee Fund” (the “Stormwater and Flood Management Fee Fund”). So long as any of the Series 2025 Bonds shall be Outstanding, either as to principal or interest, all Gross Income shall continue to be credited to the Stormwater and Flood Management Fee Fund.

Section 5.03. Administration of the Stormwater and Flood Management Fee Fund. So long as any of the Series 2025 Bonds hereby authorized shall be Outstanding, either as to principal or interest, or both, as provided herein in Sections 5.03 through 5.08 hereof, the following payments shall be made from the Stormwater and Flood Management Fee Fund: First, as a first charge thereon, there shall be withdrawn from the Stormwater and Flood Management Fee Fund moneys sufficient to pay Operation and Maintenance Expenses of the City’s Stormwater and Flood Management Utility System as they become due and payable, and thereupon they shall be promptly paid.

Section 5.04. 2015 Bond Fund Payments. Second, and concurrently with the payments required by Section 5.05 hereof, from any moneys remaining in the Stormwater and Flood Management Fee Fund after the application of moneys as provided in Section 5.03 hereof, there shall be credited to the 2015 Bond Fund the following amounts:

(a) **Interest Payments.** Monthly, commencing on the first day of the month immediately succeeding the delivery of the Series 2015 Bonds, an amount in equal monthly installments necessary, together with any other moneys from time to time available therefor from whatever source, to pay the next maturing installment of interest on the Series 2015 Bonds then Outstanding shall be transferred to the 2015 Bond Fund.

(b) **Principal Payments.** Monthly, commencing on the month immediately succeeding the delivery of the Series 2015 Bonds, an amount in equal monthly installments necessary, together with any other money from time to time available therefor from whatever source, to pay the next maturing installment of principal on the Series 2015 Bonds then Outstanding.

Section 5.05. 2025 Bond Fund Payments. Third, and concurrently with the payments required by Section 5.04 hereof, from any moneys remaining in the Stormwater and Flood Management Fee Fund after the application of moneys as provided in Section 5.03 hereof, there

1 shall be credited to the “City of Boulder, Colorado, Stormwater and Flood Management Revenue
2 Bonds, Series 2025 Bond Fund” (the “2025 Bond Fund”) hereby created the following amounts:

3 (a) **Interest Payments.** Monthly, commencing on the first day of the month
4 immediately succeeding the delivery of any of the Series 2025 Bonds, an amount in equal
5 monthly installments necessary, together with any other moneys from time to time
6 available therefor from whatever source, including without limitation the moneys, if any,
7 provided in Section 4.01 hereof, to pay the next maturing installment of interest on the
8 Series 2025 Bonds then Outstanding shall be transferred to the 2025 Bond Fund.

9 (b) **Principal Payments.** Monthly, commencing on the month immediately
10 succeeding the delivery of any Series 2025 Bonds, an amount in equal monthly installments
11 necessary, together with any other money from time to time available therefor from
12 whatever source, to pay the next maturing installment of principal on the Series 2025 Bonds
13 then Outstanding.

14 **Section 5.06. 2015 Reserve Fund Payments.** Fourth, and concurrently with the
15 payments required by Section 5.07 hereof, from any moneys remaining in the Stormwater and
16 Flood Management Fee Fund after the deposits required by Sections 5.03, 5.04 and 5.05 hereof,
17 except as provided in Section 5.08 hereof, there shall be credited to the 2015 Reserve Fund any
18 moneys necessary to make up any deficiency in the 2015 Reserve Fund, to the extent moneys on
19 deposit in the 2015 Reserve Fund are less than the 2015 Minimum Bond Reserve. No payment
20 need be made into the 2015 Reserve Fund so long as the moneys therein are at least equal to the
21 2015 Minimum Bond Reserve. The moneys in the 2015 Reserve Fund shall be maintained as a
22 continuing reserve to be used, except as hereinafter provided in Section 5.08 hereof, only to prevent
23 deficiencies in the payment of the principal of and the interest on the Series 2015 Bonds resulting
24 from the failure to deposit into the 2015 Bond Fund sufficient funds to pay said principal and
25 interest as the same accrue. Any moneys at any time in the 2015 Reserve Fund in excess of the
2015 Minimum Bond Reserve, including investment earnings derived from amounts on deposit in
the 2015 Reserve Fund, may be withdrawn therefrom and transferred to the 2015 Bond Fund.

Section 5.07. 2025 Reserve Fund Payments. Fifth, and concurrently with the payments
required by Section 5.06 hereof, from any moneys remaining in the Stormwater and Flood
Management Fee Fund after the deposits required by Sections 5.03, 5.04 and 5.05 hereof, except
as provided in Section 5.08 hereof, there shall be credited to the 2025 Reserve Fund created
pursuant to Section 4.01(a) hereof any moneys necessary to make up any deficiency in the 2025
Reserve Fund, to the extent moneys on deposit in the 2025 Reserve Fund are less than the 2025
Minimum Bond Reserve. No payment need be made into the 2025 Reserve Fund so long as the
moneys therein are at least equal to the 2025 Minimum Bond Reserve. The moneys in the 2025
Reserve Fund shall be maintained as a continuing reserve to be used, except as hereinafter provided
in Section 5.08 hereof, only to prevent deficiencies in the payment of the principal of and the
interest on the Series 2025 Bonds resulting from the failure to deposit into the 2025 Bond Fund
sufficient funds to pay said principal and interest as the same accrue.

Section 5.08. Termination of Deposits. No payment need be made into the 2025 Reserve
Fund if the amount in the 2025 Reserve Fund totals a sum at least equal to the entire amount of the
Outstanding Series 2025 Bonds, both as to principal and interest to their respective maturities, or

to any prior redemption date on which the City shall have exercised or shall have obligated itself to exercise its option to redeem prior to their respective maturities the Series 2025 Bonds then Outstanding and thereafter maturing, and both accrued and not accrued, in which case moneys in said account in an amount, except for any interest or other gain to accrue from any investment of moneys in Permitted Investments from time to time of any such deposit to the time or respective times the proceeds of any such investment shall be needed for such payment, at least equal to such principal and interest requirements, shall be used together with any such gain from investments solely to pay such as the same become due; and any moneys in excess thereof in said account and any other moneys derived from the Fee may be used in any lawful manner determined by the Council.

Section 5.09. Payment of Additional Bonds. Sixth, but either concurrently with, in the case of additional Parity Bonds, or subsequent to, in the case of additional Subordinate Bonds, the payments required by Section 5.04 through 5.07 hereof, as provided in Sections 7.03 through 7.13 hereof, any moneys remaining in the Stormwater and Flood Management Fee Fund, after making the payments hereinabove provided, may be used by the City for the payment of interest on and the principal of additional bonds hereafter authorized to be issued and payable from the Net Income derived from the Fee, including reasonable reserves therefor, as the same accrue; provided, however, that the lien of such additional bonds on the Net Income derived from the Fee and the pledge thereof for the payment of such additional bonds shall be on a parity with, in the case of additional Parity Bonds, or subordinate to in the case of additional Subordinate Bonds, the lien and pledge of the bonds herein authorized, as hereinafter provided.

Section 5.10. Fee Pledge. Anything herein to the contrary notwithstanding, if moneys in the Stormwater and Flood Management Fee Fund are at any time insufficient to pay the amounts required to be paid therefrom, after permitted transfers from the 2025 Reserve Fund, then moneys in either such fund shall be used to pay all items payable therefrom pursuant to this Article V.

Section 5.11. Use of Remaining Revenues. After making the payments hereinabove required to be made by Sections 5.03 through 5.09 hereof, any remaining Net Income derived from the Fee in the Stormwater and Flood Management Fee Fund shall be used for any one or any combination of the following purposes in any order:

(a) **Purchase of Obligations.** For the purchase in the open market of the Series 2025 Bonds or any other Outstanding bonds or other obligations incurred for any such purpose or purposes and payable from the Fee, at the best price obtainable, not, however, in excess of the call price therefor then applicable, or if none be then applicable, not in excess of a reasonable price therefore.

(b) **Prior Redemption.** For the prior redemption of the Series 2025 Bonds or any other outstanding bonds or other obligations payable from the Fee, in accordance with the provisions of the Series 2025 Bonds or other obligations and any ordinance authorizing their issuance, including but not necessarily limited to this Bond Ordinance, but not in excess of a price at which such Series 2025 Bonds or other obligations can be purchased in the open market.

1 (c) **Improvement.** For the repair, enlargement, extension, betterment and
improvement of the Stormwater and Flood Management Utility System.

2 (d) **Operation & Maintenance Expenses.** For defraying any Operation and
3 Maintenance Expenses for which provision has not otherwise been made of the Stormwater
4 and Flood Management Utility System.

5 (e) **Lawful Purposes.** For any other lawful purpose of the City.

6 **Section 5.12. 2025 Rebate Fund.**

7 (a) There is hereby created and established by the City a separate special fund
to be designated the “City of Boulder, Colorado, Stormwater and Flood Management
8 Revenue Bonds, Series 2025 Rebate Fund” (the “2025 Rebate Fund”), which shall be
expended in accordance with the provisions hereof and the Tax Letter of Instructions. The
9 City shall make deposits and disbursements from the 2025 Rebate Fund in accordance with
the Tax Letter of Instructions, shall invest the 2025 Rebate Fund only in legal investments
10 for funds of the City and pursuant to said Tax Letter of Instructions, and shall deposit
income from said investments immediately upon receipt thereof in the 2025 Rebate Fund,
11 all as set forth in the Tax Letter of Instructions. The City shall make the calculations,
deposits, disbursements and investments as may be required by the immediately preceding
12 sentence, or, to the extent it deems necessary in order to ensure the tax-exempt status of
interest on the Series 2025 Bonds, shall employ at its expense a person or firm with
13 recognized expertise in the area of rebate calculation, to make such calculations. The Tax
Letter of Instructions may be superseded or amended by a new Tax Letter of Instructions
14 drafted by, and accompanied by an opinion of Bond Counsel addressed to the City to the
effect that the use of said new Tax Letter of Instructions will not cause the interest on the
15 Series 2025 Bonds to become includible in gross income for purposes of federal income
taxation.

16 (b) The City shall make the rebate deposit described in the Tax Letter of
17 Instructions. Records of the determinations required by this Section 5.12 and the Tax
Letter of Instructions shall be retained by the City until four years after the final retirement
18 of the Series 2025 Bonds.

19 (c) Not later than 30 days after the end of the fifth bond year (i.e., the year
20 ended April 29, 2030) and every five years thereafter, the City shall pay to the United States
of America 90% of the amount required to be on deposit in the 2025 Rebate Fund as of
21 such payment date. Not later than 60 days after the final retirement of the Series 2025
Bonds, the City shall pay to the United States of America 100% of the balance remaining
22 in the 2025 Rebate Fund. Each payment required to be paid to the United States of America
pursuant to this Section 5.12 shall be filed with the Internal Revenue Service Center,
23 Ogden, Utah 84201. Each payment shall be accompanied by a copy of the Internal
Revenue Form 8038-G originally filed with respect to the Series 2025 Bonds, and a
24 statement summarizing the determination of the amount to be paid to the United States of
America.
25

ARTICLE VI

GENERAL ADMINISTRATION

Section 6.01. Administration of Accounts. The special accounts designated in Articles IV and V hereof shall be administered as provided in this Article VI.

Section 6.02. Places and Times of Deposits. Each of the special accounts hereinabove designated in Article IV and Article V hereof shall be separately accounted for in the records of the City, which special accounts shall be in one bank account or more in an Insured Bank or Insured Banks as determined and designated by the Council (except as otherwise expressly stated herein). Each such account shall be continuously secured to the fullest extent required or permitted by the laws of the State for the securing of public funds and shall be irrevocable and not withdrawable by anyone for any purpose other than the respective designated purposes. Each periodic payment shall be credited to the proper account not later than the date therefor herein designated, except that when any such date shall be a Sunday or a legal holiday, then such payment shall be made on or before the next preceding secular day. Notwithstanding any other provision herein to the contrary, moneys shall be deposited with the Paying Agent prior to each interest payment date herein designated sufficient to pay the interest, and principal and any prior redemption premiums then becoming due on the Series 2025 Bonds.

Section 6.03. Investment of Moneys. Any moneys in any account designated in Articles IV and V hereof, and not needed for immediate use, may be invested or reinvested by the Chief Financial Officer in securities or obligations which are lawful investments for such funds of the City and which constitute Permitted Investments. The Permitted Investments so purchased as an investment or reinvestment of moneys in any such account shall be deemed at all times to be part of the account, and (unless otherwise expressly provided herein) any interest accruing thereon and any other gain realized therefrom shall be credited to the account, and any loss resulting from such investment shall be charged to the account; provided, however, that any yield from investments of moneys in the 2025 Reserve Fund in excess of the 2025 Minimum Bond Reserve may be credited to the Stormwater and Flood Management Fee Fund. In computing the amount in any such account for any purpose hereunder, except as herein otherwise expressly provided, such obligation shall be valued at the lower of the cost or market value thereof, exclusive of any accrued interest or any other gain. The expenses of purchase, safekeeping, sale and all other expenses incident to any investment or reinvestment of moneys pursuant to this Section 6.03 shall be accounted for as Operation and Maintenance Expenses. The Chief Financial Officer shall present for redemption or sale on the prevailing market at the best price obtainable any Permitted Investments so purchased as an investment of moneys in the account whenever it shall be necessary so to do to provide moneys to meet any withdrawal, payment or transfer from such account. The Chief Financial Officer shall not be liable or responsible for any loss resulting from any such investment made in accordance with this Bond Ordinance.

Section 6.04. Character of Funds. The moneys in any account herein authorized shall consist either of lawful money of the United States of America or Permitted Investments, or both such money and such securities. Moneys deposited in a demand or time deposit account in or evidenced by a certificate of deposit of an Insured Bank pursuant to Section 6.02 hereof,

appropriately secured according to the laws of the State, shall be deemed lawful money of the United States of America.

Section 6.05. Accelerated Payments. Nothing contained in Article V hereof shall be construed to prevent the accumulation in any account herein designated of any monetary requirements at a faster rate than the rate or minimum rate, as the case may be, provided in Article V; provided, however, that no payment shall be so accelerated if such acceleration shall cause the Council to default in the payment of any obligation of the City appertaining to the Stormwater and Flood Management Utility System. Nothing herein contained shall be construed to require in any fiscal year the accumulation in any account for the payment of the principal of, the interest on, and any prior redemption premiums due in connection with any series of bonds payable from Net Income and herein or hereafter authorized, in excess of any principal, the interest, and any prior redemption premiums, but excluding any reserves required to be accumulated and maintained therefor.

Section 6.06. Payment of Series 2025 Bond Requirements. The moneys credited to any account designated in Article V hereof for the payment of the principal of, the interest on, and any prior redemption premiums due in connection with any series of bonds or other securities herein or hereafter authorized shall be used, without requisition, voucher or other direction or further authority than is contained herein, to pay promptly the principal of, the interest on, and any prior redemption premiums due in connection with the bonds payable therefrom as the same become due, as herein provided, except to the extent any other moneys are available therefor, including without limitation moneys accounted for in the 2025 Bond Fund.

Section 6.07. Payment of Redemption Premiums. Nothing herein contained shall be construed as not requiring the accumulation in any account designated in Article V hereof for the payment of any series of bonds payable from Net Income derived from the Fee of amounts sufficient to pay not only the principal thereof and interest thereon but also any prior redemption premiums due in connection therewith, as the same become due, whenever the City shall have exercised or shall have obligated itself to exercise a prior redemption option appertaining thereto, except to the extent provision is otherwise made therefor, if any prior redemption premium be due in connection therewith.

ARTICLE VII

SECURITIES LIENS AND ADDITIONAL BONDS

Section 7.01. First Lien Bonds. The Series 2025 Bonds authorized herein, subject to the payment of all necessary and reasonable Operation and Maintenance Expenses of the Stormwater and Flood Management Utility System, constitute an irrevocable and first lien (but not necessarily an exclusive first lien) upon the resulting Net Income derived from the Fee on a parity with the lien thereon of the Outstanding Series 2015 Bonds.

Section 7.02. Equality of Series 2025 Bonds. The Series 2025 Bonds authorized to be issued hereunder and from time to time Outstanding are equitably and ratably secured by a lien on the Net Income derived from the Fee and shall not be entitled to any priority one over the other in the application of the Fee regardless of the time or times of the issuance of the Series 2025 Bonds,

1 it being the intention of the Council that there shall be no priority among the Series 2025 Bonds
2 regardless of the fact that they may be actually issued and delivered at different times.

3 **Section 7.03. Issuance of Parity Bonds.** Nothing in this Bond Ordinance contained shall
4 be construed in such a manner as to prevent the issuance by the City of additional bonds payable
5 from any Net Income of the Fee and constituting a lien thereupon on a parity with, but not prior
6 nor superior to, the lien of the Series 2025 Bonds, nor to prevent the issuance of bonds refunding
all or a part of the Series 2025 Bonds; provided, however, that before any such additional Parity
Bonds are authorized or actually issued (excluding any parity refunding bonds other than any
bonds refunding Subordinate Bonds as permitted in Section 7.10 hereof):

7 (a) **Absence of Default.** The City shall not have defaulted in making any
payments required by Article V hereof.

8 (b) **Fee Test.** The annual Gross Income for the fiscal year immediately
9 preceding the date of the issuance of such additional Parity Bonds shall have been sufficient
10 to pay the annual Operation and Maintenance Expenses of the Stormwater and Flood
11 Management Utility System for said fiscal year, and, in addition, sufficient to pay an
12 amount representing 125% of the combined average annual principal and interest
13 requirements of the Outstanding Parity Bonds of the City payable from and constituting a
14 lien upon Net Income from the Fee and the additional Parity Bonds proposed to be issued,
15 except as hereinafter otherwise expressly provided; provided that in calculating the Gross
Income during the test period, the City may add an amount by which the City reasonably
estimates the Gross Income would have been increased during the test period from any
increase in rates, fees, and charges for services furnished by or the use of the Stormwater
and Flood Management Utility System during or since said test period, the effect of which
is to estimate a sum which would have been realized had the increase been in effect during
the entire test period.

16 (c) **Reduction of Annual Requirements.** The respective annual principal and
17 interest requirements (including as a principal requirement the amount of any prior
18 redemption premiums due on any prior redemption date as of which any outstanding bonds
19 have been called or have been ordered to be called for prior redemption) shall be reduced
20 to the extent such requirements are scheduled to be paid each of the respective fiscal years
with moneys held in trust or in escrow for that purpose by any Insured Bank located within
or without the State and exercising trust powers, including the known minimum yield from
any investment in Permitted Investments.

21 (d) **Consideration of Additional Expenses.** In determining whether or not
22 additional Parity Bonds may be issued as aforesaid, consideration shall be given to any
23 probable increase (but not reduction) in Operation and Maintenance Expenses of the
Stormwater and Flood Management Utility System, that will result from the expenditure
of the funds proposed to be derived from the issuance and sale of the additional bonds.

24 (e) **Reserve Fund.** Subject at all times to the provisions of Section 4.01(a)
25 hereof, there shall be established a reserve fund in an amount equal to at least the lesser of
125% of the average annual debt service on such additional Parity Bonds or 10% of the

principal amount of such additional Parity Bonds at the time such Parity Bonds are issued. Each holder of any of the Series 2025 Bonds shall, by its purchase of such Series 2025 Bond or Series 2025 Bonds, be deemed to have agreed that at such time as the conditions in Section 4.01(a) hereof are satisfied, the requirement of establishing or maintaining a reserve fund for any additional Parity Bonds and the minimum amount of such reserve fund, if any, shall be at the election of the City, in its sole discretion.

Section 7.04. Certification of Gross Income. A written certification by the Chief Financial Officer, City Manager or an Independent Accountant that said annual Gross Income is sufficient to pay said amounts, as provided in Section 7.03(b) hereof, shall be conclusively presumed to be accurate in determining the right of the City to authorize, issue, sell and deliver additional bonds on a parity with the Series 2025 Bonds.

Section 7.05. Subordinate Bonds Permitted. Nothing herein contained shall be construed so as to prevent the City from issuing additional bonds, including refunding bonds, payable from the Net Income derived from the Fee and having a lien thereon subordinate, inferior and junior to the lien of the Series 2025 Bonds authorized to be issued by this Bond Ordinance.

Section 7.06. Superior Bonds Prohibited. Nothing herein contained shall be construed so as to permit the City to issue additional bonds payable from the Fee and having a lien thereon prior and superior to the Series 2025 Bonds.

Section 7.07. Payment Dates of Additional Bonds. Any additional parity or subordinate bonds (including any refunding bonds) issued in compliance with the terms hereof shall bear interest payable semiannually on the first days of June and December in each year, except that the first interest payment date may be for interest accruing for any period not in excess in the aggregate of one year; and such additional bonds shall mature on the first day of December in the years designated by the Council during the term of the additional bonds.

Section 7.08. Refunding Bonds. The provisions of Sections 7.03 and 7.04 hereof are subject to the exceptions provided in Sections 7.09 through 7.12 hereof for the issuance of refunding bonds.

Section 7.09. Issuance of Refunding Bonds. If at any time after the Series 2025 Bonds, or any part thereof, shall have been issued and remain Outstanding, the Council shall find it desirable to refund any Outstanding Series 2025 Bonds payable from and constituting a lien upon Net Income derived from the Fee, said Series 2025 Bonds or any part thereof, may be refunded.

Section 7.10. Issuance of Parity Refunding Bonds. No refunding bonds payable from Net Income derived from the Fee shall be issued on a parity with the Series 2025 Bonds herein authorized unless:

(a) **Parity Lien.** The lien on the Fee of the Outstanding bonds so refunded is on a parity with the lien thereon of the Series 2025 Bonds herein authorized.

(b) **Tests.** (i) The refunding bonds are issued in compliance with Section 7.03 hereof or (ii) the City shall not have defaulted in making any payments required by Article V hereof and the maximum annual principal of and interest due on the proposed

1 refunding bonds is not greater than the maximum annual principal of and interest due on
2 the Outstanding Bonds that will be refunded.

3 **Section 7.11. Partial Refundings.** The refunding bonds so issued shall enjoy complete
4 equality of lien with the portion of any bonds of the same issue which is not refunded, if any there
5 be; and the Registered Owner or Registered Owners of such refunding bonds shall be subrogated
6 to all of the rights and privileges enjoyed by the Registered Owner or Registered Owners of the
7 unrefunded bonds of the same issue partially refunded by the refunding bonds.

8 **Section 7.12. Limitations Upon Refundings.** Any refunding bonds payable from Net
9 Income of the Fee shall be issued with such details as the Council may provide, subject to the
10 provisions of Section 7.08 hereof, and subject to the inclusion of any such rights and privileges
11 designated in Section 7.11 hereof, but without any impairment of any contractual obligation
12 imposed upon the City by any proceedings authorizing the issuance of any unrefunded portion of
13 such Outstanding bonds of any one or more issues (including but not necessarily limited to the
14 Series 2025 Bonds herein authorized).

15 **Section 7.13. Supplemental Bond Ordinance.** Additional bonds payable from Net
16 Income shall be issued only after authorization thereof by a supplemental ordinance of the Council
17 stating the purpose or purposes of the issuance of such additional bonds, directing the application
18 of the proceeds thereof to such purpose or purposes, directing the execution thereof, and fixing
19 and determining the date, principal amount, maturities, designation and numbers thereof, the
20 maximum rate or the rate or rates of interest to be borne thereby, any prior redemption privileges
21 of the City with respect thereto and other provisions thereof in accordance with this Bond
22 Ordinance.

23 All additional bonds shall bear such date, shall bear such numbers and series designation, letters
24 or symbols prefixed to their numbers distinguishing them from each other security, shall be
25 payable at such place or places, may be subject to redemption prior to maturity on such terms
26 and conditions, and shall bear interest at such rate or at such different or varying rates per
27 annum, as may be fixed by ordinance of the Council.

28 **ARTICLE VIII**

29 **MISCELLANEOUS PROTECTIVE COVENANTS**

30 **Section 8.01. General.** The City hereby particularly covenants and agrees with the
31 Registered Owners of the Series 2025 Bonds and makes provisions which shall be a part of its
32 contract with such holders to the effect and with the purpose set forth in the following provisions
33 and sections of this Article VIII hereof.

34 **Section 8.02. Performance of Duties.** The City, acting by and through the Council or
35 otherwise, will faithfully and punctually perform or cause to be performed all duties with respect
36 to the Fee and the Stormwater and Flood Management Utility System required by the Constitution
37 and laws of the State and the various ordinances and Charter of the City, including but not limited
38 to the making and collection of reasonable and sufficient rates and charges for services rendered
39 or furnished by or the use of the Stormwater and Flood Management Utility System, as herein

provided, and the proper segregation of the Fee and its application to the respective accounts or funds provided from time to time therefor.

Section 8.03. Further Assurances. At any and all times the City shall, so far as it may be authorized by law, pass, make, do, execute, acknowledge and deliver all and every such further ordinances, acts, deeds, conveyances, assignments, transfers, other documents, and assurances as may be necessary or desirable for the better assuring, conveying, granting, assigning and confirming all and singular the rights, the Fee, and other funds and accounts hereby pledged or assigned, or intended so to be, or which the City may hereafter become bound to pledge or to assign, or as may be reasonable and required to carry out the purposes of this Bond Ordinance and to comply with the Charter. The City, acting by and through the Council, or otherwise, shall at all times, to the extent permitted by law, defend, preserve and protect the pledge of the Net Income of the Fee and other funds and accounts pledged hereunder and all the rights of every holder of any Series 2025 Bond hereunder against all claims and demands of all persons whomsoever.

Section 8.04. Conditions Precedent. Upon the date of issuance of any Series 2025 Bonds, all conditions, acts and things required by the Constitution or statutes of the State or this Bond Ordinance to exist, to have happened, and to have been performed precedent to or in the issuance of the Series 2025 Bonds shall exist, have happened, and have been performed; and the Series 2025 Bonds, together with all other obligations of the City, shall be within every debt and other limitation prescribed by the State Constitution, statutes, or Charter of the City.

Section 8.05. Efficient Operation and Maintenance. The City shall at all times operate the Stormwater and Flood Management Utility System properly and in a sound and economical manner such that the City shall be able to perform the duties provided in Sections 8.02 and 8.16 hereof.

Section 8.06. Prejudicial Action Prohibited. No contract will be entered into nor any other action taken by the City which the rights of any Registered Owner of any Series 2025 Bond might be impaired or diminished.

Section 8.07. Protection of Security. The City, the officers, agents and employees of the City, and the Council shall not take any action in such manner or to such extent as might prejudice the security for the payment of the Series 2025 Bonds and the interest thereon according to the terms thereof.

Section 8.08. Accumulation of Interest Claims. In order to prevent any claims for interest after maturity, the City will not directly or indirectly extend or assent to the extension of the time for the payment of any claim for interest on any of the Series 2025 Bonds; and the City will not directly or indirectly be a party to or approve any arrangements for any such extension or for the purpose of keeping alive any such claims. In case the time for the payment of any interest shall be extended, such installment or installments of interest after such extension or arrangement shall not be entitled in case of default hereunder to the benefit or the security of this Bond Ordinance, except upon the prior payment in full of the principal of all Series 2025 Bonds then Outstanding and of all matured interest on such Series 2025 Bonds the payment of which has not been extended.

Section 8.09. Prompt Payment of Series 2025 Bonds. The City will promptly pay the principal of and the interest on every Series 2025 Bond issued hereunder and secured hereby at the place, on the dates, and in the manner specified herein and in the Series 2025 Bonds according to the true intent and meaning hereof.

Section 8.10. Use of 2025 Reserve Fund. The 2025 Reserve Fund shall be used solely and only and the moneys credited therein are hereby pledged for the purpose of paying the interest on and the principal of the Series 2025 Bonds, except for those moneys in the 2025 Reserve Fund as are in excess of the interest on and the principal of the Series 2025 Bonds, accrued and not accrued, to their respective maturities (subject to the provisions of Section 9.01 hereof), and except for those moneys in the respective accounts of the 2025 Reserve Fund in excess of the 2025 Minimum Bond Reserve, as hereinabove provided.

Section 8.11. Additional Bonds. Subject to Section 4.01(a) hereof, the City shall not hereafter issue any bonds payable from the Net Income derived from the Fee and having a lien on a parity with the Series 2025 Bonds herein authorized so long as any Series 2025 Bonds herein authorized are Outstanding, unless such additional bonds (other than bonds issued pursuant to Sections 7.08 through 7.11 hereof and refunding bonds on a parity with the Series 2025 Bonds) on a parity with the bonds herein authorized are issued in such manner as provided in Sections 7.03, 7.10 and 7.11 hereof. Any other bonds hereafter authorized to be issued and payable from the Net Income derived from the Fee shall not hereafter be issued, unless such additional bonds are also issued in conformance with the provisions of Articles V and VIII hereof.

Section 8.12. Corporate Existence. The City will maintain its corporate identity and existence so long as any of the Series 2025 Bonds herein authorized remain Outstanding, unless another body corporate and politic by operation of law succeeds to the duties, privileges, powers, liabilities, immunities and rights of the City and is obligated by law to operate and maintain the Stormwater and Flood Management Utility System as herein provided without adversely affecting to any substantial degree the privileges and rights of any Registered Owner of any Outstanding Series 2025 Bond at any time.

Section 8.13. Reserved.

Section 8.14. Budgets. The Council and officials of the City shall annually and at such other times as may be provided by law prepare and adopt a budget appertaining to the Stormwater and Flood Management Utility System.

Section 8.15. Reasonable Charges. While the Series 2025 Bonds or any of them remain Outstanding and unpaid, the Fee rendered by the City and to its inhabitants and to all other consumers within or without the boundaries of the City shall be reasonable and just, taking into account and consideration the costs and value of the Stormwater and Flood Management Utility System, the Operation and Maintenance Expenses thereof, the proper and necessary allowances for the depreciation thereof, and the amounts necessary for the retirement of all Series 2025 Bonds and other bonds and obligations payable from Net Income the accruing interest thereon, and reserves therefor.

Section 8.16. Adequacy and Applicability of Charges. There shall be charged against all customers of the City paying the Fee, such rates, fees and other charges as shall be adequate to meet the requirements of this and the preceding sections hereof. Such rates and amounts from the Fee shall be sufficient to produce Gross Income annually to pay the annual Operation and Maintenance Expenses and 125% of both the principal of and the interest on the Series 2025 Bonds and any other bonds payable annually from Gross Income (excluding the reserves therefor), all of which Gross Income, including any income received from the City, shall be subject to distribution to the payment of Operation and Maintenance Expenses of the Stormwater and Flood Management Utility System and to the payment of principal of and interest on all bonds payable from the Fee, including reasonable reserves therefor.

Section 8.17. Collection of Charges. The City shall cause the Fee to be collected as soon as reasonable, shall prescribe and enforce rules and regulations for the payment thereof and shall provide methods of collection and penalties, including but not limited to denial of municipal water service for nonpayment of such Fee to the end that net revenues of the Fee shall be adequate to meet the requirements hereof.

Section 8.18. Procedure for Collecting Charges. All bills for water, water flood system, electric current appertaining thereto, and sanitary sewer service or flood system furnished or served by or through the Stormwater and Flood Management Utility System shall be rendered to customers on a regularly established and orderly basis when needed. The fees, rates and other charges due shall be collected in a lawful manner, including without limitation discontinuance of service by the City.

Section 8.19. Records. So long as any of the Series 2025 Bonds remain Outstanding, proper books of record and account will be kept by the City, separate and apart from all other records and accounts, showing complete and correct entries of all transactions relating to the Stormwater and Flood Management Utility System. Such books shall include (but not necessarily be limited to) monthly records showing:

(a) ***Numbers.*** The number of customers required to pay the Fee by classes.

(b) ***Receipts.*** The revenues received from the Fee by classes of customers.

(c) ***Expenses.*** A detailed statement of the expenses of the Stormwater and Flood Management Utility System.

All requisitions, requests, certificates, opinions and other documents received by any Person on behalf of the City in connection with the Stormwater and Flood Management Utility System under the provisions of this Bond Ordinance shall be retained in such Person's possession or in the City's official records.

Section 8.20. Rights Concerning Records and Stormwater and Flood Management Utility System. Any Registered Owner of any of the Series 2025 Bonds or any duly authorized agent or agents of such holder shall have the right at all reasonable times to inspect all records, accounts and data relating thereto, concerning the Stormwater and Flood Management Utility System or the Net Income from the Fee, or both, to make copies of such records, accounts and

data, and to inspect the Stormwater and Flood Management Utility System and all properties comprising the Stormwater and Flood Management Utility System.

Section 8.21. Audits Required. The City shall, following the close of each fiscal year, order an audit for the fiscal year of such books and accounts to be made forthwith by an Independent Accountant.

Section 8.22. Distribution of Audits and Reports. The City agrees to furnish by first-class mail, postage prepaid, forthwith, and in any event within 180 days from the end of each fiscal year, a copy of each of such audits and reports to the Registered Owner of any of the Series 2025 Bonds at the Registered Owner's request and without request to:

(a) **Original Purchaser.** The Original Purchaser, or any known successor thereof.

(b) **Paying Agent.** The Paying Agent, or any known successor thereof.

(c) **Others.** Any other person designated in any ordinance or other proceedings appertaining to any Outstanding bonds payable from Net Income derived from the Fee other than the Series 2025 Bonds.

After each such audit and report has been prepared; and any such holder shall have the right to discuss with the Independent Accountant or with the person making the audit and report the contents thereof and to ask for such additional information as such holder may reasonably require.

Section 8.23. Additional Tax Covenants.

(a) The City covenants that it shall not use or permit the use of any proceeds of the Series 2025 Bonds or any other funds of the City from whatever source derived, directly or indirectly, to acquire any securities or obligations and shall not take or permit to be taken any other action or actions, which would cause any of the Series 2025 Bonds to be an "arbitrage bond" within the meaning of Section 148 of the Code, or would otherwise cause the interest on the Series 2025 Bonds to be includible in gross income for federal income tax purposes. The City covenants that it shall at all times do and perform all acts and things permitted by law and which are necessary in order to assure that interest paid by the City on the Series 2025 Bonds shall, for purposes of federal income taxation, not be includible in gross income under the Code or any other valid provision of law.

(b) In particular, but without limitation, the City further represents, warrants and covenants to comply with the following restrictions of the Code, unless it receives an opinion of Bond Counsel stating that such compliance is not necessary:

(i) Gross proceeds of the Series 2025 Bonds shall not be used in a manner which will cause the Series 2025 Bonds to be considered "private activity bonds" within the meaning of the Code.

(ii) The Series 2025 Bonds are not and shall not become directly or indirectly "federally guaranteed."

(iii) The City shall timely file Internal Revenue Form 8038-G which shall contain the information required to be filed pursuant to Section 149(e) of the Code.

(iv) The City shall comply with the Tax Certificate and the Tax Letter of Instructions delivered to it on the date of issue of the Series 2025 Bonds with respect to the application and investment of Series 2025 Bond proceeds subject to Section 5.10 hereof.

ARTICLE IX

DEFEASANCE, DELEGATION OF POWERS, STATUTE OF LIMITATIONS AND MISCELLANEOUS

Section 9.01. Defeasance. When all principal and interest due in connection with the Series 2025 Bonds have been duly paid, the pledge and lien and all obligations hereunder shall thereby be discharged and the Series 2025 Bonds shall no longer be deemed to be Outstanding within the meaning of this Bond Ordinance. There shall be deemed to be such due payment when the City has placed in escrow or in trust with a commercial bank located within or without the State and exercising trust powers on amount sufficient (including the known minimum yield from Federal Securities in which such amount wholly or in part may be initially invested) to meet all requirements of principal, interest and any prior redemption premiums due as the same become due to the final maturities of the Series 2025 Bonds or upon any prior redemption date as of which the City shall have exercised or shall have obligated itself to exercise its prior redemption option by a call of the Series 2025 Bonds for payment then. The Federal Securities shall become due prior to the respective times on which the proceeds thereof shall be needed in accordance with a schedule established and agreed upon between the City and such bank at the time of the creation of the escrow or trust, or the Federal Securities shall be subject to redemption at the option of the Registered Owners thereof to assure such availability as so needed to meet such schedule.

Section 9.02. Delegated Powers. The Sale Delegate and any other officers of the City be, and they hereby are, authorized and directed to take all action necessary or appropriate to effectuate the provisions of this Bond Ordinance including, without limitation, the execution of the Series 2025 Bonds, the tenure and identity of the officials of the Council and of the City, the delivery of the Series 2025 Bonds, the receipt of the bond purchase price and, if it be in accordance with fact, the absence of litigation, pending or threatened, affecting the validity thereof.

Section 9.03. Statute of Limitations. No action or suit based upon any Series 2025 Bond or other obligation of the City shall be commenced after it is barred by any statute of limitations appertaining thereto. Any trust or fiduciary relationship between the City and the Registered Owners of any Series 2025 Bond or other obligee regarding any such obligation shall be conclusively presumed to have been repudiated on the maturity date or other due date thereof unless the bond is presented for payment or demand for payment of any such obligation is otherwise made before the expiration of the applicable limitation period. Any moneys from whatever source derived remaining in any fund or account reserved, pledged or otherwise held for the payment of any such obligation, action or suit for the collection of which is barred shall revert to the Stormwater and Flood Management Fee Fund unless the Council shall otherwise provide by

bond ordinance of the City. Nothing herein contained shall be so construed as to prevent the payment of any such obligation after any action or suit for its collection has been barred if the Council deems it in the best interests of the public so to do and orders such payment to be made.

Section 9.04. Evidence of Bondholders. Any request, consent or other ordinance which this Bond Ordinance may require or may permit to be signed and to be executed by the Registered Owner of any Series 2025 Bonds may be in one or more ordinances of similar tenor and shall be signed or shall be executed by each such holder in person or by his attorney appointed in writing as shown on the registration books of the Paying Agent although the Paying Agent may nevertheless, in its discretion, require further or other proof as it deems advisable.

Section 9.05. Warranty Upon Issuance of Series 2025 Bonds. Any Series 2025 Bonds authorized as herein provided, when duly executed and delivered for the purpose provided for in this Bond Ordinance, shall constitute a warranty by and on behalf of the City for the benefit of each and every future holder of any of the Series 2025 Bonds that the Series 2025 Bonds have been issued for a valuable consideration in full conformity with law.

ARTICLE X

PRIVILEGES, RIGHTS AND REMEDIES

Section 10.01. Bondholder's Remedies. Each holder of any Series 2025 Bond issued hereunder shall be entitled to all of the privileges, rights and remedies permitted at law or in equity or by statute, except no real or personal property appertaining to the Stormwater and Flood Management Utility System or otherwise has been conveyed to secure the payment of the Series 2025 Bonds by deed of trust or mortgage to a trustee for the benefit and the security of the Registered Owner or Registered Owners from time to time of the Series 2025 Bonds, or by any other encumbrance or other pledge of property, subject to the provisions herein concerning the pledge of and the covenants and the other contractual provisions concerning the Net Income of the Stormwater and Flood Management Utility System.

Section 10.02. Right To Enforce Payment. Nothing in this Bond Ordinance article contained shall affect or impair the right of any Registered Owner of any Series 2025 Bond or Parity Bond issued hereunder to enforce the payment of the principal of and the interest on such Series 2025 Bond or Parity Bond or the obligation of the City to pay the principal of and the interest on each Series 2025 Bond or Parity Bond issued hereunder to the Registered Owner thereof at the time and the place expressed in the Series 2025 Bond or Parity Bond.

Section 10.03. Events of Default. Each of the following events is hereby declared an "event of default," that is to say:

(a) ***Nonpayment of Principal and Premium.*** Payment of the principal of any of the Series 2025 Bonds or any Parity Bonds or any prior redemption premium due in connection therewith or both shall not be made by the City when the same shall become due and payable either at maturity or by proceedings for prior redemption or otherwise.

1 (b) ***Nonpayment of Interest.*** Payment of any installment of interest on the
2 Series 2025 Bonds or any Parity Bonds shall not be made by the City when the same
becomes due and payable.

3 (c) ***Incapable To Perform.*** The City shall for any reason be rendered incapable
4 of fulfilling its obligations hereunder.

5 (d) ***Nonperformance of Duties.*** The City shall have failed to carry out and to
6 perform (or in good faith to begin the performance of) all acts and things lawfully required
7 to be carried out or to be performed by it under any contract relating to Gross Income or to
8 the Stormwater and Flood Management Utility System or otherwise and such failure shall
continue for 60 days after receipt of notice from either the Original Purchaser of the Series
2025 Bonds or from the Registered Owners of 10% in principal amount of the Series 2025
Bonds authorized by this Bond Ordinance and then outstanding.

9 (e) ***Failure To Reconstruct.*** The City shall discontinue or shall unreasonably
10 delay or shall fail to carry out with reasonable dispatch the reconstruction of any part of
11 the Stormwater and Flood Management Utility System which shall be destroyed or
damaged and shall not be promptly repaired or replaced unless such failure to repair due to
obsolescence.

12 (f) ***Appointment of Receiver.*** An order or decree shall be entered by a court of
13 competent jurisdiction with the consent or acquiescence of the City appointing a receiver
14 or receivers for the Stormwater and Flood Management Utility System or for the Net
Income of the Stormwater and Flood Management Utility System or both or if an order or
decree having been entered without the consent or acquiescence of the City shall not be
vacated or discharged or stayed on appeal within 60 days after entry.

15 (g) ***Default of Any Provision.*** The City shall make default in the due and
16 punctual performance of any other of the covenants, conditions, agreements and provisions
17 contained in the Series 2025 Bonds or any Parity Bonds or in this Bond Ordinance on its
18 part to be performed, and such default shall continue for 60 days after written notice
19 specifying such default and requiring the same to be remedied shall have been given to the
City by either the Registered Owners of 10% in principal amount of the Series 2025 Bonds
and Parity Bonds then Outstanding.

20 **Section 10.04. Remedies for Defaults.** Upon the happening and continuance of any of
21 the events of default as provided in Section 10.03 hereof, then and in every case, the Registered
22 Owner or Registered Owners of not less than 10% in principal amount of the Series 2025 Bonds
and Parity Bonds then outstanding, may proceed against the City to protect and to enforce the
23 rights of any Registered Owner of the Series 2025 Bonds and Parity Bonds under this Bond
Ordinance by mandamus or by other suit, action or special proceedings in equity or at appointment
24 of a receiver or for the specific performance of any covenant or agreement contained herein or in
an award of execution of any power herein granted for the enforcement of any proper legal or
25 equitable remedy as such Registered Owner or Registered Owners may deem most effectual to
protect and to enforce the rights aforesaid, or thereby to enjoin any act or thing which may be
unlawful or in violation of any right of any Registered Owner or Registered Owners of any bond,

1 or to require the City to act as if it were the trustee of an express trust or any combination of such
 2 remedies. All such proceedings at law or in equity shall be instituted, had and maintained for the
 3 equal benefit of all Registered Owners of the Series 2025 Bonds and Parity Bonds then
 4 outstanding.

5 **Section 10.05. Rights and Privileges Cumulative.** The failure of any Registered Owner
 6 of any Outstanding Series 2025 Bond to proceed in any manner herein provided shall not relieve
 7 the City, its Council or any of its officers, agents or employees of any liability for failure to perform
 8 or carry out any duty, obligation or other commitment. Each right or privilege of any such holder
 9 (or trustee thereof) is in addition and is cumulative to any other right or privilege, and the exercise
 10 of any right or privilege by or on behalf of any Registered Owner shall not be deemed a waiver of
 11 any other right or privilege thereof.

12 **Section 10.06. Duties Upon Defaults.** Upon the happening of any of the events of default
 13 as provided in Section 10.03 hereof, the City, in addition, will do and perform all proper acts on
 14 behalf of and for the Registered Owner of the Series 2025 Bonds to protect and to preserve the
 15 security created for the payment of their bonds and to insure the payment of the principal of and
 16 the interest On the Series 2025 Bonds promptly as the same become due. During any period of
 17 default, so long as any of the Series 2025 Bonds herein authorized either as to principal or as to
 18 interest are outstanding, all Net Income shall be paid in the 2025 Bond Fund or, in the event of
 19 bonds issued and Outstanding during said period of time on a parity with the Series 2025 Bonds
 20 herein authorized, shall be paid into bond funds for all “parity” bonds on an equitable and prorated
 21 basis and used for the purposes therein provided. In the event the City fails or refuses to proceed
 22 as in this Section provided, the Registered Owner or Registered Owners of not less than 10% in
 23 principal amount of the Series 2025 Bonds then outstanding, after demand in writing, may proceed
 24 to protect and to enforce the rights of the Registered Owner of the Series 2025 Bonds as
 25 hereinabove provided; and to that end any such Registered Owners of outstanding Series 2025
 Bonds shall be subrogated to all rights of the City under any agreement, lease or other contract
 involving the Stormwater and Flood Management Utility System entered into prior to the effective
 date of this Bond Ordinance or thereafter while any of the Series 2025 Bonds herein authorized
 are Outstanding.

18 **Section 10.07. Duties in Bankruptcy Proceedings.** In the event any user of the
 19 Stormwater and Flood Management Utility System proceeds under any laws of the United States
 20 relating to bankruptcy, including any action under any law providing for corporate reorganization,
 21 it shall be the duty of the City, and it appropriate officers are hereby authorized and directed, to
 22 take all necessary steps for the benefit of the Registered Owner of the Series 2025 Bonds in said
 23 proceedings, including the filing of any claims for unpaid fees, rates and other charges or otherwise
 24 arising from the breach of any of the covenants, terms or conditions of any contract involving the
 25 Stormwater and Flood Management Utility System.

23 ARTICLE XI

24 AMENDMENT OF ORDINANCE

25 **Section 11.01. Limitations Upon Amendments.** This Bond Ordinance may be amended
 or supplemented by ordinances adopted by the Council in accordance with the laws of the State

without receipt by the City of any additional consideration but with the written consent of the Registered Owners of more than 50% of the Series 2025 Bonds authorized by this Bond Ordinance and Outstanding at the time of the adoption of such amendatory or supplemental ordinance (not including in any case any Series 2025 Bonds which may then be held or owned for the account of the City but including such refunding any of the Series 2025 Bonds herein authorized if such refunding securities are not owned by the City).

Notwithstanding the foregoing, this Bond Ordinance may be amended or supplemented by ordinances adopted by the Council in accordance with the constitution and laws of the State without receipt by the City of any additional consideration and without receipt by the City of any additional consideration and without notice to and consent from the Registered Owners of any of the Series 2025 Bonds, for the purposes of (a) curing any ambiguity or defective or inconsistent provision contained in this Bond Ordinance as the City may deem necessary and desirable and not inconsistent with the provisions of this Bond Ordinance and which shall not adversely affect the interests of the owners of the Series 2025 Bonds or any other Parity Bonds or (b) subjecting additional properties to the lien of this Bond Ordinance.

The foregoing paragraphs are subject to the condition, however, that no such ordinance shall have the effect of permitting:

(a) ***Changing Payment.*** A change in the maturity or in the terms of redemption of the principal of any Outstanding bond or any installment of interest thereon.

(b) ***Reducing Return.*** A reduction in the principal amount of any bond, the rate of interest thereon or any prior redemption premium payable in connection, therewith without the consent of the Registered Owner of the bond.

(c) ***Prior Lien.*** The creation of a lien upon or a pledge of revenues ranking prior to the lien or to the pledge created by this Bond Ordinance.

(d) ***Modifying Any Bond.*** A reduction of the principal amount, percentages or otherwise affecting the description of Series 2025 Bonds the consent of the Registered Owners of which is required for any such modification or amendment.

(e) ***Priorities Between Bonds.*** The establishment of priorities as between Series 2025 Bonds issued and Outstanding under the provisions of this Bond Ordinance.

(f) ***Partial Modification.*** The modification of or otherwise affecting the rights of the Registered Owners of less than all of the Series 2025 Bonds then Outstanding.

Section 11.02. Notice of Amendment. Whenever the Council shall propose to amend or modify this Bond Ordinance under the provisions of this article, unless otherwise not required it shall cause notice of the proposed amendment to be provided in the same manner specified in Section 3.05 hereof. Such notice shall briefly set forth the nature of the proposed amendment and shall state that a copy of the proposed amendatory ordinance is on file in the office of the Chief Financial Officer for public inspection.

Section 11.03. Time for Amendment. Whenever at any time within one year from the date of the publication or mailing of said notice there shall be filed in the office of the Chief Financial Officer an ordinance or ordinances executed by the Registered Owners of more than 50% in aggregate amount of the Series 2025 Bonds then Outstanding as in this article defined, which ordinance or ordinances shall refer to the proposed amendatory ordinance described in said notice and shall specifically consent to and approve the adoption thereof, thereupon, but not otherwise (except as provided in Section 11.01 whereby consent is not required), the Council may adopt such amendatory ordinance and such ordinance shall become effective.

Section 11.04. Binding Consent to Amendment. If the Registered Owners of more than 50% in aggregate principal amount of the Series 2025 Bonds Outstanding as in this article defined at the time of the adoption of such amendatory ordinance, or in the predecessors in title of such holders, shall have consented to and approved the adoption thereof as herein provided, no holder of any bond, whether or not such holder shall have consented to or shall have revoked any interest to object to the adoption of such amendatory ordinance or to object to any of the terms or provisions therein contained or to the operation thereof or to enjoin or restrain the City from taking any action pursuant to the provisions thereof.

Section 11.05. Time Consent Binding. Any consent given by the Registered Owner of a bond pursuant to the provisions of this article shall be irrevocable for a period of six months from the date of the publication or mailing of the notice above provided for and shall be conclusive and binding upon all future holders of the same bond during said period. Such consent may be revoked at any time after six months from the date of the publication or mailing of such notice, by the Registered Owner who gave such consent or by a successor in title by filing notice of such revocation with the Chief Financial Officer, but such revocation shall not be effective if the Registered Owners of 50% in aggregate principal amount of the Series 2025 Bonds Outstanding as in this article defined have, prior to the attempted revocation, consented to and approved the amendatory ordinance referred to in such revocation.

Section 11.06. Unanimous Consent. Notwithstanding anything contained in the foregoing provisions of this article, the terms and the provisions of this Bond Ordinance or of any ordinance amendatory thereof or supplemental thereto and the rights and the obligations of the City and of the Registered Owners of the Series 2025 Bonds thereunder may be modified or amended in any respect upon the adoption by the City and upon the filing with the Chief Financial Officer of an ordinance to that effect and with the consent of the Registered Owners of all the then Outstanding Series 2025 Bonds, such consent to be given as provided in Section 9.04 hereof; and no notice to holders of bonds shall be required as provided in Section 11.02 hereof, nor shall the time of consent be limited except as may be provided in such consent.

Section 11.07. Exclusion of City's Series 2025 Bonds. Series 2025 Bonds owned or held by or for the account of the City shall not be deemed Outstanding and shall be excluded for the purpose of consent or of other action or of any calculation of Outstanding Series 2025 Bonds provided for in this article, and the City shall not be entitled with respect to such Series 2025 Bonds to give any consent or to take any other action provided for in this article. At the time of any consent or of other action taken under this article, the City shall furnish the Chief Financial Officer and the Paying Agent a certificate of the Treasurer upon which the City may rely describing all Series 2025 Bonds so to be excluded.

ARTICLE XII

AUTHORIZING THE NOTICE OF BOND SALE AND THE RECEIPT OF COMPETITIVE BIDS

Section 12.01. Authorization of Competitive Bids. The Series 2025 Bonds shall be, and the same hereby are ordered to be, sold based upon competitive bids to be received by the City on or about April 15, 2025; provided, however, that the Council hereby delegates to the Chief Financial Officer the authority to change the date or time of the public sale of the Series 2025 Bonds to a later date or time (but not later than 180 days after final passage of this Bond Ordinance), if the Chief Financial Officer determines that such delay of the sale will maximize the likelihood of marketing the Series 2025 Bonds when market conditions are relatively favorable, or that it is necessary or desirable to provide additional time to finalize information or documentation relating to the Series 2025 Bonds. If there is such a change in sale date or time, appropriate changes may be made to the sale notice forms set forth herein (or such changes may be posted electronically as described in such sale notice forms); and corresponding changes may also be made in dated dates of the Series 2025 Bonds and other documents and instruments referred to herein. Bids for the Series 2025 Bonds must be submitted electronically by means of the i-Deal Parity electronic bidding system ("PARITY"), in the manner described below. No other method of submitting bids will be accepted.

Section 12.02. Notice of Bond Sale. The Chief Financial Officer and the City Clerk are hereby authorized and directed to provide for the publication of the Notice of Bond Sale in *The Daily Camera* at such times as they deem adequate to give reasonable notice of the proposed sale, but no less than once after the date hereof and at least five (5) days prior to the sale date hereinabove designated. The form of the Notice of Bond Sale is hereby approved in substantially the form attached hereto as Exhibit B, with such changes therein, including but not limited to changes in dates, principal amounts and maturities and completions thereto, as the Chief Financial Officer shall direct and shall deem to be in the best interest and to the best advantage of the City, the execution of such notice by the Mayor and the Chief Financial Officer to indicate conclusively the approval of any and all such changes. The Notice of Bond Sale may be published in a condensed format sufficient to give reasonable notice of the proposed sale of the Series 2025 Bonds, as such format may be approved by the Chief Financial Officer after consultation with the Municipal Advisor.

ARTICLE XIII

AMENDMENT OF SERIES 2015 ORDINANCE

In accordance with Section 11.01 of the Series 2015 Ordinance allowing amendments for the purpose of curing any ambiguity or defective or inconsistent provision as the City may deem necessary and desirable, the term "Flood Control System" in the Series 2015 Ordinance shall be amended to read "Stormwater and Flood Management Utility System" in all instances therein.

ARTICLE XIV

MISCELLANEOUS

Section 14.01. Findings and Determinations. Having been fully informed of and having considered all the pertinent facts and circumstances, the Council does hereby find, determine, and declare:

(a) the issuance of the Series 2025 Bonds and all procedures undertaken incident thereto are in full compliance and conformity with all applicable requirements, provisions and limitations prescribed by the Charter and the Constitution and laws of the State, including the Enabling Laws, and all conditions and limitations of the Charter, and other applicable law relating to the issuance of the Series 2025 Bonds has been satisfied;

(b) it is to the best advantage of the City and its residents that the Series 2025 Bonds be authorized, sold, issued and delivered to the Initial Purchaser pursuant to a competitive sale to be held and conducted in accordance with the Enabling Laws and the provisions hereof at the time, in the manner and for the purposes provided in this Bond Ordinance; and

(c) in accordance with Section 11-57-204, C.R.S., the City hereby elects to apply all of the provisions of the Supplemental Public Securities Act to the issuance of the Series 2025 Bonds.

Section 14.02. Approval of Official Statement, Paying Agent Agreement, Tax Certificate and Miscellaneous Documents. All action heretofore taken by any of the City's officials and the efforts of the City directed toward the issuance and sale of the Series 2025 Bonds, including use of a Preliminary Official Statement which is hereby approved, are hereby ratified, approved and confirmed. The Council hereby authorizes the use of a final Official Statement in substantially the form of the Preliminary Official Statement for use in connection with the sale of the Series 2025 Bonds, and the Mayor is hereby authorized and directed to execute the final Official Statement, with such changes therein as he shall deem necessary or appropriate. The Mayor, the Mayor Pro Tem, the Chief Financial Officer and the City Clerk, or his or her designee and all other officers of the City and their designees are hereby authorized and directed to execute all other documents and certificates necessary or desirable to effectuate the issuance of the Series 2025 Bonds and the transactions contemplated thereby, including without limitation, the Paying Agent Agreement and the Tax Certificate.

Section 14.03. Undertaking To Provide Ongoing Disclosure. The City agrees to enter into the Continuing Disclosure Undertaking, dated the date of issuance of the Series 2025 Bonds for the benefit of the Registered Owners of the Series 2025 Bonds required by Section (b)(5) of Securities and Exchange Commission Rule 15c2-12 under the Securities Exchange Act of 1934, as amended (17 CFR Part 240, § 240.15c2-12).

Section 14.04. Ratification. All action heretofore taken (not inconsistent with the provisions of this Bond Ordinance or the Enabling Laws) by the Council, the officers of the City,

1 the Municipal Advisor and otherwise by the City directed toward the sale and delivery of the Series
2 2025 Bonds for that purpose, shall be, and the same hereby is, ratified, approved and confirmed.

3 **Section 14.05. Bond Ordinance Irrepealable.** After the Series 2025 Bonds are issued,
4 this Bond Ordinance shall constitute an irrevocable contract between the holders and the City, and
5 shall be and shall remain irrepealable until the Series 2025 Bonds and the interest thereon shall be
6 fully paid, canceled and discharged, as herein provided.

7 **Section 14.06. Severability.** If any section, subsection, paragraph, clause or other
8 provision of this Bond Ordinance shall for any reason be held to be invalid or unenforceable, the
9 invalidity or unenforceability of such section, subsection, paragraph, clause or other provision shall
10 not affect any of the remaining provisions of this Bond Ordinance.

11 **Section 14.07. Repealer.** All bylaws, orders, and other instruments, or parts thereof,
12 inconsistent herewith are hereby repealed to the extent only of such inconsistency. This repealer
13 shall not be construed to revive any bylaw, order, or other instrument, or part thereof, heretofore
14 repealed.

15 **Section 14.08. Recordation and Publication.** This Bond Ordinance, immediately on its
16 final passage, shall be recorded in the City's Ordinance Record kept for that purpose, authenticated
17 by the Mayor and the Clerk, and shall be published by title only in *The Daily Camera*, a daily
18 newspaper printed, published and of general circulation in the City, in accordance with the
19 provisions of the Charter of the City.

20 **Section 14.09. Emergency Declaration; Effective Date.** Due to fluctuations in
21 municipal bond prices and interest rates, and due to currently favorable interest rates, and due to
22 the need to finally act upon and accept the bid of the highest responsible bidder (in accordance
23 with the Charter) for the Series 2025 Bonds in an expeditious manner, it is hereby declared that,
24 in the opinion of the Council, an emergency exists, this Bond Ordinance is necessary for the
25 preservation of the public peace, health and property of the City and its inhabitants and shall be in
full force and effect upon its passage.

1 INTRODUCTION, READ ON FIRST READING, PASSED AND ADOPTED AS AN
2 EMERGENCY MEASURE BY TWO-THIRDS COUNCIL MEMBERS PRESENT AND
3 ORDERED PUBLISHED BY TITLE ONLY THIS 6TH DAY OF MARCH 2025.
4
5

6 _____
7 Aaron Brockett,
8 Mayor

9 Attest:

10 By _____
11 City Clerk
12
13
14
15
16
17
18
19
20
21
22
23
24
25

EXHIBIT A**FORM OF 2025 BOND****UNITED STATES OF AMERICA
STATE OF COLORADO**

No. R-[]

\$ _____

**CITY OF BOULDER, COLORADO
(ACTING THROUGH ITS STORMWATER AND FLOOD
MANAGEMENT UTILITY ENTERPRISE)
STORMWATER AND FLOOD MANAGEMENT REVENUE BONDS
SERIES 2025**

Interest Rate	Maturity Date	Dated Date	CUSIP
[]%	December 1, []	[April 30, 2025]	

REGISTERED HOLDER: Cede & Co.
Tax Identification Number: 13-2555119

PRINCIPAL SUM: _____ DOLLARS

CITY OF BOULDER, COLORADO, in the State of Colorado, a duly organized and validly existing municipality and political subdivision of the State of Colorado (the “City”), for value received, hereby promises to pay to the order of the registered owner above or registered assigns, solely out of the special accounts hereinafter designated but not otherwise, on the maturity date stated above, the principal amount specified above. In like manner the City promises to pay interest on the unpaid 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 Series 2025 Bond (as hereinafter defined), except that interest paid on the first Interest Payment Date shall be computed from the Dated Date set forth above, at the Interest Rate per annum specified above, payable semiannually on June 1 and December 1 each year, commencing on [June 1, 2025], until the outstanding principal amount is paid. Capitalized terms used but not defined in this Series 2025 Bond shall have the meaning assigned to them in Ordinance No. [] of the City, finally adopted on March 6, 2025, authorizing the issuance of the Series 2025 Bonds (the “Bond Ordinance”). This Series 2025 Bond is one of an issue of bonds of the City designated “Stormwater and Flood Management Revenue Bonds, Series 2025” issued in the principal amount of \$[] (the “Series 2025 Bonds”). The Series 2025 Bonds are being issued by the City for the purpose of providing funds to (a) construct, improve, acquire and equip certain stormwater and flood mitigation improvements in the City, including the acquisition of ownership and easement interests in real property necessary for such improvements, and any other capital improvements with respect to the Stormwater and Flood Management Utility System; (b) fund or purchase a reserve fund surety bond for the 2025 Reserve Fund; and (c) pay the cost of issuing the Series 2025 Bonds.

Interest and principal payments shall be paid by check or draft of U.S. Bank Trust Company National Association, Denver, Colorado (as the “Paying Agent”) mailed on or before each Interest Payment Date and Principal Payment Date to the registered owner hereof whose name shall appear on the registration book maintained by the Paying Agent as of the Record Date.

The Series 2025 Bonds are subject to mandatory sinking fund redemption by lot on the Principal Payment Date of the years and in the principal amounts specified below, at a redemption price equal to the principal amount to be redeemed (with no redemption premium), plus accrued interest to the redemption date.

[Insert sinking fund redemption schedule.]

The Series 2025 Bonds maturing on and after December 1, [] shall be callable for redemption at the option of the City, in whole or in part, and if in part in such order of maturities as the City shall determine and by lot within a maturity on December 1, [], and on any date thereafter, at a redemption price equal to the par amount thereof plus accrued interest to the redemption date.

This Series 2025 Bond is transferable by the registered owner hereof in person or by the registered owner’s attorney duly authorized, in writing, at the principal office of the Paying Agent in Denver, Colorado, but only in the manner, subject to the limitations and upon payment of the charges provided in the Ordinance, and upon surrender and cancellation of this bond. Upon such transfer, a new registered Series 2025 Bond or Series 2025 Bonds of the same maturity and interest rate and of authorized denomination or denominations (\$5,000 and integral multiples thereof) for the same aggregate principal amount will be issued to the transferee in exchange therefor. The City and the Paying Agent may deem and treat the registered owner hereof as the absolute owner hereof (whether or not this bond shall be overdue) for the purpose of receiving payment of, or on account of, principal hereof and premium, and neither the City nor the Paying Agent shall be affected by any notice to the contrary.

The Series 2025 Bonds are issued pursuant to, under the authority of, and in full conformity with, the Enabling Laws, including, in particular, the Charter, the Enterprise Ordinance, as codified in Sections 11-5-1 to 11-5-20 of the City Code, the Bond Ordinance and Part 2 of Article 57 of Title 11, Colorado Revised Statutes, as amended. The Series 2025 Bonds do not constitute a debt or an indebtedness of the City within the meaning of any constitutional, charter or statutory provision or limitation, shall not be considered or held to be general obligations of the City, and are payable and collectible solely out of the Net Income (defined herein) derived from the City’s Stormwater and Flood Management Fee collected pursuant to Section 4-20-45, B.R.C. 1981 (hereinafter the “Fee”), the Net Income derived from the Fee and certain interest earnings with respect thereto are so pledged; and the Registered Owner hereof may not look to any general or other fund for the payment of the principal of and the interest on this bond except the special funds pledged therefor. Payment of the Series 2025 Bonds and the interest thereon shall be made solely from and as security for such payment there are irrevocably and exclusively pledged, pursuant to the Bond Ordinance, two special accounts identified as the “City of Boulder, Colorado, Stormwater and Flood Management Revenue Bonds, Series 2025 Bond Fund” (the “2025 Bond Fund”) and as the “City of Boulder, Colorado, Stormwater and Flood Management Revenue Bonds, Series 2025 Reserve Fund” (the “2025 Reserve Fund”). The City covenants to pay into the 2025 Bond Fund

from the Fee and interest earnings hereinbefore described, less only for all necessary and reasonable current expenses of the operation and maintenance of the Stormwater and Flood Management Utility System (as defined in the Bond Ordinance), sums sufficient to pay when due the principal of and the interest on the Series 2025 Bonds. The Series 2025 Bonds are also secured by certain proceeds of the Series 2025 Bonds and other amounts deposited into the 2025 Reserve Fund.

Subject to expressed conditions in the Bond Ordinance, the Series 2025 Bonds are equitably and ratably secured by a lien on the Net Income derived from the Fee and interest earnings, and the Series 2025 Bonds constitute an irrevocable and first lien (but not necessarily an exclusive first lien) upon said Net Income on a parity with the lien thereon of the outstanding City of Boulder, Colorado, Stormwater and Flood Management Revenue Bonds, Series 2015 (the "Series 2015 Bonds"). Subject to expressed conditions in the Bond Ordinance, bonds and other obligations, in addition to the Series 2025 Bonds and the Series 2015 Bonds, may be issued and made payable from the Net Income derived from the Fee and interest earnings on a subordinate and junior basis. Subject to additional expressed conditions in the Bond Ordinance, additional bonds and other obligations may be issued and made payable from the Net Income derived from the Fee on a parity with the Series 2025 Bonds and the Series 2015 Bonds.

The City covenants and agrees with the Registered Owner of this bond and with each and every person who may become the Registered Owner hereof that it will keep and will perform all of the covenants of the Bond Ordinance.

Reference is made to the Bond Ordinance and any and all modifications and amendments thereof, and to the Charter of the City, as from time to time amended, for an additional description of the nature and extent of the security for the Series 2025 Bonds, the accounts, funds or income pledged, the nature and extent and manner of enforcement of the pledge, the rights and remedies of the holders of the Series 2025 Bonds with respect thereto, the terms and conditions upon which the Series 2025 Bonds are issued, and a statement of rights, duties, immunities and obligations of the City, and other rights and remedies of the holders of the Series 2025 Bonds.

To the extent and in the respects permitted by the Bond Ordinance, the provisions of the Bond Ordinance or any instrument amendatory thereof or supplemental thereto may be modified or amended by action of the City taken in the manner and subject to the conditions and exceptions prescribed in the Bond Ordinance. The pledge of the Net Income derived from the Fee and other obligations of the City under the Bond Ordinance may be discharged, at or prior to the respective maturities or redemption of the Series 2025 Bonds, upon the making of provision for the payment thereof on the terms and conditions set forth in the Bond Ordinance.

It is hereby certified that all conditions, acts and things required by the constitution and laws of the State of Colorado, and the Charter and ordinances of the City, to exist, to happen and to be performed, precedent to and in the issuance of the Series 2025 Bonds, exist, have happened and have been performed, and that the Series 2025 Bonds do not exceed any limitations prescribed by the Bond Ordinance and the Enabling Laws.

The Series 2025 Bonds are issued pursuant to the Supplemental Public Securities Act, constituting Part 2, Article 57, Title 11 of Colorado Revised States, as amended. This recital shall

conclusively impart full compliance with all of the provisions of the Bond Ordinance and shall be conclusive evidence of the validity and regularity of the issuance of the Series 2025 Bonds after their delivery for value and that the Series 2025 Bonds issued hereunder are incontestable for any cause whatsoever after their delivery for value.

This Series 2025 Bonds shall not be entitled to any benefit under the Bond Ordinance, or become valid or obligatory for any purpose, until the Paying Agent shall have signed the certificate of authentication hereon.

IN WITNESS WHEREOF, City of Boulder, Colorado, has caused this Series 2025 Bond to be signed in the name and on behalf of the City with the manual or facsimile signature of the Mayor, to be sealed with the seal of the City or a facsimile thereof and to be attested by the manual or facsimile signature of the City Clerk.

[MANUAL OR FACSIMILE SEAL]

CITY OF BOULDER, COLORADO

By _____ (Manual or Facsimile Signature)
Mayor

ATTEST:

By _____ (Manual or Facsimile Signature)
City Clerk

CERTIFICATE OF AUTHENTICATION

This is the one of the Series 2025 Bonds described in the within-mentioned Bond Ordinance.

Date of Authentication: _____

U.S. BANK TRUST COMPANY NATIONAL
ASSOCIATION, as Paying Agent

By _____
Authorized Representative

CERTIFICATE OF TRANSFER

FOR VALUE RECEIVED, _____, the undersigned, hereby sells, assigns and transfers unto _____ (Tax Identification or Social Security No. _____) the within Series 2025 Bonds and all rights thereunder, and hereby irrevocably constitutes and appoints _____ attorney to transfer the within bond on the books kept for registration thereof, with full power of substitution in the premises.

Dated: _____

NOTICE: The signature to this assignment must correspond with the name as it appears upon the face of the within Series 2025 Bonds in every particular, without alteration or enlargement or any change whatever.

TRANSFER FEE MAY BE REQUIRED

EXHIBIT B**NOTICE OF BOND SALE**

\$[_____]*

CITY OF BOULDER, COLORADO**(Acting through its Stormwater and Flood Management Utility Enterprise)****STORMWATER AND FLOOD MANAGEMENT REVENUE BONDS****SERIES 2025**

PUBLIC NOTICE IS HEREBY GIVEN that electronic bids will be received for the purchase of the City of Boulder, Colorado (Acting through its Stormwater and Flood Management Utility Enterprise) Stormwater and Flood Management Revenue Bonds, Series 2025 (the “Series 2025 Bonds”), more particularly described below. As more fully described in the Preliminary Official Statement, dated on or about [April 4, 2025] (the “Preliminary Official Statement”), the City of Boulder, Colorado (the “City”), is causing the Series 2025 Bonds to be offered and issued pursuant to the Bond Ordinance of the City adopted on March 6, 2025 (the “Ordinance”). Capitalized terms used herein and not otherwise defined shall have the meanings ascribed to them in the Ordinance.

Bids for the purchase of the Series 2025 Bonds must be submitted by means of the i-Deal Parity electronic bidding system (“PARITY”). No other method of submitting bids will be accepted. The use of PARITY shall be at the bidder’s risk and expense, and none of the City, its Municipal Advisor or Bond Counsel shall have any liability with respect thereto. Electronic bids via PARITY must be submitted in accordance with PARITY’s Rules of Participation, as well as the provisions of this Notice of Bond Sale. To the extent that provisions of this Notice of Bond Sale conflict with PARITY’s Rules of Participation or any instruction or directions set forth by PARITY, the provisions of this Notice of Bond Sale shall control. The date and time for submitting bids will be as follows:

Bid Date: [April 15, 2025]

Bid Time: Between 11:00 a.m. and 11:30 a.m. Eastern Time (Between 9:00 a.m. and 9:30 a.m. Mountain Time)

Submit Bid to: PARITY electronic bidding system as set forth in “TERMS OF SALE—Submission of Bids”

Delivery Date: [April 30, 2025]

Information relating to the City and the Series 2025 Bonds may be obtained from the City’s Municipal Advisor, Hilltop Securities, Attention: Jason Simmons, 8055 E. Tufts Avenue, Suite 350, Denver, Colorado 80237, (telephone: (303) 771-0217; e-mail: Jason.Simmons@hilltopsecurities.com).

*Preliminary; subject to adjustment as set forth herein.

Neither the City, the Paying Agent, the Municipal Advisor, nor Bond Counsel shall be responsible for, and each bidder expressly assumes the risk of, any incomplete, inaccurate, or untimely bid submitted by Internet transmission by such bidder, including, without limitation, by reason of garbled transmissions, mechanical failure, engaged telephone or telecommunications lines, or any other cause arising from delivery by Internet transmission. Additionally, the PARITY time stamp will govern the receipt of all electronic bids. The official bid clock does not automatically refresh. Bidders must refresh the auction page periodically to monitor the progression of the bid clock and to ensure that their bid will be submitted prior to the termination of the bond sale. All bids will be deemed to incorporate the provisions of this Notice of Bond Sale.

This Notice of Bond Sale and the information set forth herein are not to be treated as a complete disclosure of all relevant information with respect to the Series 2025 Bonds. The information set forth herein is subject, in all respects, to a more complete description of the Series 2025 Bonds and the security therefor set forth in the Preliminary Official Statement.

BOND DETAILS

Terms. The City of Boulder, Colorado Stormwater and Flood Management Revenue Bonds, Series 2025 will be issued in the aggregate principal amount set forth in the caption of this Notice of Bond Sale, and will be dated the date of delivery. The proceeds of the Series 2025 Bonds are being used to (a) acquire, construct, improve and equip certain stormwater and flood mitigation improvements for the first phase of the South Boulder Creek flood mitigation project, including the acquisition of ownership and easement interests in real property necessary for such improvements, and any other capital improvements with respect to the Stormwater and Flood Management Utility System; (b) fund or purchase a reserve fund surety bond for the 2025 Reserve Fund; and (c) pay all necessary, incidental and appurtenant expenses in connection therewith, including the costs of issuance of the Series 2025 Bonds. Interest on the Series 2025 Bonds will be payable on each June 1 and December 1, commencing on [June 1, 2025]. The Series 2025 Bonds will mature on December 1 in each of the designated amounts and years as follows:

[Remainder of page intentionally left blank]

Maturity Schedule*

Maturity Date (December 1)	Principal Amount
2025	
2026	
2027	
2028	
2029	
2030	
2031	
2032	
2033	
2034	
2035	
2036	
2037	
2038	
2039	
2040	
2041	
2042	
2043	
2044	

*Preliminary; subject to adjustment as set forth in “TERMS OF SALE—Adjustment of Principal Amount and of Maturities After Determination of Best Bid” herein.

The Series 2025 Bonds will be issued in registered form, in denominations of \$5,000 or integral multiples thereof. The Series 2025 Bonds will be issued in book-entry form utilizing the services of The Depository Trust Company, New York, New York (“DTC”) as securities depository.

Adjustment of Aggregate Principal Amount and of Maturities After Determination of Best Bid. The aggregate principal amount and the principal amount of each maturity of the Series 2025 Bonds described above are subject to adjustment by the City, after the determination of the best bid. Changes to be made will be communicated to the successful bidder by the time of award of the Series 2025 Bonds to the successful bidder, and will not reduce or increase the aggregate principal amount of the Series 2025 Bonds by more than [15%] in total principal amount. The successful bidder may not withdraw its bid as a result of any changes made within these limits.

By submitting its bid, each bidder agrees to purchase the Series 2025 Bonds in such adjusted principal amounts and to modify the purchase price for the Series 2025 Bonds to reflect such adjusted principal amounts. The bidder further agrees that the interest rates for the various

maturities as designated by the bidder in its bid will apply to any adjusted principal amounts designated by the City for such maturities.

Amendment of Notice. The date and time of the sale may be changed at the discretion of the City, and the City also reserves the right to make other changes to the provisions of this Notice of Bond Sale prior to the date and time of the sale; any such changes may be posted through PARITY. Prospective bidders are advised to check for such PARITY postings prior to the stated sale time.

Interest Rates and Limitations. Interest from the date of delivery of the Series 2025 Bonds will be payable on [June 1, 2025], and semiannually thereafter on December 1 and June 1 in each year, as calculated based on a 360-day year of twelve 30-day months.

Only one interest rate shall be specified for any one maturity of the Series 2025 Bonds.

Each interest rate specified must be stated in a multiple of 1/8 or 1/20 of 1 percent per annum.

The maximum differential between the lowest and highest interest rates permitted for the issue is one percent (1.0%) (*i.e.*, the maximum rate of interest accruing on any Series 2025 Bond prior to its maturity may not exceed the lowest rate of interest accruing on any other Series 2025 Bond prior to its maturity by more than one percent (1.0%)).

A zero rate is not permitted. No supplemental or “B” interest shall be allowed.

Purchase Price. The purchase price bid shall not be less than 100% of the par amount of the Series 2025 Bonds, nor will any net discount or commission be allowed or paid on the sale of the Series 2025 Bonds.

Optional Redemption. The Series 2025 Bonds maturing on and after [December 1, 2035] are callable for redemption at the option of the City, in whole or in part in such order of maturities as the City shall determine and by lot within a maturity, on [December 1, 2034] and on any date thereafter, at a redemption price equal to the principal amount thereof plus accrued interest to the redemption date.

Term Bonds; Mandatory Sinking Fund Redemption. A bidder may request that any Series 2025 Bonds be aggregated to form one or more term bonds. Any such term bond will be subject to mandatory sinking fund redemption in the same amounts and on the same dates as the Series 2025 Bonds would have matured if they were not included in a term bond. Series 2025 Bonds redeemed pursuant to mandatory sinking fund redemption will be redeemed at a redemption price equal to 100% of the principal amount thereof, plus accrued interest to the redemption date, in the manner as otherwise provided in the Ordinance. Any election to designate Series 2025 Bonds as being included in a term bond must be made at the time the prospective bidder submits a bid for the Series 2025 Bonds via PARITY. See “TERMS OF SALE—Submission of Bids.”

Security. The Series 2025 Bonds will be payable from, and will constitute a first and prior (but not exclusive) lien on the Net Income (hereinafter defined) derived from the Stormwater and Flood Management Fee billed to customers of the City’s water and sewer systems pursuant to

Section 4 20 45, B.R.C. 1981, as amended (the “Fee”) and moneys on deposit in the 2025 Bond Fund and the 2025 Reserve Fund established and continued by the Ordinance. Net Income means Gross Income, less Operation and Maintenance Expenses of the Stormwater and Flood Management Utility System as more fully described in the Ordinance and the Preliminary Official Statement with respect to the Series 2025 Bonds. Reference is made to the Preliminary Official Statement for a more complete description of the security for the Series 2025 Bonds.

Reserve Fund. The 2025 Reserve Fund is established by the Ordinance. Upon delivery of the Series 2025 Bonds, the City will utilize a reserve fund surety policy from [] to fund the 2025 Reserve Fund in an amount equal to the 2025 Minimum Bond Reserve. The 2025 Reserve Fund will be used to pay debt service on the Series 2025 Bonds to the extent that the Net Income derived from the Fee is insufficient therefor. Notwithstanding the foregoing, as further described in the Preliminary Official Statement, each holder of any of the Series 2025 Bonds shall, by its purchase of such Series 2025 Bond or Series 2025 Bonds, be deemed to have agreed that at such time as (i) the Series 2015 Bonds issued by the City prior to the issuance of the Series 2025 Bonds are no longer Outstanding (through maturity, refunding, redemption, defeasance or otherwise) or (ii) in accordance with Section 11.01 of the Series 2015 Ordinance, the holders of more than 50% of the remaining Outstanding Series 2015 Bonds shall have consented to the following clauses (A) and (B) as proposed amendments to the Series 2015 Ordinance, then: (A) the requirement of establishing or maintaining the Reserve Fund for the Series 2025 Bonds and the amount of the Minimum Bond Reserve, if any, for the Series 2025 Bonds shall be at the election of the City, in its sole discretion, and (B) the requirement in Section 7.03(e) of the Ordinance to establish and maintain a reserve fund, if any, for additional Parity Bonds and the minimum amount of any such reserve fund, if established, shall be at the election of the City, in its sole discretion.

Additional Bonds; Outstanding Parity Bonds. The Ordinance permits the issuance of additional bonds of the City, payable from a lien on the Net Income derived from the Fee on a parity with, or subordinate to, the lien thereof of the Series 2025 Bonds. As of the issuance of the Series 2025 Bonds, the following Series 2015 Bonds will be Outstanding in the aggregate principal amount of \$13,415,000 and payable from the Net Income derived from the Fee on a parity with the Series 2025 Bonds.

Rating. S&P Global Ratings, a business unit of Standard & Poor’s Financial Services LLC have assigned the Series 2025 Bonds a municipal bond rating of “[].” See “RATING” in the Preliminary Official Statement.

Authorization. The Series 2025 Bonds are authorized to be issued by the Constitution of the State of Colorado, the Charter of the City, the laws of the State of Colorado, the Ordinance and the Supplemental Public Securities Act.

TERMS OF SALE

Submission of Bids. A prospective bidder must electronically submit a bid for the Series 2025 Bonds via PARITY. Bids may be submitted electronically via PARITY in accordance with this Notice of Bond Sale, until 9:30 a.m. Mountain Time, but no bid will be received after the time for receiving bids specified above. To the extent any instructions or directions set forth in PARITY

conflict with this Notice of Bond Sale, the terms of this Notice of Bond Sale shall control. For further information about PARITY, potential bidders may contact the City's Municipal Advisor, Hilltop Securities, Attention: Jason Simmons, 8055 E. Tufts Avenue, Suite 350, Denver, Colorado 80237 (telephone: (303) 771-0217; e-mail: Jason.Simmons@hilltopsecurities.com, or PARITY at 1359 Broadway, 2nd Floor, New York, New York 10018, Telephone (212) 404 8153; Fax (212) 849 5021.

Bidding Parameters. Bidders are required to submit unconditional bids specifying the rate of interest and premium, if any, at which the bidder will purchase all and not less than all of the Series 2025 Bonds.

Information Regarding Bids. Bidders may change and submit bids as many times as they wish during the bidding. During the bidding, no bidder will see any other bidder's bid, nor the status of their bid relative to other bids (i.e., whether their bid is the leading bid).

Bids Constitute an Irrevocable Offer. Each bid submitted through PARITY shall be deemed an irrevocable offer to purchase the Series 2025 Bonds on the terms provided in this Notice of Bond Sale and shall be binding upon the bidder.

Basis of Award. The Series 2025 Bonds will be sold to the bidder offering to purchase the Series 2025 Bonds at the lowest true interest cost ("TIC"). The actuarial yield on the Series 2025 Bonds using the TIC method will be computed at that yield which, if used to compute the present value of all payments of principal and interest on the Series 2025 Bonds as of the delivery date of the Series 2025 Bonds [(i.e., April 30, 2025)], produces an amount equal to the aggregate bid price. Such calculation will be made based upon a 360-day year composed of twelve 30-day months and a semi-annual interval for compounding.

The winning bid will be indicated on PARITY and the auction results, as posted on such website, will be subject to verification by the City and the Municipal Advisor. The City and the Municipal Advisor will verify the auction results immediately following the close of the bidding period and notice of confirmation by the City and the Municipal Advisor of the winning bidder will be made by a posting on PARITY under the "Results" link.

If two or more bids have the same TIC, the first bid submitted, as determined by reference to the time stamp displayed on PARITY, shall be deemed to be the leading bid.

Sale Reservations. The City reserves the right (a) to reject any and all bids for any Series 2025 Bonds, (b) to reoffer any Series 2025 Bonds for public or negotiated sale and (c) to waive any irregularity or informality in any bid.

Good Faith Deposit. A good faith deposit will not be required in connection with the submission of a bid for the Series 2025 Bonds. The winning bidder will be required to wire \$[600,000] of the par amount of the Series 2025 Bonds to the City as bid security by 3:00 p.m. Mountain Time on [April 15, 2025]. The City will provide wire instructions to the winning bidder. The bid security will be retained by the City and: (a) will be applied, without allowance for interest, against the purchase price when the Series 2025 Bonds are delivered to and paid for by such winning bidder; (b) will be retained by the City as liquidated damages if the bidder defaults with

respect to the bid; or (c) will be returned to the bidder if the Series 2025 Bonds are not issued by the City for any reason which does not constitute a default by the bidder.

Manner and Time of Delivery. The Series 2025 Bonds will be delivered to DTC for the account of the winning bidder at the expense of the City on [April 30, 2025] or such later date as the City and the winning bidder may agree. The winning bidder will not be required to accept delivery of the Series 2025 Bonds if they are not tendered for delivery by the City on [April 30, 2025], or such later date as the City and the winning bidder may agree; provided that delivery of any Series 2025 Bonds is conditioned upon the receipt by the City of a certificate as to their issue price. See “—Establishment of Issue Price” below. Payment of the purchase price due at delivery must be made in Federal Reserve funds for immediate and unconditional credit to the City.

Establishment of Issue Price

(a) The winning bidder shall assist the City in establishing the issue price of the Series 2025 Bonds and shall execute and deliver to the City at closing an “issue price” or similar certificate setting forth the reasonably expected Initial Offering Price (as defined herein) to the Public (as defined herein) or the sales price or prices of the Series 2025 Bonds, together with the supporting pricing wires or equivalent communications, substantially in the form attached hereto as *APPENDIX A*, with such modifications as may be appropriate or necessary, in the reasonable judgment of the winning bidder, the City and Bond Counsel. All actions to be taken by the City under this Notice of Bond Sale to establish the issue price of the Series 2025 Bonds may be taken on behalf of the City by the Municipal Advisor. At the written request of the City, Bond Counsel or the Municipal Advisor (including via e-mail), any notice or report to be provided to the City under this Notice of Bond Sale shall be provided to, as applicable pursuant to such written request, the City, Bond Counsel, or the Municipal Advisor.

(b) The City intends that the provisions of Treasury Regulation Section 1.148-1(f)(3)(i) (defining “competitive sale” for purposes of establishing the issue price of the Series 2025 Bonds) will apply to the initial sale of the Series 2025 Bonds (the “Competitive Sale Requirements”) because:

- (1) the City shall disseminate this Notice of Bond Sale to potential Underwriters (as defined herein) in a manner that is reasonably designed to reach potential Underwriters;
- (2) all bidders shall have an equal opportunity to bid;
- (3) the City anticipates receiving bids from at least three bidders with established industry reputations for underwriting new issuances of municipal bonds; and
- (4) the City anticipates awarding the sale of the Series 2025 Bonds to the bidder who submits a firm offer to purchase the Series 2025 Bonds at the lowest interest cost, as set forth in this Notice of Bond Sale.

The City shall take all reasonable steps that are appropriate so that the initial sale of the Series 2025 Bonds to the Public will satisfy the Competitive Sale Requirements. Any bid submitted

pursuant to this Notice of Bond Sale shall be considered a firm offer for the purchase of the Series 2025 Bonds, as specified in the bid.

(c) In the event that the Competitive Sale Requirements are not satisfied, the City shall so advise the winning bidder. The City may determine to treat (i) the first price at which 10% of a maturity of the Series 2025 Bonds (the “10% Test”) is sold to the Public as the issue price of that maturity and/or (ii) the Initial Offering Price to the Public as of the Sale Date (as defined herein) of any maturity of the Series 2025 Bonds as the issue price of that maturity (the “Hold-the-Offering-Price Rule”), in each case applied on a maturity-by-maturity basis. The City intends to apply the Hold-the-Offering-Price Rule if the Competitive Sale Requirements are not satisfied but may, in its discretion, apply the 10% Test if necessary. The winning bidder shall advise the City if any maturity of the Series 2025 Bonds satisfies the 10% Test as of the date and time of the award of the Series 2025 Bonds. The City (or the Municipal Advisor) shall promptly advise the prospective winning bidder, at or before the time of award of the Series 2025 Bonds, which maturities of the Series 2025 Bonds shall be subject to the 10% Test or shall be subject to the Hold-the-Offering-Price Rule. **Bids will not be subject to cancellation in the event that the Competitive Sale Requirements are not satisfied. Bidders should prepare their bids on the assumption that all of the maturities of the Series 2025 Bonds will be subject to the Hold-the-Offering-Price Rule in order to establish the issue price of the Series 2025 Bonds.**

(d) By submitting a bid, the winning bidder shall (i) confirm that the Underwriter(s) have offered or will offer the Series 2025 Bonds to the Public on or before the date of award at the offering price or prices (the “Initial Offering Price”), or at the corresponding yield or yields, set forth in the bid submitted by the bidder and (ii) agree, on behalf of the Underwriter(s) participating in the purchase of the Series 2025 Bonds, that the Underwriter(s) will neither offer nor sell unsold Series 2025 Bonds of any maturity to which the Hold-the-Offering-Price Rule shall apply to any person at a price that is higher than the Initial Offering Price to the Public during the period starting on the Sale Date and ending on the earlier of the following:

- (1) the close of the fifth (5th) business day after the Sale Date; or
- (2) the date on which the Underwriter(s) have sold at least 10% of that maturity of the Series 2025 Bonds to the Public at a price that is no higher than the Initial Offering Price to the Public.

The winning bidder shall promptly advise the City or the Municipal Advisor when the Underwriter(s) have sold 10% of that maturity of the Series 2025 Bonds to the Public at a price that is no higher than the Initial Offering Price to the Public, if that occurs prior to the close of the fifth (5th) business day after the Sale Date.

(e) If the Competitive Sale Requirements are not satisfied, then until the 10% Test has been satisfied as to each maturity of the Series 2025 Bonds, the winning bidder agrees to promptly report to the City the prices at which the unsold Series 2025 Bonds of that maturity have been sold to the Public. That reporting obligation shall continue, whether or not the closing date has occurred, until the 10% Test has been satisfied as to the Series 2025 Bonds of that maturity or until all Series 2025 Bonds of that maturity have been sold.

(f) The City acknowledges that, in making the representation set forth above, the winning bidder will rely on (i) the agreement of each Underwriter to comply with the Hold-the-Offering-Price Rule, as set forth in any agreement among underwriters and the related pricing wires, (ii) in the event a selling group has been created in connection with the initial sale of the Series 2025 Bonds to the Public, the agreement of each dealer who is a member of the selling group to comply with the Hold-the-Offering-Price Rule, as set forth in a selling group agreement and the related pricing wires, and (iii) in the event that an Underwriter is a party to a retail distribution agreement that was employed in connection with the initial sale of the Series 2025 Bonds to the Public, the agreement of each broker-dealer that is a party to such agreement to comply with the Hold-the-Offering-Price Rule, as set forth in the retail distribution agreement and the related pricing wires. The City further acknowledges that each Underwriter shall be solely liable for its failure to comply with its agreement regarding the Hold-the-Offering-Price Rule and that no Underwriter shall be liable for the failure of any other Underwriter, or of any dealer who is a member of a selling group, or of any broker-dealer that is a party to a retail distribution agreement to comply with its corresponding agreement regarding the Hold-the-Offering-Price Rule as applicable to the Series 2025 Bonds.

(g) By submitting a bid, each bidder confirms that: (i) any agreement among underwriters, any selling group agreement and each retail distribution agreement (to which the bidder is a party) relating to the initial sale of the Series 2025 Bonds to the Public, together with the related pricing wires, contains or will contain language obligating each Underwriter, each dealer who is a member of the selling group, and each broker-dealer that is a party to such retail distribution agreement, as applicable, to (A) report the prices at which it sells to the Public the unsold Series 2025 Bonds of each maturity allotted to it until it is notified by the winning bidder that either the 10% Test has been satisfied as to the Series 2025 Bonds of that maturity or all Series 2025 Bonds of that maturity have been sold to the Public and (B) comply with the Hold-the-Offering-Price Rule, if applicable, in each case if and for so long as directed by the winning bidder and as set forth in the related pricing wires; and (ii) any agreement among underwriters relating to the initial sale of the Series 2025 Bonds to the Public, together with the related pricing wires, contains or will contain language obligating each Underwriter that is a party to a retail distribution agreement to be employed in connection with the initial sale of the Series 2025 Bonds to the Public to require each broker-dealer that is a party to such retail distribution agreement to (A) report the prices at which it sells to the Public the unsold Series 2025 Bonds of each maturity allotted to it until it is notified by the winning bidder or such Underwriter that either the 10% Test has been satisfied as to the Series 2025 Bonds of that maturity or all Series 2025 Bonds of that maturity have been sold to the Public and (B) comply with the Hold-the-Offering-Price Rule, if applicable, in each case if and for so long as directed by the winning bidder or such Underwriter and as set forth in the related pricing wires.

(h) Sales of any Series 2025 Bonds to any person that is a Related Party (as defined herein) to an Underwriter shall not constitute sales to the Public for purposes of this Notice of Bond Sale. Further, for purposes of this Notice of Bond Sale:

- (i) “Public” means any person other than an Underwriter or a Related Party,
- (ii) “Underwriter” means (A) any person that agrees pursuant to a written contract with the City (or with the lead Underwriter to form an underwriting

syndicate) to participate in the initial sale of the Series 2025 Bonds to the Public and (B) any person that agrees pursuant to a written contract directly or indirectly with a person described in clause (A) to participate in the initial sale of the Series 2025 Bonds to the Public (including a member of a selling group or a party to a retail distribution agreement participating in the initial sale of the Series 2025 Bonds to the Public),

- (iii) a purchaser of any of the Series 2025 Bonds is a “Related Party” to an Underwriter if the Underwriter and the purchaser are subject, directly or indirectly, to (i) at least 50% common ownership of the voting power or the total value of their stock, if both entities are corporations (including direct ownership by one corporation of another), (ii) more than 50% common ownership of their capital interests or profits interests, if both entities are partnerships (including direct ownership by one partnership of another), or (iii) more than 50% common ownership of the value of the outstanding stock of the corporation or the capital interests or profit interests of the partnership, as applicable, if one entity is a corporation and the other entity is a partnership (including direct ownership of the applicable stock or interests by one entity of the other), and
- (iv) “Sale Date” means the date that the Series 2025 Bonds are awarded by the City to the winning bidder.

Failure to provide the reoffering prices and yields, and to certify the same in a form satisfactory to Bond Counsel, may result in cancellation of the sale and/or forfeiture of the winning bidder’s good faith deposit.

Official Statement. The Preliminary Official Statement, dated on or about [April 4, 2025], and the information contained therein has been deemed final by the City as of its date within the meaning of Rule 15c2-12 of the Securities and Exchange Commission (“Rule 15c2-12”) with permitted omissions, but is subject to change without notice and to completion or amendment in the Final Official Statement in final form (the “Final Official Statement” or the “Official Statement”). The Notice of Bond Sale and the Preliminary Official Statement may be viewed and downloaded at www.meritos.com and at www.i-dealprospectus.com or a physical copy may be obtained by contacting the City’s Municipal Advisor. See “—Information” below.

The City, at its expense, will make available to the winning bidder, within seven (7) business days after the award of the sale of the Series 2025 Bonds, up to 10 physical copies of the Final Official Statement, and additional copies of the Final Official Statement may be provided at the winning bidder’s expense. The winning bidder must cooperate in providing the information required to complete the Final Official Statement. The City will also provide the Final Official Statement to the winning bidder in electronic form.

The winning bidder shall comply with the requirements of Rule 15c2-12 and the rules of the Municipal Securities Rulemaking Board.

Continuing Disclosure Undertaking. Pursuant to Rule 15c2-12, the City has covenanted to provide, in a timely manner, to the municipal securities information repository at

<http://emma.msrb.org> notice of the occurrence of specified events and to provide certain financial information on an annual basis as more fully set forth in the Preliminary Official Statement. Reference is made to the Preliminary Official Statement for a more complete description of the City's continuing disclosure obligations.

State Securities Laws. The City has taken no action to qualify the offer or sale of the Series 2025 Bonds under the securities laws of any state. Should any such qualification be necessary, the City agrees to cooperate with the winning bidder in such matters, provided that the City reserves the right not to consent to service of process outside its boundaries and expenses related to any such qualification shall be the responsibility of the winning bidder.

CUSIP Numbers. CUSIP numbers ordered by the Municipal Advisor will be issued and printed on the Series 2025 Bonds. Any error or omission in printing such numbers on the Series 2025 Bonds will not constitute cause for the winning bidder to refuse delivery of any Series 2025 Bond. All expenses in relation to obtaining the CUSIP numbers and printing of the CUSIP numbers on the Series 2025 Bonds shall be paid for by the winning bidder.

Legal Opinion, Series 2025 Bonds and Transcript. The validity and enforceability of the Series 2025 Bonds will be approved by the City's Bond Counsel:

Kutak Rock LLP
2001 16th Street
Suite 1800
Denver, Colorado 80202
(303) 297-2400
FAX: (303) 292-7799
www.kutakrock.com

The purchaser of the Series 2025 Bonds will receive a certified transcript of legal proceedings which will include, among other items:

- (a) a certificate of the City to the effect that, as of its date, the Preliminary Official Statement was deemed final within the meaning of Rule 15c2-12, except for the omissions permitted under Rule 15c2-12;
- (b) a certificate executed by officials of the City to the effect that there is no litigation pending or, to their knowledge, threatened affecting the validity of the Series 2025 Bonds as of the date of their delivery;
- (c) a certificate of the City to the effect that, as of the date of the Official Statement and at all times to and including the date of delivery of the Series 2025 Bonds, the Official Statement did not contain any untrue statement of a material fact or omit any statement of a material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading; and
- (d) the letter dated the date of the delivery of the Series 2025 Bonds, of Butler Snow LLP, Special Counsel to the City, addressed to the City but not to the purchaser of the Series 2025 Bonds, to the effect that although they have made no independent

investigation or verification of the correctness and completeness of the information included in the Official Statement, nothing that came to their attention in rendering legal services in connection with the preparation of the Official Statement causes them to believe that the Official Statement (excepting financial, demographic, economic and statistical information, any forecasts, estimates and assumptions, and any expressions of opinion, as to which they will express no belief), as of its date, contained any untrue statement of a material fact or omitted to state any material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading.

(e) the opinion of Kutak Rock LLP, Bond Counsel, in substantially the form set forth as Appendix E to the Preliminary Official Statement.

Right To Modify or Amend Notice of Bond Sale. The City reserves the right to modify or amend this Notice of Bond Sale and the Bid Form, prior to the bid date. If any modifications occur, supplemental information with respect to the Series 2025 Bonds will be communicated by posting on the PARITY website not later than 3:00 p.m. Mountain Time on the day preceding the day on which proposals may be submitted, and bidders shall bid upon the Series 2025 Bonds based upon the terms thereof set forth in this Notice of Bond Sale, as so modified by such supplemental information.

Postponement of Sale. The City reserves the right to postpone the date and time established for the receipt of bids. Any such postponement will be announced by posting on PARITY prior to commencement of the bidding. If any date and time fixed for the receipt of bids and the sale of the Series 2025 Bonds is postponed, an alternative sale date and time will be announced at least one business day prior to such alternative sale date. On any such alternative sale date and time, any bidder may submit bids electronically as described above for the purchase of the Series 2025 Bonds in conformity in all respects with the provision of this Notice of Bond Sale, except for the date and time of sale and except for any changes announced by posting on PARITY at the time the sale date and time are announced.

By order of the City Council of the City of Boulder, Colorado, this Notice of Bond Sale is dated the [4th day of April, 2025].

By /s/ Aaron Brockett
Mayor, City of Boulder, Colorado

By /s/ Joel Wagner
Interim Chief Financial Officer
City of Boulder, Colorado

APPENDIX A

FORM OF ISSUE PRICE CERTIFICATE

\$[_____] *

CITY OF BOULDER, COLORADO

(Acting through its Stormwater and Flood Management Utility Enterprise)

STORMWATER AND FLOOD MANAGEMENT REVENUE BONDS

SERIES 2025

The undersigned, on behalf of [NAME OF UNDERWRITER] (“[SHORT NAME OF UNDERWRITER]”), hereby certifies as set forth below with respect to the sale of the above-captioned obligations (the “Series 2025 Bonds”) by the City of Boulder, Colorado, acting by and through its Stormwater and Flood Management Utility Enterprise (the “City”) [*Sections 1 and 2 and schedules to be adjusted in execution version as necessary if all of the requirements of a “competitive sale” are not satisfied.*]

1. ***Reasonably Expected Initial Offering Price.***

(a) As of [THE SALE DATE], the reasonably expected initial offering prices of the Series 2025 Bonds to the Public by [SHORT NAME OF UNDERWRITER] are the prices listed in Schedule A (the “Expected Offering Prices”). The Expected Offering Prices are the prices for the Maturities of the Series 2025 Bonds used by [SHORT NAME OF UNDERWRITER] in formulating its bid to purchase the Series 2025 Bonds. Attached as Schedule B is a true and correct copy of the bid provided by [SHORT NAME OF UNDERWRITER] to purchase the Series 2025 Bonds.

(b) [SHORT NAME OF UNDERWRITER] was not given the opportunity to review other bids prior to submitting its bid.

(c) The bid submitted by [SHORT NAME OF UNDERWRITER] constituted a firm offer to purchase the Series 2025 Bonds.

2. ***Defined Terms.***

(a) “*Maturity*” means Series 2025 Bonds with the same credit and payment terms. Series 2025 Bonds with different maturity dates, or Series 2025 Bonds with the same maturity date but different stated interest rates, are treated as separate Maturities.

(b) “*Public*” means any person (including an individual, trust, estate, partnership, association, company, or corporation) other than an Underwriter or a related party to an Underwriter. The term “related party” for purposes of this certificate generally means any two or more persons who have greater than 50 percent common ownership, directly or indirectly.

*Preliminary; subject to adjustment as set forth herein.

(c) “*Underwriter*” means (i) any person that agrees pursuant to a written contract with the City (or with the lead underwriter to form an underwriting syndicate) to participate in the initial sale of the Series 2025 Bonds to the Public, and (ii) any person that agrees pursuant to a written contract directly or indirectly with a person described in clause (i) of this paragraph to participate in the initial sale of the Series 2025 Bonds to the Public (including a member of a selling group or a party to a retail distribution agreement participating in the initial sale of the Series 2025 Bonds to the Public).

The representations set forth in this certificate are limited to factual matters only. Nothing in this certificate represents [SHORT NAME OF UNDERWRITER]’s interpretation of any laws, including specifically Sections 103 and 148 of the Internal Revenue Code of 1986, as amended, and the Treasury Regulations thereunder. The undersigned understands that the foregoing information will be relied upon by the City with respect to certain of the representations set forth in the Tax Compliance Certificate and with respect to compliance with the federal income tax rules affecting the Series 2025 Bonds, and by Kutak Rock LLP in connection with rendering its opinion that the interest on the Series 2025 Bonds is excluded from gross income for federal income tax purposes, the preparation of the Internal Revenue Service Form 8038-G, and other federal income tax advice that it may give to the City from time to time relating to the Series 2025 Bonds.

IN WITNESS WHEREOF, the undersigned, on behalf of [SHORT NAME OF UNDERWRITER], has set his or her hand as of the date first written above.

[UNDERWRITER]

By:

Name: _____

Title: _____

SCHEDULE A
EXPECTED OFFERING PRICES
[ATTACH]

SCHEDULE B
UNDERWRITER'S BID
[ATTACH]

PRELIMINARY OFFICIAL STATEMENT DATED APRIL 4, 2025**NEW ISSUE
BOOK-ENTRY ONLY****RATING: S&P: ____
See "RATING"**

In the opinion of Kutak Rock LLP, Bond Counsel, under existing laws, regulations, rulings and judicial decisions, and assuming the accuracy of certain representations and continuing compliance by the City with certain covenants, interest on the 2025 Bonds is excludable from gross income for federal income tax purposes and is not a specific preference item for purposes of the federal alternative minimum tax imposed on individuals. Interest on the 2025 Bonds may affect the federal alternative minimum tax imposed on certain corporations. Bond Counsel is also of the opinion that, under existing State of Colorado statutes, to the extent interest on the 2025 Bonds is excludable from gross income for federal income tax purposes, such interest on the 2025 Bonds is excludable from gross income for Colorado income tax purposes and from the calculation of Colorado alternative minimum taxable income. See "TAX MATTERS" herein for a more detailed discussion.

\$ _____ *

CITY OF BOULDER, COLORADO
STORMWATER AND FLOOD MANAGEMENT REVENUE BONDS
SERIES 2025

Dated: Date of Delivery**Due: December 1, as shown herein**

The City of Boulder, Colorado (the "City") is issuing its Stormwater and Flood Management Revenue Bonds, Series 2023 (the "2025 Bonds"). The 2025 Bonds are issued as fully registered bonds in denominations of \$5,000, or any integral multiple thereof. The 2025 Bonds initially will be registered in the name of Cede & Co., as nominee of The Depository Trust Company, New York, New York ("DTC"), which is acting as the securities depository for the 2025 Bonds. Purchases of the 2025 Bonds are to be made in book-entry form only. Purchasers will not receive certificates representing their beneficial ownership interest in the 2025 Bonds. See "THE 2025 BONDS-Book-Entry Only System." The 2025 Bonds bear interest at the rates set forth herein, payable on June 1, 2025, and semiannually thereafter on June 1 and December 1 of each year, to and including the maturity dates shown on the inside cover hereof (unless the 2025 Bonds are redeemed earlier), to the registered owner of the 2025 Bonds, initially Cede & Co. The principal of, and premium, if any, on the 2025 Bonds will be payable upon presentation and surrender at U.S. Bank Trust Company, National Association, at its operations center in St. Paul, Minnesota, or its successor as the paying agent for the 2025 Bonds. See "THE 2025 BONDS."

The maturity schedule for the 2025 Bonds appears on the inside cover page of this Official Statement.

The 2025 Bonds are subject to redemption prior to maturity at the option of the City as described in "THE 2025 BONDS-Redemption Provisions." At the option of the winning bidder, the 2025 Bonds may also be subject to mandatory sinking fund redemption.

Proceeds of the 2025 Bonds will be used to: (i) acquire, construct, improve and equip various stormwater and flood mitigation improvements to the City's municipal Stormwater and Flood Management System (collectively, the "Facilities") as further described herein; (ii) purchase

* Preliminary, subject to change.

a reserve fund surety bond and (iii) pay the costs of issuing the 2025 Bonds. See “SOURCES AND USES OF FUNDS.”

The 2025 Bonds are special, limited obligations of the City payable solely from the Net Income (defined herein) derived from the operation or use of the Facilities. The 2025 Bonds constitute an irrevocable and first lien (but not necessarily an exclusive first lien) upon the Net Income on a parity with the lien thereon of certain Outstanding Parity Bonds, as described herein, and any additional Parity Bonds issued in the future. **The 2025 Bonds do not constitute a debt or an indebtedness of the City within the meaning of any constitutional, charter or statutory provision, and shall not be considered or held to be general obligation of the City. Owners of the 2025 Bonds may not look to any other funds or accounts other than those specifically pledged by the City to the payment of the 2025 Bonds.** See “SECURITY FOR THE 2025 BONDS.”

This cover page contains certain information for quick reference only. It is not a summary of the issue. Investors must read the entire Official Statement to obtain information essential to making an informed investment decision.

The 2025 Bonds are offered when, as, and if issued by the City and accepted by the initial purchaser of the Bonds (the “Initial Purchaser”), subject to the approval of legality of the 2025 Bonds by Kutak Rock LLP, Denver, Colorado, Bond Counsel, and the satisfaction of certain other conditions. Butler Snow LLP, Denver, Colorado, has acted as special counsel to the City in connection with the Official Statement. Certain legal matters will be passed upon for the City by the City Attorney. Hilltop Securities Inc., Denver, Colorado, is acting as the Municipal Advisor to the City. It is expected that the 2025 Bonds will be available for delivery through the facilities of DTC, on or about April 30, 2025*.

\$ _____ *

CITY OF BOULDER, COLORADO

**STORMWATER AND FLOOD MANAGEMENT REVENUE BONDS
SERIES 2025**

MATURITY SCHEDULE*
(CUSIP® 6-DIGIT ISSUER NUMBER: _____)

<u>Maturing (December 1)</u>	<u>Principal Amount</u>	<u>Interest Rate</u>	<u>Yield</u>	<u>CUSIP® Issue Number</u>	<u>Maturing (December 1)</u>	<u>Principal Amount</u>	<u>Interest Rate</u>	<u>Yield</u>	<u>CUSIP® Issue Number</u>
2025					2035				
2026					2036				
2027					2037				
2028					2038				
2029					2039				
2030					2040				
2031					2041				
2032					2042				
2033					2043				
2034					2044				

* Preliminary, subject to change.

© Copyright 2025, CGS. CUSIP is a registered trademark of the American Bankers Association. CUSIP Global Services (“CGS”) is managed on behalf of the American Bankers Association by FactSet Research Systems Inc. The CUSIP data herein is provided by CGS. CUSIP numbers are provided for convenience of reference only. The City takes no responsibility for the accuracy of the CUSIP numbers.

USE OF INFORMATION IN THIS OFFICIAL STATEMENT

This Official Statement, which includes the cover page, the inside cover page and the appendices, does not constitute an offer to sell or the solicitation of an offer to buy any of the 2025 Bonds in any jurisdiction in which it is unlawful to make such offer, solicitation, or sale. No dealer, salesperson, or other person has been authorized to give any information or to make any representations other than those contained in this Official Statement in connection with the offering of the 2025 Bonds, and if given or made, such information or representations must not be relied upon as having been authorized by the City. The City maintains an internet website; however, the information presented there is not a part of this Official Statement and should not be relied upon in making an investment decision with respect to the 2025 Bonds.

The information set forth in this Official Statement has been obtained from the City, from the sources referenced throughout this Official Statement and from other sources believed to be reliable. No representation or warranty is made by the City, however, as to the accuracy or completeness of information received from parties other than the City. This Official Statement contains, in part, estimates and matters of opinion which are not intended as statements of fact, and no representation or warranty is made as to the correctness of such estimates and opinions, or that they will be realized.

The information, estimates, and expressions of opinion contained in this Official Statement are subject to change without notice, and neither the delivery of this Official Statement nor any sale of the 2025 Bonds shall, under any circumstances, create any implication that there has been no change in the affairs of the City, or in the information, estimates, or opinions set forth herein, since the date of this Official Statement.

This Official Statement has been prepared only in connection with the original offering of the 2025 Bonds and may not be reproduced or used in whole or in part for any other purpose.

The 2025 Bonds have not been registered with the Securities and Exchange Commission due to certain exemptions contained in the Securities Act of 1933, as amended. The 2025 Bonds have not been recommended by any federal or state securities commission or regulatory authority, and the foregoing authorities have neither reviewed nor confirmed the accuracy of this document.

THE PRICES AT WHICH THE 2025 BONDS ARE OFFERED TO THE PUBLIC BY THE INITIAL PURCHASER (AND THE YIELDS RESULTING THEREFROM) MAY VARY FROM THE INITIAL PUBLIC OFFERING PRICES OR YIELDS APPEARING ON THE INSIDE COVER PAGE HEREOF. IN ADDITION, THE UNDERWRITER MAY ALLOW CONCESSIONS OR DISCOUNTS FROM SUCH INITIAL PUBLIC OFFERING PRICES TO DEALERS AND OTHERS. IN ORDER TO FACILITATE DISTRIBUTION OF THE 2025 BONDS, THE INITIAL PURCHASER MAY ENGAGE IN TRANSACTIONS INTENDED TO STABILIZE THE PRICE OF THE 2025 BONDS AT A LEVEL ABOVE THAT WHICH MIGHT OTHERWISE PREVAIL IN THE OPEN MARKET. SUCH STABILIZING, IF COMMENCED, MAY BE DISCONTINUED AT ANY TIME.

CITY OF BOULDER, COLORADO

CITY COUNCIL

Aaron Brockett, Mayor
Lauren Folkerts, Mayor Pro Tem
Mark Wallach, Council Member
Matt Benjamin, Council Member
Nicole Speer, Council Member
Tina Marquis, Council Member
Taishya Adams, Council Member
Tara Winer, Council Member
Ryan Schuchard, Council Member

CITY OFFICIALS

Nuria Rivera-Vandermyde, City Manager
Teresa Taylor Tate, City Attorney
Joel Wagner, Interim Chief Financial Officer

BOND COUNSEL

Kutak Rock LLP
Denver, Colorado

DISCLOSURE COUNSEL

Butler Snow LLP
Denver, Colorado

REGISTRAR AND PAYING AGENT

U.S. Bank Trust Company, National Association
Denver, Colorado

MUNICIPAL ADVISOR

Hilltop Securities Inc.
Denver, Colorado

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NOTE: Tables marked with an (*) indicate Annual Financial Information to be updated pursuant to SEC Rule 15c2-12, as amended. See “INTRODUCTION-Continuing Disclosure Certificate” and Appendix D - Form of Continuing Disclosure Certificate.

The information to be updated may be reported in any format chosen by the City; it is not required that the format reflected in this Official Statement be used in future years.

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OFFICIAL STATEMENT

§ _____ CITY OF BOULDER, COLORADO STORMWATER AND FLOOD MANAGEMENT REVENUE BONDS SERIES 2025

INTRODUCTION

General

This Official Statement, including the cover page, the inside cover page and the appendices, is furnished by the City of Boulder (the “City”), a home rule city of the State of Colorado (the “State”), to provide information about the City and the § _____* Stormwater and Flood Management Revenue Bonds, Series 2025 (the “2025 Bonds”), to be issued by the City. The 2025 Bonds will be issued pursuant to an ordinance (the “Bond Ordinance”) adopted by the City Council of the City (the “City Council”) prior to the issuance of the 2025 Bonds.

The offering of the 2025 Bonds is made only by way of this Official Statement, which supersedes any other information or materials used in connection with the offer or sale of the 2025 Bonds. The following introductory material is only a brief description of and is qualified by the more complete information contained throughout this Official Statement. A full review should be made of the entire Official Statement and the documents summarized or described herein. Detachment or other use of this “INTRODUCTION” without the entire Official Statement, including the cover page, the inside cover page, and appendices, is unauthorized. Unless otherwise provided, capitalized terms used herein have the meanings given to them in the Bond Ordinance.

The Issuer

The City is a municipal corporation duly organized and existing under the laws of the State. In particular, the City is a home rule city and adopted a charter pursuant to Article XX of the Colorado Constitution by vote of the electorate on October 30, 1917 (the “City Charter”). The City is located in north central Colorado, approximately 25 miles northwest of Denver. The City is situated at the base of the foothills of the Front Range of the Rocky Mountains at an altitude of 5,354 feet. The City encompasses 25 square miles, and is the county seat of Boulder County, Colorado (the “County”). The City’s estimated population is approximately 107,000 persons. See “THE CITY.”

In 1973 the City established a stormwater and flood management utility (the “Stormwater and Flood Management Utility”) responsible for protecting the City and its residents from Stormwater runoff and providing flood management, as described in further detail herein. See “THE STORMWATER AND FLOOD MANAGEMENT UTILITY.” As an additional expense billed monthly to customers as a part of the City’s utility bill, a stormwater and flood management fee is charged pursuant to Section 4-20-45, Boulder Revised Code, as amended (the “Fee”). The Stormwater and Flood Management Utility constitutes an “enterprise” for purposes of Article X, Section 20 of the Colorado Constitution (“TABOR”).

Authority for Issuance

The 2025 Bonds are issued pursuant to the Constitution and laws of the State, including particularly the City Charter, the Bond Ordinance and Part 2, Article 57, Title 11 of the Colorado Revised Statutes (the “Supplemental Public Securities Act”).

Purpose

Proceeds of the 2025 Bonds will be used to: (i) acquire, construct, improve and equip various stormwater and flood mitigation improvements for the first phase of the South Boulder Creek Flood Mitigation Project, including the acquisition of ownership and easement interest in real property necessary for such improvements, (the “Project”), as more fully described below; (ii) purchase a reserve fund surety bond; and (iii) pay the costs of issuing the 2025 Bonds. See “SOURCES AND USES OF FUNDS.”

The Project includes but is not limited to the South Boulder Creek Flood Mitigation project, which will mitigate the effects of floods for community members and crucial infrastructure such as US-36 and Foothills Parkway.

Security

General; Special Limited Obligations. The 2025 Bonds will be payable solely from and secured by the Net Income derived from the Fee and interest earning with respect thereto, which Net Income consist of the Gross Income from the Fee (i.e., all income derived directly or indirectly by the City from the Stormwater And Flood Management Fee billed to customers of the City’s water and sewer systems pursuant to Section 4-20-45, Boulder Revised Code, as amended, and interest earnings with respect thereto), less Operation And Maintenance Expenses related to the Stormwater and Flood Management Utility System. The Net Income will secure the 2025 Bonds and any bonds that are issued and secured by a lien on the Net Income derived from the Fee on a parity with or subordinate to the lien thereon of the Series 2025 Bonds, including the City’s Stormwater and Flood Management Revenue Bonds, Series 2015, dated July 20, 2015 (the “2015 Bonds” or the “Parity Bonds”), which are presently outstanding in the aggregate principal amount of \$13,415,000.

Reserve Fund. Upon delivery of the 2025 Bonds, the City will fund a Reserve Fund for the 2025 Bonds in an amount equal to the “Minimum Bond Reserve” (defined herein). The Minimum Bond Reserve for the 2025 Bonds will be funded with a reserve fund surety bond (the “2025 Reserve Policy”) provided by _____. (“_____” or “2025 Reserve Policy Provider”). See “SECURITY FOR THE 2025 BONDS-Reserve Fund.”

The Series 2025 Bonds will not constitute an indebtedness or a debt of the City within the meaning of any constitutional, charter or statutory provision or limitation, will not be payable from the proceeds of general property taxes, and will not be considered or held to be general obligations of the City, but will be its special obligations, payable as aforesaid.

Rate Covenant. The City has covenanted in the Bond Ordinance to Ordinance to set the Fee such that Gross Income will be adequate annually to pay the annual Operation and Maintenance Expenses of the Stormwater and Flood Management Utility and 125% of the both

the principal of and the interest on the 2025 Bonds and any other bonds payable annually from Gross Income (excluding the reserves therefor), all of which Gross Income, including any income received from the City, shall be subject to distribution to the payment of Operation and Maintenance Expenses of the Stormwater and Flood Management Utility System and to the payment of principal of and interest on all bonds payable from the Fee, including reasonable reserves therefor.

Additional Bonds. Upon the issuance of the 2025 Bonds, the 2015 Bonds and the 2025 Bonds will be the only obligations outstanding and payable from the Net Income derived from the Fee. Additional bonds may be issued which will be payable from Net Income derived from the Fee on parity with the lien thereon of the 2015 Bonds and the 2025 Bonds upon the conditions set forth in the Bond Ordinance authorizing the 2025 Bonds. Further, subordinate bonds are permitted to be issued and secured by a lien on the Net Income derived from the Fee subordinate to the lien thereon of 2015 Bonds and 2025 Bonds. No determination yet has been made by the City as to whether additional bonds will be issued in the next five (5) years. See “THE FACILITIES-Future Capital Improvements.”

The 2025 Bonds; Prior Redemption

The 2025 Bonds are issuable as fully registered bonds in the denominations of \$5,000 and integral multiples thereof. The 2025 Bonds are dated as of the date of delivery and bear interest from their date or such later date to which interest has been paid, payable semiannually on June 1 and December 1 of each year, commencing on June 1, 2025. The 2025 Bonds bear interest at the rates and mature in the amounts and on the dates set forth on the inside cover page of this Official Statement.

The 2025 Bonds will be issued as fully registered bonds without coupons and will initially be registered in the name of “Cede & Co.,” as nominee of The Depository Trust Company (“DTC”), as securities depository for the 2025 Bonds. Purchases of the 2025 Bonds are to be made in book entry only form in principal amounts of \$5,000 or any integral multiple thereof. The principal of and premium, if any, on the 2025 Bonds are payable at U.S. Bank Trust Company, National Association, at its operations center in St. Paul, Minnesota (together with any successors or assignees, the “Paying Agent” and “Registrar”). Payment of interest on any 2025 Bond will be payable by wire transfer on the interest payment date to Cede & Co. Payments to the owners of the 2025 Bonds are to be made as described in Appendix C - Book Entry Only System.

The 2025 Bonds are subject to redemption prior to maturity at the option of the City as described in “THE 2025 BONDS-Redemption Provisions.” At the option of the winning bidder, the 2025 Bonds also may be subject to mandatory sinking fund redemption at the option of the City. See the Notice of Public Sale dated April 305, 2025.

Professionals

Kutak Rock LLP, Denver, Colorado, has acted as Bond Counsel in connection with the execution and delivery of the 2025 Bonds. Butler Snow, LLP, Denver, Colorado, has acted as disclosure counsel to the City in connection with this Official Statement. As is customary, the fees of Kutak Rock LLP and Butler Snow LLP will be paid only at closing from the proceeds of the

2025 Bonds. Certain legal matters will be passed on for the City by the City Attorney. U.S. Bank Trust Company, National Association will act as the Paying Agent and Registrar for the 2025 Bonds. The basic financial statements of the City included in this Official Statement as Appendix A have been audited by CliftonLarsonAllen LLP, Certified Public Accountants, Broomfield, Colorado. See “INDEPENDENT AUDITORS.” Hilltop Securities Inc., Denver, Colorado, is acting as the Municipal Advisor to the City (the “Municipal Advisor”). See “MUNICIPAL ADVISOR.” The fees of the Municipal Advisor will also be paid at closing from the proceeds of the 2025 Bonds.

Tax Status

In the opinion of Kutak Rock LLP, Bond Counsel, under existing laws, regulations, rulings and judicial decisions, and assuming the accuracy of certain representations and continuing compliance by the City with certain covenants, interest on the 2025 Bonds is excludable from gross income for federal income tax purposes and is not a specific preference item for purposes of the federal alternative minimum tax imposed on individuals. Interest on the 2025 Bonds may affect the federal alternative minimum tax imposed on certain corporations. Bond Counsel is also of the opinion that, under existing State of Colorado statutes, to the extent interest on the 2025 Bonds is excludable from gross income for federal income tax purposes, such interest on the 2025 Bonds is excludable from gross income for Colorado income tax purposes and from the calculation of Colorado alternative minimum taxable income. See “TAX MATTERS” herein for a more detailed discussion.

Continuing Disclosure Undertaking

The City will execute a continuing disclosure certificate (the “Disclosure Undertaking”) at the time of the closing for the 2025 Bonds. The Disclosure Undertaking will be executed for the benefit of the beneficial owners of the 2025 Bonds and the City covenants in the Bond Ordinance to comply with its terms. The Disclosure Undertaking will provide that so long as the 2025 Bonds remains outstanding, the City will provide the following information to the Municipal Securities Rulemaking Board, through the Electronic Municipal Market Access (“EMMA”) system: (i) annually, certain financial information and operating data; and (ii) notice of the occurrence of certain material events; each as specified in the Disclosure Undertaking. The form of the Disclosure Undertaking is attached hereto as Appendix D.

The City has procedures in place to assist it with compliance with its continuing disclosure undertakings.

Forward-Looking Statements

This Official Statement, particularly (but not limited to) the information contained under the headings “CERTAIN RISK FACTORS,” “SECURITY FOR THE 2025 BONDS-Historical Net Income and Pro Forma Debt Service Coverage”, and “THE FACILITIES-Budgets” contains statements relating to future results that are “forward-looking statements” as defined in the Private Securities Litigation Reform Act of 1995. When used in this Official Statement, the words “estimate,” “forecast,” “intend,” “expect” and similar expressions identify forward-looking statements. Any forward-looking statement is subject to uncertainty. Accordingly, such

statements are subject to risks that could cause actual results to differ, possibly materially, from those contemplated in such forward-looking statements. Inevitably, some assumptions used to develop forward-looking statements will not be realized or unanticipated events and circumstances may occur. Therefore, investors should be aware that there are likely to be differences between forward looking statements and actual results. Those differences could be material and could impact the availability of Net Income to pay debt service on the 2025 Bonds.

Additional Information

This introduction is only a brief summary of the provisions of the 2025 Bonds and the Bond Ordinance; a full review of the entire Official Statement should be made by potential investors. Brief descriptions of the 2025 Bonds, the Bond Ordinance, the City, and the Project are included in this Official Statement. All references herein to the 2025 Bonds, the Bond Ordinance and other documents are qualified in their entirety by reference to such documents. *This Official Statement speaks only as of its date and the information contained herein is subject to change.*

Additional information and copies of the documents referred to herein are available from the City and the Municipal Advisor:

City of Boulder, Colorado
Attn: Finance Department
1777 Broadway
Boulder, Colorado 80302
Telephone: (303) 441-3040

Hilltop Securities Inc.
8055 E. Tufts Street, Suite 350
Denver, Colorado 80237
Telephone: (303) 771-0217

CERTAIN RISK FACTORS

The purchase of the 2025 Bonds involves special risks and uncertainties; the 2025 Bonds may not be appropriate investments for all types of investors. Each prospective investor is encouraged to read this Official Statement in its entirety and to give particular attention to the factors described below, which, among other factors discussed herein, could affect the payment of debt service on the 2025 Bonds and could affect the market price of the 2025 Bonds to an extent that cannot be determined at this time. *The following does not purport to be an exhaustive listing of risks and other considerations that may be relevant to investing in the 2025 Bonds. In addition, the order in which the following information is presented is not intended to reflect the relative importance of such risks.*

Limited Obligations

General. The 2025 Bonds constitute special, limited obligations of the City. The principal of and interest on the 2025 Bonds is payable solely from and secured by an irrevocable pledge of the Net Income derived by the City from the Fee, together with certain interest income and other amounts as provided in the Bond Ordinance. The 2025 Bonds constitute an irrevocable pledge of the Net Income on parity with the lien thereon of the Parity Bonds and any additional Parity Bonds. See “SECURITY FOR THE 2025 BONDS.” **The 2025 Bonds do not constitute a general obligation of the City. Owners of the 2025 Bonds may not look to any funds or accounts of the City other than those specifically pledged to the payment of the 2025 Bonds.**

The ability of the City to meet its payment obligations under the Bond Ordinance will depend upon the ability of the Fee to generate enough Gross Income to meet such obligations, the operating expenses, debt service on other debt or obligations, extraordinary costs or expenses that may occur and other costs and expenses. Accordingly, investors should be aware that future revenues and expenses of the City will be subject to conditions that may differ materially from current conditions to an extent that cannot be determined at this time.

No Mortgage Secures the 2025 Bonds. The payment of the 2025 Bonds is not secured by an encumbrance, mortgage, or other pledge of property of the City, except for the Net Income and other moneys pledged for the payment of the debt service requirements of the 2025 Bonds. No property of the City, subject to such exception, shall be liable to be forfeited or taken in payment of the 2025 Bonds. See “SECURITY FOR THE 2025 BONDS-Limited Obligations.”

Additional Bonds

Under the Bond Ordinance, the City is permitted to incur other debt payable on a parity with the lien of the 2025 Bonds. See “SECURITY FOR THE 2025 BONDS-Additional Bonds.” Debt service on all Parity Bonds of the City will be payable from Net Income on a pro-rata basis. Accordingly, to the extent that future obligations are issued on a parity with the lien of the 2025 Bonds and 2015 Bonds, the security for the 2025 Bonds may be diluted.

No determination yet has been made by the City as to whether Additional Bonds will be issued in the next five (5) years to meet its capital needs. See “INTRODUCTION-Additional Bonds,” and “The FACILITIES-Future Capital Improvements.”

Constitutional Limitations on Enterprises

The City has concluded that its Facilities each presently qualify as an “enterprise” under the provisions of Article X, Section 20 of the Colorado Constitution (“TABOR”). If the City’s Stormwater, water and/or wastewater operations should fail at some time in the future to qualify as an enterprise for purposes of TABOR, the related Facility would become subject to the limitations of TABOR, including, without limitation, the spending limits contained in TABOR. See “LEGAL MATTERS-Certain Constitutional Limitations.” If the City fails to maintain the enterprise status of either Facility, that event will not adversely affect the validity or enforceability of the 2025 Bonds but may affect the City’s ability to collect Net Income in an amount enough to pay debt service.

Limitations on Remedies Available to Owners of 2025 Bonds

No Acceleration. There is no provision for acceleration of maturity of the principal of the 2025 Bonds in the event of a default in the payment of principal of or interest on the 2025 Bonds. Consequently, remedies available to the owners of the 2025 Bonds may have to be enforced from year to year.

Bankruptcy, Federal Lien Power and Police Power. The enforceability of the rights and remedies of the owners of the 2025 Bonds and the obligations incurred by the City in issuing the 2025 Bonds are subject to the federal bankruptcy code and applicable bankruptcy, insolvency, reorganization, moratorium, or similar laws relating to or affecting the enforcement of creditors’ rights generally, now or hereafter in effect; usual equity principles which may limit the specific enforcement under State law of certain remedies; the exercise by the United States of America of the powers delegated to it by the federal Constitution; the power of the federal government to impose liens in certain situations, which could result in a federal lien on the Net Income which is superior to the lien thereon of the 2025 Bonds; and the reasonable and necessary exercise, in certain exceptional situations, of the police power inherent in the sovereignty of the State and its governmental bodies in the interest of serving a significant and legitimate public purpose. Bankruptcy proceedings or the exercise of powers by the federal or State government, if initiated, could subject the owners of the 2025 Bonds to judicial discretion and interpretation of their rights in bankruptcy or otherwise, and consequently may entail risks of delay, limitation or modification of their rights.

No Trustee. There is no bond trustee or similar person or entity to monitor or enforce the provisions of the Bond Ordinance on behalf of the Owners of the 2025 Bonds, and therefore the Owners should be prepared to enforce such provisions themselves if the need to do so ever arises.

Delay in Enforcement of Liens

The City has the statutory authority to enforce payment of its rates and charges through liens on the real property of delinquent ratepayers. However, foreclosure of real property liens is a time-consuming and burdensome remedy. The delays involved in foreclosure could substantially delay the collection of Gross Income by the City. In addition, proceeds realized from the sale of real property, if any, may not be sufficient to cover the delinquent rates and charges after the payment of any senior liens on the property.

Future Changes in Laws

Various State and federal laws and constitutional provisions apply to the operation of the Facilities and the operation of the City. There is no assurance that there will not be any change in, interpretation of, or addition to the applicable laws, provisions, and regulations which would have a material effect, directly or indirectly, on the affairs of the City in the future.

Secondary Market

There is no guarantee that a secondary market for the 2025 Bonds will be created or maintained by the Initial Purchaser or others. Thus, prospective investors should be prepared to hold their 2025 Bonds to maturity.

SOURCES AND USES OF FUNDS

Sources and Uses of Funds

The City expects to apply the proceeds from the sale of the 2025 Bonds in the following manner:

Sources and Uses of Funds

<u>Sources of Funds:</u>	<u>Amount</u>
Par amount of 2025 Bonds	\$ _____ .00
Plus: original issue premium	
Total	
 <u>Uses of Funds:</u>	
The Project	
Costs of issuance (including underwriting discount and premium on the 2025 Reserve Policy)	
Total	

Source: The Municipal Advisor.

The Project

The Project includes but is not limited to the South Boulder Creek Flood Mitigation project, which will mitigate the effects of floods for community members and crucial infrastructure. The Project will include a 470-acre stormwater detention facility, a 2,300-foot-long spillway, and outletworks to convey the detained water under US-36 to return to South Boulder Creek. The Project includes approximately 36 acres property acquisition per an annexation agreement between the City and CU-Boulder approved in 2021 for the flood mitigation project and the potential to acquire 119 acres for city open space.

There are an estimated 600 structures and 3,500 people in the South Boulder Creek floodplain within the City limits. Over the last 80 years, South Boulder Creek has significantly flooded six times, with overtopping of US36 happening in 1969 and 2013. The area of flooding that occurs in the City after US36 is overtopped is referred to as the “West Valley”.

As a result, the City has been working to mitigate future flood impacts over the last two decades. City council approved a flood mitigation plan for South Boulder Creek in 2015, with regional detention at US36 representing the first of three phases of flood mitigation along South Boulder Creek.

The purpose of the first phase of the South Boulder Creek Flood Mitigation Project is to provide protection for community members, property, major utilities and transportation infrastructure including US-36 and Foothills Parkway, while minimizing impacts to existing City open space in the area. City staff has been working collaboratively with CU-Boulder and the Colorado Department of Transportation (CDOT) in developing the design for flood mitigation along South Boulder Creek. The future phases are not part of the City’s next six years Capital Improvement Plan. See “Capital Improvement Plan” herein. These future phases have been

prioritized along with the City's other flood management projects in the Comprehensive Flood and Stormwater Master Plan approved by the City Council in 2022.

THE 2025 BONDS

General Description

The 2025 Bonds are issuable as fully registered bonds in the denominations of \$5,000 and integral multiples thereof. The 2025 Bonds are dated as of the date of delivery and bear interest from their date or such later date to which interest has been paid, payable semiannually on June 1 and December 1 of each year, commencing on June 1, 2025. The 2025 Bonds bear interest at the rates and mature in the amounts and on the dates set forth on the inside cover page of this Official Statement.

The 2025 Bonds will be issued as fully registered bonds without coupons and will initially be registered in the name of "Cede & Co.," as nominee of The Depository Trust Company ("DTC"), which is acting as the securities depository for the 2025 Bonds. Purchases by beneficial owners of the 2025 Bonds ("Beneficial Owners") are to be made in book-entry only form in the principal amount of \$5,000 or any integral multiple thereof. Payments to Beneficial Owners are to be made as described below in "Book-Entry Only System" and Appendix C hereto.

Payment Provisions

Principal of each 2025 Bond shall be payable to the Owner thereof (initially Cede & Co.) upon presentation and surrender of such 2025 Bond at the principal operations office of the Paying Agent or at such other office of the Paying Agent designated by the Paying Agent for such purpose. Interest on each 2025 Bond shall be payable by check or draft of the Paying Agent mailed on each Interest Payment Date to the Owner thereof as of the close of business on the 15th day of the month prior to each Interest Payment Date with respect to the 2025 Bonds (the "Record Date"); provided that interest payable to any Owner may be paid by any other means agreed to by such Owner and the Paying Agent that does not require the City to make moneys available to the Paying Agent earlier than otherwise required hereunder or increase the costs borne by the City hereunder. All payments of the principal of and interest on the 2025 Bonds shall be made in lawful money of the United States of America.

Notwithstanding the foregoing, payments of the principal and interest on the 2025 Bonds will be made directly to DTC or its nominee, Cede & Co., by the Paying Agent, so long as DTC or Cede & Co. is the registered owner of the 2025 Bonds. Disbursement of such payments to DTC's Participants is the responsibility of DTC, and disbursement of such payments to the Beneficial Owners is the responsibility of DTC's Participants and the Indirect Participants, as more fully described herein. See "Book-Entry Only System" below.

Redemption Provisions

Optional Redemption. The 2025 Bonds maturing on and after December 1, 20__, are callable for redemption at the option of the City, in whole or in part, and if in part in such order of maturities as the City determines and by lot within a maturity on December 1, 20__, and on any

date thereafter, at a redemption price equal to the principal amount thereof, plus accrued interest to the redemption date.

Notice of Redemption. Notice of any redemption will be given by the Paying Agent in the name of the City, by sending a copy of such notice by certified or registered first class, postage prepaid mail, at least 30 days prior to the redemption date, to the Registered Owners of each of the 2025 Bonds being redeemed. Such notice shall specify the number or numbers of the 2025 Bonds so to be redeemed and the redemption date. If any of the 2025 Bonds shall have been duly called for redemption and if, on or before the redemption date, there shall have been deposited with the Paying Agent in the Bond Fund, funds sufficient to pay the redemption price of such 2025 Bonds at the redemption date, then said 2025 Bonds shall become due and payable at such redemption date, and from and after such date interest will cease to accrue thereon. Any 2025 Bonds redeemed prior to their maturity by call for prior redemption or otherwise shall not be reissued and shall be cancelled the same as 2025 Bonds paid at or after maturity.

Tax Covenants

In the Bond Ordinance, the City covenants that it shall not use or permit the use of any proceeds of the 2025 Bonds or any other funds of the City from whatever source derived, directly or indirectly, to acquire any securities or obligations and shall not take or permit to be taken any other action or actions, which would cause any of the 2025 Bonds to be an “arbitrage bond” within the meaning of Section 148 of the Code, or would otherwise cause the interest on the 2025 Bonds to be included in Gross Income for federal income tax purposes. The City covenants that it shall at all times do and perform all acts and things permitted by law and which are necessary in order to assure that interest paid by the City on the 2025 Bonds shall, for purposes of federal income taxation, not be included in Gross Income under the Code or any other valid provision of law.

In particular, but without limitation, the City further represents, warrants and covenants to comply with the following restrictions of the Code, unless it receives an opinion of nationally recognized bond counsel stating that such compliance is not necessary: (i) gross proceeds of the 2025 Bonds shall not be used in a manner which will cause the 2025 Bonds to be considered “private activity bonds” within the meaning of the Code; (ii) the 2025 Bonds are not and shall not become directly or indirectly “federally guaranteed;” (iii) the City shall timely file Internal Revenue Form 8038-G which shall contain the information required to be filed pursuant to Section 149(e) of the Code; and (iv) the City shall comply with the Tax Certificate and the Tax Letter of Instructions delivered to it on the date of issue of the 2025 Bonds with respect to the application and investment of 2025 Bond proceeds, subject to the provisions of the Bond Ordinance regarding the Rebate Fund.

Defeasance

When all principal and interest due in connection with the 2025 Bonds have been duly paid, the pledge and lien and all obligations under the Bond Ordinance will be discharged and the 2025 Bonds will no longer be deemed to be Outstanding within the meaning of the Bond Ordinance. There will be deemed to be such due payment when the City has placed in escrow or in trust with a commercial bank located within or without the State and exercising trust powers an amount sufficient (including the known minimum yield from Federal Securities in which such amount,

wholly or in part, may be initially invested) to meet all requirements of principal, interest and any prior redemption premiums due as the same become due to the final maturities of the 2025 Bonds or upon any prior redemption date as of which the City will have exercised or will have obligated itself to exercise its prior redemption option by a call of the 2025 Bonds for payment then. The Federal Securities will become due prior to the respective times on which the proceeds thereof will be needed in accordance with a schedule established and agreed upon between the City and such bank at the time of the creation of the escrow or trust, or the Federal Securities shall be subject to redemption at the option of the holders thereof to assure such availability as so needed to meet such schedule.

Book-Entry Only System

The 2025 Bonds will be available only in book-entry form in the principal amount of \$5,000 or any integral multiples thereof. DTC will act as the initial securities depository for the 2025 Bonds. The ownership of one fully registered 2025 Bond for each maturity as set forth on the inside cover page of this Official Statement, each in the aggregate principal amount of such maturity, will be registered in the name of Cede & Co., as nominee for DTC. See Appendix C - Book-Entry Only System.

SO LONG AS CEDE & CO., AS NOMINEE OF DTC, IS THE REGISTERED OWNER OF THE 2025 BONDS, REFERENCES IN THIS OFFICIAL STATEMENT TO THE REGISTERED OWNERS OF THE 2025 BONDS WILL MEAN CEDE & CO. AND WILL NOT MEAN THE BENEFICIAL OWNERS.

None of the City, the Paying Agent or the Registrar will have any responsibility or obligation to DTC's Participants or Indirect Participants (defined herein), or the persons for whom they act as nominees, with respect to the payments to or the providing of notice for the Direct Participants, the Indirect Participants or the Beneficial Owners of the 2025 Bonds as further described in Appendix C to this Official Statement.

DEBT SERVICE REQUIREMENTS

Set forth below is a summary of the debt service requirements for the 2025 Bonds, the estimated combined debt service requirements for the Parity Bonds and the estimated combined debt service payable on the 2025 Bonds and the Parity Bonds.

<u>Debt Service Requirements</u> ⁽¹⁾					
<u>Year</u>	<u>The 2025 Bonds</u>			<u>Total</u>	<u>Grand</u>
	<u>Principal</u>	<u>Interest</u>	<u>Total</u>	<u>Parity Bonds</u> ⁽²⁾	<u>Total</u>
2025					
2026					
2027					
2028					
2029					
2030					
2031					
2032					
2033					
2034					
2035					
2036					
2037					
2038					
2039					
2040					
2041					
2042					
2043					
2044					
Total					

⁽¹⁾ Totals may not add due to rounding.

⁽²⁾ Represents the total debt service payable on the Parity Bonds in each year.

Source: The Municipal Advisor.

SECURITY FOR THE 2025 BONDS

Limited Obligations

General. The 2025 Bonds will not constitute an indebtedness or a debt of the City within the meaning of any constitutional, charter or statutory provision or limitation, will not be payable from the proceeds of general property taxes, and will not be considered or held to be general obligations of the City, but rather are the City's special obligations payable solely from the Net Income derived from the Fee.

No Pledge of Property. The payment of the 2025 Bonds will not be secured by an encumbrance, mortgage, or other pledge of property of the City, except for the Net Income derived from the Fee and any other moneys that may be lawfully pledged for the payment of the 2025 Bonds pursuant to the Bond Ordinance. No property of the City, except as above stated, will be liable to be forfeited or taken in payment of the 2025 Bonds.

Pledge of Net Income

The 2025 Bonds are secured by and constitute an irrevocable and first lien (but not necessarily an exclusive lien) on the Net Income derived from the Fee. Net Income consist of the Gross Income from the Fee (i.e., all income derived directly or indirectly by the City from the Stormwater and Flood Management Fee billed to customers of the City's water and sewer systems pursuant to Section 4-20-45, Boulder Revised Code, as amended, and interest earnings with respect thereto), less Operation and Maintenance Expenses related to the Stormwater and Flood Management Utility System. The Net Income currently secures the 2015 Bonds, the 2025 Bonds and any additional bonds issued pursuant to the Bond Ordinance that are issued and secured by a lien on parity with the Net Income. See "Additional Bonds" below.

The 2025 Bonds from time to time Outstanding are equitably and ratably secured by a lien on Net Income derived from the Fee and shall not be entitled to any priority one over the other in the application of the Net Income derived from the Fee regardless of the time or times of the issuance of the 2025 Bonds.

Rate Maintenance Covenant

The City has covenanted in the Bond Ordinance to Ordinance to set the Fee such that Gross Income will be adequate annually to pay the annual Operation and Maintenance Expenses of the Stormwater and Flood Management Utility System and 125% of the both the principal of and the interest on the 2025 Bonds and any other bonds payable annually from Gross Income (excluding the reserves therefor), all of which Gross Income, including any income received from the City, shall be subject to distribution to the payment of Operation and Maintenance Expenses of the Stormwater and Flood Management Utility System and to the payment of principal of and interest on all bonds payable from the Fee, including reasonable reserves therefor.

Historical Net Income and Pro Forma Debt Service Coverage

The following table sets forth a history of Net Income derived from the Fee and a history of pro forma debt service coverage, calculated by dividing the Net Income to by the maximum

annual debt service on the Parity Bonds, after taking the issuance of the 2025 Bonds into account, for the years 2019 - 2023. The pro forma debt service coverage is not necessarily indicative of future coverage ratios. *Investors should be aware that collections of Net Income, or components thereof, may not continue at the levels stated below, and the coverage factors in future years may not remain at the historical levels indicated.* See “CERTAIN RISK FACTORS.”

Pro-Forma Debt Service Coverage
(in thousands)

	2020	2021	2022	2023	2024 ⁽¹⁾
Fee Revenue	\$13,223	\$14,846	\$16,530	\$18,968	
Non-Operating Revenue ⁽²⁾	12	16	1,687	--	
Plant Investment Fees	1,364	1,059	487	2,675	
Total Gross Income	\$14,599	\$15,921	\$18,704	\$21,643	
Less Operating Expenses ⁽³⁾	6,725	7,319	8,662	11,091	
Net Income Available for Debt Service	\$7,874	\$8,602	\$10,042	\$10,552	
Actual Annual Debt Service	1,592	1,591	1,590	1,588	1,590
Debt Service Coverage	4.95	5.41	6.31	6.64	
Maximum Annual Debt Service on 2015 Bonds and 2025 Bonds*	5,708	5,708	5,708	5,708	
Times Coverage*	1.38	1.51	1.76	1.85	

(1) Unaudited information only. Subject to changes and adjustments during the audit process.

(2) Includes leases, rents and royalties but not interest earnings or intergovernmental revenues.

(3) Excludes depreciation, amortization and interest expenses.

Special Funds under the Bond Ordinance

General. The Bond Ordinance establishes certain special funds and continues the authorization of other special funds which include the Stormwater and Flood Management Fee Fund, Project Fund, the Bond Fund, the Reserve Fund, the Issuance Expense Fund and the Rebate Fund. As described in Appendix B - Summary of Certain Provisions of the Bond Ordinance-Flow of Funds - Administration of Income Funds, Gross Income will be required to be distributed to certain of the above funds on certain dates and in certain priorities. Also, as described in Appendix B - Summary of Certain Provisions of the Bond Ordinance-Flow of Funds, deposits to the Bond Fund will be made monthly. Moneys in the Bond Fund and the Reserve Fund will be irrevocably pledged to payment of the 2025 Bonds.

Reserve Fund. The Bond Ordinance establishes the “City of Boulder, Colorado, Stormwater and Flood Management Revenue Bonds, Series 2025, Reserve Fund” (the “Reserve Fund”) and funded in an amount equal to the 2025 Minimum Bond. As provided in the Bond Resolution, each holder of any of the Series 2025 Bonds shall, by its purchase of such Series 2025

* Subject to change.

Bond(s) is deemed to have agreed that at such time as (i) the Series 2015 Bonds are no longer Outstanding (through maturity, refunding, redemption, defeasance or otherwise) or (ii) in accordance with Section 11.01 of the Series 2015 Ordinance, the holders of more than 50% of the remaining Outstanding Series 2015 Bonds shall have consented to the following clauses (A) and (B) as proposed amendments to the Series 2015 Ordinance, then: (A) the requirement of establishing or maintaining the 2025 Reserve Fund for the Series 2025 Bonds and the amount of the 2025 Minimum Bond Reserve, if any, for the Series 2025 Bonds shall be at the election of the City, in its sole discretion, and (B) the requirement in Section 7.03(e) of the Bond Resolution to establish and maintain a reserve fund, if any, for additional Parity Bonds and the minimum amount of any such reserve fund, if established, shall be at the election of the City, in its sole discretion. See Appendix B - Summary of Certain Provisions of the Bond Ordinance-Flow of Funds.

Additional Bonds

The Bond Ordinance permits the City to issue additional Parity Bonds and subordinate lien bonds upon the satisfaction of the conditions described below.

Issuance of Parity Bonds. The City may issue additional Parity Bonds payable from Net Income derived from the Fee and constituting a lien thereupon on a parity with, but not prior nor superior to, the lien of the 2025 Bonds upon satisfaction of the following provisions of the Bond Ordinance.

(a) *Absence of Default.* The City shall not have defaulted in making any payments required by the Bond Ordinance (described in Appendix B - Summary of Certain provisions of the Bond Ordinance-Flow of Funds).

(b) *Fee Test.* The annual Gross Income for the fiscal year immediately preceding the date of the issuance of such additional Parity Bonds shall have been sufficient to pay the annual Operation and Maintenance Expenses of the Stormwater and Flood Management Utility System for said fiscal year, and, in addition, sufficient to pay an amount representing 125% of the combined average annual principal and interest requirements of the Outstanding Parity Bonds of the City payable from and constituting a lien upon Net Income from the Fee and the additional Parity Bonds proposed to be issued, except as hereinafter otherwise expressly provided; provided that in calculating the Gross Income during the test period, the City may add an amount by which the City reasonably estimates the Gross Income would have been increased during the test period from any increase in rates, fees, and charges for services furnished by or the use of the Stormwater and Flood Management Utility System during or since said test period, the effect of which is to estimate a sum which would have been realized had the increase been in effect during the entire test period..

(c) *Reduction of Annual Requirements.* The respective annual principal and interest requirements (including as a principal requirement the amount of any prior redemption premiums due on any prior redemption date as of which any outstanding bonds have been called or have been ordered to be called for prior redemption) shall be reduced to the extent such requirements are scheduled to be paid each of the respective fiscal years with moneys held in trust or in escrow for that purpose by any Insured Bank located within or without the State and exercising trust powers, including the known minimum yield from any investment in Permitted Investments.

(d) *Consideration of Additional Expenses.* In determining whether or not additional Parity Bonds may be issued as aforesaid, consideration shall be given to any probable increase (but not reduction) in Operation and Maintenance Expenses of the Stormwater and Flood Management Utility System, that will result from the expenditure of the funds proposed to be derived from the issuance and sale of the additional bonds.

(e) *Reserve Fund.* Subject at all times to the provisions of the Bond Ordinance, there shall be established a reserve fund in an amount equal to at least the lesser of 125% of the average annual debt service on such additional Parity Bonds or 10% of the principal amount of such additional Parity Bonds at the time such Parity Bonds are issued. Each holder of any of the Series 2025 Bonds shall, by its purchase of such Series 2025 Bond or Series 2025 Bonds, be deemed to have agreed that at such time as the conditions in the Bond Ordinance are satisfied, the requirement of establishing or maintaining a reserve fund for any additional Parity Bonds and the minimum amount of such reserve fund, if any, shall be at the election of the City, in its sole discretion.

A written certification by the Chief Financial Officer, City Manager or an Independent Accountant that said annual Gross Income is sufficient to pay said amounts, as provided in the Bond Ordinance, shall be conclusively presumed to be accurate in determining the right of the City to authorize, issue, sell and deliver additional Parity Bonds.

Subordinate Bonds Permitted. The Bond Ordinance does not prevent the City from issuing additional bonds payable from Net Income derived from the Fee and having a lien thereon subordinate, inferior, and junior to the lien of the 2025 Bonds authorized to be issued by the Bond Ordinance.

Superior Bonds Prohibited. The Bond Ordinance does not permit the City to issue additional bonds payable from Net Income and having a lien thereon prior and superior to the 2025 Bonds.

Issuance of Parity Refunding Bonds. No refunding bonds payable from Net Income derived from the Fee shall be issued on a parity with the 2025 Bonds authorized in the Bond Ordinance unless: the lien on Net Income derived from the Fee of the Outstanding Bonds so refunded is on a parity with the lien thereon of the 2025 Bonds; or the refunding bonds are issued in compliance with the requirements set forth under "Issuance of Parity Bonds" above.

THE STORMWATER AND FLOOD MANAGEMENT UTILITY

The City has established and operates the Stormwater and Flood Management Utility pursuant to Article XX of the Constitution of the State of Colorado, the City's Charter and miscellaneous ordinances, including the Enterprise Ordinance and those certified as Chapter 5, Title 11 of the Boulder Revised Code, as amended. Policy direction for the Stormwater and Flood Management Utility is set by the City Council, and the Stormwater and Flood Management Utility is administered by the City Manager. The Utilities Department directs the day-to-day operations of all City utilities, including the Water and Wastewater utilities and the Stormwater and Flood Management Utility. Although the three utilities are each financially independent, all three are managed in an integrated fashion. For purposes of the Bond Ordinance and the security for the 2025 Bonds, the Fee consists only of the revenues derived from the Fee and does not include any revenues derived from the City's water and wastewater utilities. See "Rates and Charges" below.

Administrative Staff

In 1992 the City formed a Water Resources Advisory Board (the "Advisory Board") that advises the city manager, planning board and City Council concerning water resources matters, including environmental assessments, capital improvements and proposed changes to City's raw water, treated water, wastewater, stormwater, and flood control master plans. The Advisory Board also advises the City Manager concerning policy issues on operating programs related to water conservation, water treatment plant residuals, wastewater treatment plant biosolids disposal, and water/stormwater quality. The Advisory Board consists of five members appointed by the City Council.

Various individuals are responsible for implementation of the City Council's actions with respect to the Stormwater and Flood Management Utility, and the day-to-day operation and maintenance of, and collection of revenues from, the Fee. Biographical information with respect to various individuals responsible for the Stormwater and Flood Management Utility is as follows:

Joe Taddeucci, Public Utilities Director. Mr. Taddeucci has been the Director of the Utilities since August 2019. In this role, he manages the City's Water, Wastewater, and Stormwater/Flood Management utilities including a staff of approximately 180 employees. Prior to that he had been the Water Resources Manager since August 2012. In that position, he managed the operations of the City's raw water delivery systems, water rights portfolio and hydroelectric facilities. Prior to that Mr. Taddeucci worked for the City's Utilities Department as a Utilities Engineering Project Manager starting in 2005. Prior to joining the City, Mr. Taddeucci was a water resources Project Director for TCB (now AECOM), a national design and consulting firm. Mr. Taddeucci received his Bachelor of Science in Civil Engineering from Michigan Technological University in Houghton, Michigan in 1991. He is a licensed Professional Engineer in Colorado.

Chris Douville, Public Utilities Deputy Director. Mr. Douville has leadership responsibilities over the operational teams of the City's Facilities, and previously served as the Manager of Wastewater Treatment for 13 years. Prior to joining the City, Mr. Douville was a Senior Engineer and Construction Manager in the Wastewater Practice for Brown and Caldwell Engineers, a national environmental engineering design and consulting firm. He holds a Class "A" Wastewater Treatment Operator Certification in the State of Colorado. Mr. Douville received his

Bachelor of Science in Environmental Resources Engineering from Humboldt State University in Arcata, California in 1995. He received his Master of Science Degree in Civil Engineering from the University of Colorado at Boulder in 1999. Mr. Douville is a licensed Professional Engineer in Colorado and Hawaii.

Stephanie Klingeman, Utilities Principal Budget Analyst. Ms. Klingeman joined the City of Boulder as the Utilities Principal Budget Analyst in September 2023. In her current position she monitors revenues and expenditures for the three utility funds and is expected to coordinate budget development. Prior to this position, Ms. Klingeman was a Manager at NewGen Strategies and Solutions, LLC., a national consulting firm serving the utility industry. Ms. Klingeman has over ten years of experience conducting cost of service, rate design, and financial analysis for utilities across the country. She received a Bachelor of Science degree in Mathematical Economic Analysis in 2010.

Chris Douglass, Utilities Engineering Manager. Mr. Douglass has been the Utilities Engineering Manager since February 2022. In this role, he manages the City’s engineering teams responsible for planning and executing capital projects for the water, wastewater, and Stormwater/flood management utilities, including a staff of 14 employees. Prior to this position, Mr. Douglass worked for the East Cherry Creek Valley Water & Sanitation District (ECCV) starting in 2010. Prior to joining ECCV, Mr. Douglass was a Project Manager for Kennedy/Jenks Consultants, a national design and consulting firm. Mr. Douglass received his Bachelor of Science in Civil Engineering from the University of Colorado - Boulder in 1995 and his Master of Science in Civil Engineering from the University of Colorado – Denver in 2003. He is a licensed Professional Engineer in Colorado and a LEED accredited professional.

Brandon Coleman, Civil Engineering Manager, Stormwater/Flood Management Utility. Mr. Coleman has served as the Manager of the Stormwater and Flood Management Engineering Team for the City of Boulder since May 2022. In this capacity, he oversees the City’s engineering team responsible for planning and implementing capital projects within the Stormwater and Flood Management Utility, managing a team of five employees. Previously, Mr. Coleman worked as a Utilities Engineering Project Manager in the City’s Utilities Department beginning in 2019. Before joining the City, he held the role of Senior Civil Engineer at MWH Global, a national design and consulting firm. Mr. Coleman earned a Bachelor of Science degree in Biological Systems Engineering from Virginia Tech in 2006 and is a licensed Professional Engineer in Colorado.

The Utilities Department is charged with the operation and maintenance of the water, wastewater, and Stormwater/flood management utilities and is comprised of 179 full-time employees. Non-management employees are unionized and are represented by the Boulder Municipal Employees Association (“BMEA”). A new contract extension to December 31, 2024, with BMEA has been ratified and provided. See “THE CITY-Labor Relations.” The City considers its employee relations to be satisfactory.

History and Background

The City established the Stormwater and Flood Management Utility in 1973 to focus responsibility and accountability for Stormwater management and flood management programs

and provide a means of funding. Monthly service charges were instituted in 1974 and have provided the primary sources of funding since that time, enabling the City to plan, regulate, maintain and improve the drainage system.

The City is a member in the Mile High Flood District (“MHFD”) and currently maintains a rating of 5 under the National Flood Insurance Program Community Rating System.

The City’s Stormwater and flood management work program was most recently defined in the Comprehensive Flood and Stormwater (“CFS”) Master Plan of 2022. In 2008, the City adopted the multi-hazard mitigation plan (“MHMP”) in order to make the City and its residents less vulnerable to future natural hazard events. The plan was prepared pursuant to the requirements of the Disaster Mitigation Act of 2000 in order for the City to be eligible for the Federal Emergency Management Agency’s (“FEMA”) PreDisaster Mitigation and Hazard Mitigation grant programs.

Existing Properties and Services

The responsibilities of the Stormwater and Flood Management Utility consist of three main components: stormwater conveyance, stormwater drainage quality, and floodplain management. The service area is about 25 square miles and consists of approximately 150 miles of drain sewers and 45 miles of drainage channels. The City’s Stormwater and Flood Management Utility provide services to the properties within the City limits. Within the City, there are 16 major drainage ways that generally flow from west to east as they converge on Boulder Creek, which is the main tributary flowing through the City. Runoff from within the City is conveyed to these major drainage ways by the City’s collector storm drain system and the irrigation canal system.

Stormwater Conveyance. The City maintains, operates and repairs the stormwater collection system. Inspection of the underground pipes is performed by closed circuit television cameras. Routine maintenance of the system includes removal of silt and debris from stormwater inlets and catch basins, cleaning stormwater facilities with high pressure jets, rodders, and repair of damaged stormwater mains. The City is also responsible for flood channel maintenance. This includes repair, maintenance and reconstruction of structures and trickle channels, and removal of silt and debris from detention basins and channels. The objectives of the stormwater conveyance program are to maintain the existing stormwater system to enable the system to carry stormwater to design capacity and to provide maintenance of flood channels to carry flood water to design capacity.

Stormwater Drainage and Quality. The updated Stormwater Master Plan (“SMP”) of 2016 is a comprehensive plan for the City’s storm sewers and local drainage systems and is intended to guide future decisions regarding stormwater drainage and quality maintenance and improvements. The SMP involved the development of a hydrologic and hydraulic model to evaluate the stormwater collections system’s ability to convey the flow associated with the two-year and five-year storm events. The SMP identifies a recommended Capital Improvements Plan (“CIP”) list for storm sewer conveyance and water quality improvements throughout the City.

Stormwater discharges from the City of Boulder are currently regulated under a Municipal Separate Storm Sewer System (“MS4”) permit issued by the State of Colorado. The stormwater quality program supports compliance with the MS4 permit through three main components which

include public education, water quality monitoring and compliance and enforcement. These services are directly related to the maintenance of public health and protection of the natural environment and maintaining compliance with state and federal regulations. The objectives of the stormwater quality program are to investigate known and suspected sources of contaminants which may enter stormwater, to respond to spills and other incidents involving the discharge of pollutants to stormwater, to evaluate the impact of pollutant discharges, to develop administrative and monitoring programs to reduce the quantity of pollutants discharged, and to mitigate those discharges which do occur. The City's current MS4 permit was issued in 2016. The city anticipates a revised MS4 permit within the next 3 years and will modify programs as necessary to comply with new stormwater permit requirements.

Floodplain Management. The City has focused its flood management program efforts by removing habitable structures from high hazard flood areas. This is accomplished through a combination of major drainageway improvements that narrow the floodplain and/or the acquisition and physical removal of individual structures. The City plans to continue these efforts, balancing property acquisition and constructed flood mitigation projects.

Future Capital Improvements

The City estimates that capital improvements for the Stormwater and Flood Management Utility is anticipated to be as follows for the years 2025 through 2029:

Estimated Future Capital Improvements for the Stormwater and Flood Management Utility

<u>2025</u>	<u>2026</u>	<u>2027</u>	<u>2028</u>	<u>2029</u>
\$75,174,835 ⁽¹⁾	\$13,943,387	\$5,237,880	\$35,116,229	\$4,814,904

⁽¹⁾ The City currently plans to issue approximately \$66,000,000 of Stormwater and Flood Management revenue bonds in 2025 to fund flood plain improvements to South Boulder Creek.

Source: The Stormwater and Flood Management Utility

Planned capital expenditures for the Stormwater and Flood Management Utility over the next five years include: (i) improvements along Gregory Canyon Creek, Upper Goose and Two-mile Canyon (ii) floodplain improvements to South Boulder Creek, (iii) storm sewer rehabilitation, and (iv) preflood property acquisition.

Planned capital expenditures are expected to be financed using revenues from current rates and charges, plant investment and connection fees, future bond proceeds and future rate and fee increases.

Customers

The Stormwater and Flood Management Utility served a customer base of 24,095 properties as of December 31, 2023. Of this total, 3,529 accounts were inside a floodplain and 20,566 were outside a floodplain. Over the last five years the number of customer accounts has

increased by an average of 1%. The five largest payers of the City's Stormwater and Flood Management Utility, their respective areas and the revenues received by the City are as follows:

Largest Stormwater and Flood Management Payers as of December 31, 2023

		2023	
<u>Customer</u>	<u>Total Area Sq. Ft.</u>	<u>Revenues Generated</u>	<u>Percentage_of 2023 Revenues</u>
1. Educational Institution	29,557,118	\$1,262,882	6.8%
2. Technology Corporation	9,052,533	426,766	2.3
3. Public Education Provider	13,174,154	392,194	2.1
4. Government Research Agency	8,249,385	177,369	1.0
5. Retail and Entertainment District	1,619,930	154,418	0.8
TOTAL:	61,653,120	\$2,413,629	13.0%

Source: The Stormwater and Flood Management Utility

Rates and Charges

Stormwater and flood management fees are reviewed annually by the Utilities Department to ensure that adequate revenues are collected to meet all obligations of the Stormwater and Flood Management Utility. In addition, a financial consultant is hired periodically to review the utilities' rates and fees. Such a review was last conducted in 2017. The primary results from this review were to update the Plant Investment Fees ("PIFs") using updated utility asset valuations and to allow for a stormwater detention facility credit.

The City Council approves rate increases as necessary, as part of the annual budget process. Rates are designed to maintain revenues sufficient to pay operation, maintenance and capital expenses with respect to the Facilities; to meet all reserve requirements and to meet bond covenant requirements such as those contained in the Ordinance. The City's Stormwater and Flood Management Utility's rates and charges are not subject to Public Utilities Commission review.

City utility rates are computed through an analysis of revenues compared to revenue requirements. The projection of revenue requirements is based upon an examination of historical costs incurred in providing utility service and reflects anticipated changes in the future level of costs. Increases in future costs are primarily due to replacements and additions to the system, growth and inflationary conditions. Projections of revenue are based on the estimated future number of customers to be served.

Comparison of projected revenue requirements with projected revenue under existing rates measures the degree of adequacy of the overall level of current charges. Based on this analysis, adjustments to the existing rate schedule are recommended to the City Council.

Monthly Stormwater and Flood Management Rates

Monthly user fees were introduced in 1974 shortly after the Storm Water and Flood Management Utility was established in 1973. These fees were intended to cover operations,

maintenance and replacement costs of the existing system and construction of new storm drainage and flood management facilities.

The Fee is charged pursuant to Section 4-20-45, Boulder Revised Code, as amended and is a fixed monthly charge, assessed to all properties inside the City limits except for those with no impervious areas. Fees for single-family residential properties are based on lot size, while non-residential and multi-family properties are assessed according to impervious surface area, ensuring that properties contributing more runoff share proportionately in System costs. For FY 2025, single-family residential customers will be charged a base rate of \$28.46 per month and, for all other customers, the Fee is individually calculated based on a customer's impervious area.

The following table shows how the Stormwater Flood Management base rate has changed over the past 5 years.

<u>History of Stormwater and Flood Management Base Rate</u>				
<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>
\$19.64	\$22.00	\$24.64	\$27.11	\$28.46

Source: The Stormwater and Flood Management Utility

The utility billing office carries out payment processing, billing, collections and customer service functions for all three City utilities. The staff supporting this effort includes one billing supervisor, four customer service representatives and 1 technical support person for the billing system. Each property receives one bill per month which includes water, sewer and stormwater/ flood management charges.

Payment for utility services is due within 10 days of the date of the bill. If payment has not been received at the time of the next regular billing, a message noting that a portion of the bill is past due will appear on the bill. When payment is not received within sixty days from the date of the original billing, a Final Notice will be mailed notifying account holder that if the bill is not paid within ten calendar days, the water service may be discontinued. When payment is not received seventy days from the date of the original billing, a door tag is placed at the property and the water is turned off after two days. Historically the City has experienced a less than one percent delinquency rate. If a partial payment is made, the payment is automatically applied to the oldest, outstanding bill, and applied first to miscellaneous fees, then the flood management utility, then the wastewater utility and finally the water utility. If all collection efforts fail, the City's code provides that service may be terminated, and delinquent charges may be certified to the Boulder County Treasurer for collection as part of property taxes.

The following table shows the approximate billing and collection of the monthly Fee in each year from 2019 through 2023.

Billing and Collection of Monthly Fee (unaudited)

<u>Year</u>	<u>Billed</u>	<u>Collected</u>	<u>Percentage</u>
2019	\$12,138,655	\$12,173,306	-
2020	13,071,091	13,223,145	101%
2021	14,690,907	14,846,202	101
2022	16,568,462	16,529,660	99
2023	18,535,904	18,672,048	100

Source: The Stormwater and Flood Management Utility

Collections typically lag one month behind billings. Accordingly, after a rate increase becomes effective, collections reflecting the rate increase are not received until the following month. Annually, ten to twenty of the Stormwater and Flood Management Utility's 24,095 accounts are certified to the Boulder County, Treasurer for collection as described above.

Plant Investment Fees

Plant Investment Fees ("PIF") are used to recapture initial capital improvement investments in the Stormwater and Flood Management Utility. These are a one-time fee is charged at the time of building permit application submissions to new and existing customers who add or increase the amount of impervious area on their property. The PIF is currently imposed at a rate of \$2.71 per square foot of impervious area for FY 2025 and based on the added square footage of impervious area. However, if new stormwater detention facilities are built by the property owner in conformance with existing City standards, the applicable fee is reduced by 50%.

The PIF collections can vary from year to year, depending on the amount of development occurring in the community. The following table summarizes PIF revenues collected from 2019 through 2023 and year-to-date through December 2024.

Plant Investment Fee Collections

<u>Year</u>	<u>Collected</u>
2019	\$1,234,181
2020	1,364,035
2021	1,059,455
2022	486,734
2023	2,674,964
2024 ⁽¹⁾	1,109,809

⁽¹⁾ Through December, 2024

Source: The Stormwater and Flood Management Utility

Budgets

The City-wide 2025 budget was developed using a priority-based budgeting approach that scores or rates individual program to community defined results (or goals) to ensure resources are being allocated to areas deemed most important to the community. Annual operating budget proposals are developed by the managers of each functional group within the Utilities Department. The Utility manager responsible for Planning and Project Management formulates the Capital Improvement Program (“CIP”) for the upcoming six years. These proposals are reviewed and modified by successive levels of management within the department until a final proposal is approved by the Utilities Director. The department budget proposal is then submitted to the Water Resources Advisory Board and the Planning Board for their review and recommendation. The City Manager considers these recommendations, along with public comment, before submitting the staff recommended budget to City Council, which makes the final determination regarding the budget. While the Utilities Department budget is developed in a cohesive manner (e.g., programs or projects that affect more than one utility fund), the Stormwater and Flood Management Utility’s budget is entirely independent, relying upon separate revenues and maintained as a separate accounting entity. See also “CITY DEBT STRUCTURE.

The Stormwater and Flood Management Fund

The accounts of the City are organized and operated on a fund basis. Such funds are segregated for the purpose of accounting for the operation of specific activities or attaining certain objectives. The proprietary fund utilized for the administration and operation of the Utility is the Stormwater and Flood Management Fund, which is an enterprise fund for accounting purposes. All activities necessary to provide stormwater and flood management service are accounted for in the Stormwater and Flood Management Fund. All of the Gross Income is accounted for in the Stormwater and Flood Management Fund.

Historical Financial Information – Stormwater and Flood Management Fund

Set forth in the following table is a five-year comparative statements of revenues, expenses, and changes in net position for the Stormwater and Flood Management Fund. The information in this table has been derived from the City’s Annual Comprehensive Financial Report (“ACFR”) for 2020 through 2023, and from unaudited year-end financial information for 2024. The information in this table should be read together with the City’s audited basic financial statements for the year ended December 31, 2023, and the accompanying notes, which are included as Appendix A hereto. Financial statements for prior years can be obtained from the sources listed in “INTRODUCTION-Additional Information.”

Prospective investors should be aware that the 2025 Bonds constitute special, limited obligations of the City payable solely from the Net Income. Inclusion of the City’s audited basic financial statements (which contain Stormwater and Flood Control Fund information) is for informational purposes only and does not imply that the 2025 Bonds constitute a general obligation of the City or a lien on any City revenues other than the Net Income.

Historical Revenues, Expenditures and Changes in Net Position - Water Utility Fund (in 000's)

	Year Ended December 31,				
	2020	2021	2022	2023	2024 ⁽¹⁾
Operating revenues:					
Charges for services	\$13,223	\$14,846	\$16,530	\$18,968	
Operating expenses					
Personnel	2,768	2,586	2,909	3,620	
Non-personnel	3,957	4,733	5,753	7,471	
Depreciation and amortization	1,655	1,671	1,744	1,752	
Total operating expenses	8,380	8,990	10,406	12,843	
Operating income (loss)	4,843	5,856	6,124	6,125	
Nonoperating revenues (expenses)					
Interest and investment earnings	1,173	(180)	(1,174)	2,109	
Leases, rents, and royalties	12	16	16	--	
Intergovernmental	--	(56)	1,671	--	
Interest expense	(544)	(516)	(491)	(456)	
Total nonoperating revenues (expenses)	641	(736)	22	1,653	
Income before capital contributions and transfers	5,484	5,120	6,146	7,778	
Capital contributions	1,604	1,176	507	3,264	
Transfers out	(218)	(728)	(425)	(566)	
Change in net position	6,870	5,568	6,228	10,476	
Total net position, beginning of year	118,430	125,300	130,868	137,096	
Total net position, end of year	\$125,300	\$130,868	\$137,096	\$147,572	

(1) Unaudited year-end information only. Subject to changes and adjustments during the audit process.

Source: The City's audited financial statements for the years ended December 31, 2018-2023.

THE CITY

Description

The City of Boulder, Colorado (the “City”) is a municipal corporation duly organized and existing as a home rule city under Article XX of the Constitution of the State of Colorado (the “State”) and the home rule charter of the City. The City, with an estimated population of approximately 107,000, is in north central Colorado, approximately twenty-five miles northwest of Denver, Colorado. The City encompasses twenty-five square miles and is the county seat of Boulder County.

Governing Body

The City operates under a council-manager form of government whereby all powers of the City are vested in an elected City Council. Under this form of government, the elected City Council sets the policies for the operation of the Boulder government. The administrative responsibility of the city rests with the City Manager who is appointed by the City Council. The City Council consists of nine members, including a mayor and mayor pro tem. In the 2023 November election, the City of Boulder conducted Ranked Choice Voting (RCV) for the first time to elect its Mayor. Starting in 2026, the City of Boulder will transition to even-year elections for all municipal candidate races. In order to transition to even-year elections, in the 2023 election the term length for both the Mayor and City Council members elected will be three years. The present members of the Council, their principal occupations, lengths of service to the Council, and terms of office are as follows:

<u>Name and Office</u>	<u>Principal Occupation</u>	<u>Date Elected</u>	<u>Term Expires</u>
Aaron Brockett, Mayor	Computer programmer	11/2023	11/2026
Mark Wallach, Council member	Retired attorney and developer	11/2021	11/2025
Matt Benjamin, Council member	Astronomer	11/2021	11/2025
Lauren Folkerts, Mayor Pro Tem	Architect	11/2021	11/2025
Tina Marquis, Council member	Marketing	11/2023	11/2026
Nicole Speer, Council member	Scientist	11/2021	11/2025
Taishya Adams, Council member	Educator and environmentalist	11/2023	11/2026
Tara Winer, Council member	Small business owner	11/2023	11/2026
Ryan Schuchard, Council member	Financial consultant	11/2023	11/2026

Administrative Personnel

Various individuals are responsible for implementation of the City Council’s actions with respect the day-to-day operation and maintenance of the City. The following paragraphs summarize the background and experience of selected City administrative personnel.

The City Manager manages the day-to-day business of the City government; sets strategic direction to achieve the City’s community sustainability goals; implements council determined policies; coordinates community issues between departments; and supervises the work of the departments.

Ms. Rivera-Vandermyde joined the City in 2021 and currently serves as the City Manager. She has been a local government leader since 2013 when she was hired by the City of Minneapolis, Minnesota, as the director of regulatory services. She progressed to the roles of deputy city coordinator and city coordinator within that time. In 2019, she moved to Austin, Texas to take on a deputy city manager role. Rivera-Vandermyde received her Juris Doctor degree from New York University School of Law and her Bachelor of Arts in Political Science and English from Amherst College.

Chris Meschuk, Deputy City Manager. Mr. Meschuk serves as Deputy City Manager. Chris joined the city in 2005 and has served in numerous roles in the City Manager's office and planning department, most recently as Assistant City Manager. As Deputy City Manager, Mr. Meschuk serves as the City Manager Liaison on citywide issues and projects, working in collaboration with City departments to support the City's current and future needs. He holds a master's degree in urban and Regional Planning from the University of Colorado Denver, a Bachelor of Environmental Design from the University of Colorado Boulder and is a certified Planner with the American Institute of Certified Planners. Mr. Meschuk currently volunteers with community service and youth leadership development organizations.

Joel Wagner, Interim Chief Financial Officer. Joel Wagner was appointed Interim Chief Financial Officer in November 2024 after serving as the Finance Deputy Director for two years. Joel joined the City in 2014 to lead the financial and administrative aspects of the city's recovery from the 2013 floods and grew into project management and division management roles in the support of the City's vision of service excellence for an inspired future. Prior to joining the City, Joel served as Director of Finance for the Stewardship Council, a Private Foundation that supported land conservation and environmental education for underserved youth throughout Central and Northern California. Joel holds an undergraduate degree in Finance from the University of Colorado, and a Master of Business Administration from San Francisco State University.

Growth Policy

The City and County have jointly adopted a comprehensive plan, the Boulder Valley Comprehensive Plan (the "BVCP"), that directs new urban development to the City's service area, preserves land outside the urban growth boundary, promotes a compact community, provides for affordable housing, and promotes alternative transportation modes. A mid-term review to the plan began in 2017 and was adopted in 2021. A link to the plan can be found here <https://bouldercolorado.gov//media/3350/download>.

Based on the most recent data, the City, and its service area (Areas I and II) had a population of approximately 107,000 (2020 estimate) and employment of 98,499 (2019 estimate). Approximately 30,000 students attend the University of Colorado. Over the next 25 years, the City is projected to add another 6,500 housing units, 19,000 people and 19,000 jobs. It should be noted that these projections occur only with every major update to the BVCP. The next major update is anticipated to occur in 2025. Since there is little vacant land left in the City's service area, most of the growth will occur through redevelopment.

Public Utilities

Water and sewer services are provided by the City. Gas and electricity for the City are currently provided by Xcel Energy. Rates for gas, electricity and telephone services are provided by private companies regulated by the Public Utilities Commission.

Retirement and Pension Matters

City employees are covered under several retirement plans and other, non-City funded postemployment benefits are available to employees. The matters are discussed in significant detail in Notes V, W and X to the City's audited financial statements, attached to this Official Statement as Appendix A.

Labor Relations

Non-management, non-exempt employees of most City departments are presently represented by the BMEA. As of August 15, 2023, there were 401 standard employees represented by the BMEA. In addition, the City also has economic contracts with the police association (164 employees) and the firefighters' association (118 employees); those contracts have been renewed through the last pay period of 2023. New contracts with each association are pending ratification and approval, extending contracts to December 31, 2024, with BMEA and December 31, 2025 with the firefighters' association and police association. In the opinion of the City's Human Resources Director, the City's relationship with its employees is presently good.

Risk Management

General. The Council acts to protect the City (including the Facilities) against loss and liability by maintaining certain insurance coverages, including property, general liability, automobile, law enforcement, public officials' errors and omissions, crime coverages, cybersecurity, workers' compensation, flood, terrorism, equipment breakdown, art, airport liability, drone, and fiduciary. The City's current coverages expire on April 15, 2025, prior to which point the Risk Management division will work with the City's insurance broker to secure renewals or new lines of coverage. The City's various insurance policies have varying premiums, deductibles, and coverage limits.

In the opinion of the Chief Financial Officer, the City's insurance policies provide adequate insurance protection for the City. See Note J in the audited financial statements attached hereto for a description of the City's 2023 risk management activities.

Cybersecurity. Neither the City nor the Facilities have been the subject of any successful cyberattack that impacted or affected operations or financial recording/reporting functions. Both the City and the Facilities have cybersecurity training programs and mitigation/prevention plans for cyberattacks. Additionally, the City has cybersecurity insurance.

CITY DEBT STRUCTURE

Debt Limitation

The Charter limits City indebtedness to no more than three percent of the total assessed valuation of real property within the City. The City's 2024 assessed valuation is \$ _____; therefore, the maximum general obligation debt permitted by the Charter is \$ _____. This limit does not include revenue bonds, even if there is a contingent pledge of the full faith and credit of the City. The City presently has no indebtedness outstanding which applies toward the debt limit.

Outstanding Obligations

Revenue Obligations with General Obligation Pledge. Set forth below are certain obligations of the City outstanding secured with a pledge of revenues other than the Net Income and additionally secured by a pledge of the City's full faith and credit.

Outstanding Revenue Bonds Secured by a General Obligation Pledge

<u>Obligation</u>	Principal Outstanding (as of 12/31/2023)
Open Space Acquisition Bonds, Series 2014	\$5,570,000
Waste Reduction Refunding Note, Series 2020	1,840,000
Total	<u>\$7,410,000</u>

Other Revenue Obligations. The City has the authority to issue revenue obligations payable from the net revenues derived from the operation of municipality-owned utilities or other income producing projects or from the revenue received from certain taxes other than ad valorem property taxes. Such obligations do not constitute an indebtedness of the City as defined by the City Charter; however, except for refinancing bonded debt at a lower interest rate, TABOR requires that all multiple fiscal year obligations of the City have voter approval, unless the City qualifies the issuing utility as an enterprise, which would exempt the issuance of such debt from the provisions of TABOR.

The following table sets forth the City's revenue obligations, including those secured by the Net Income (other than conduit issuances), which are outstanding as of December 1, 2024.

Other Outstanding Revenue Obligations

<u>Bond Issue</u>	<u>Principal Outstanding (as of 12/01/23)</u>
Water and Sewer Revenue Refunding Bonds, Series 2012	\$ 2,945,000
Water and Sewer Revenue Bonds, Series 2015	6,215,000
Stormwater and Flood Management Revenue Bonds, Series 2015	13,415,000
Water and Sewer Revenue Bonds, Series 2016	21,055,000
Water and Sewer Revenue Bonds, Series 2018	29,470,000
Water and Sewer Revenue Refunding Note, Series 2020	3,155,000
Water and Sewer Revenue Bonds, Series 2022	39,325,000
Water and Sewer Revenue Bonds, Series 2024	83,000,000
Total	<u>\$198,580,000</u>

General Fund Bonds. In 2020, the City issued its Taxable Pension Obligation Refunding Note, Series 2020, which is are presently outstanding in the aggregate principal amount of \$3,370,000 and in 2021 the City issued its General Fund Refunding Note, Taxable Converting to Tax-Exempt, Series 2021, which is presently outstanding in the aggregate principal amount of \$20,480,000. These bonds are not general obligations of the City but are secured by all legally available funds and revenues of the City's General Fund.

Special Assessment Bonds. The City has the power to create special improvement districts and to issue special assessment bonds payable from assessments against benefited properties within the district. The City does not have any outstanding special improvement districts.

Leases and Long-Term Contracts. The Council has the authority to enter installment or lease option contracts, subject to annual appropriation, for the purchase of property or capital equipment without prior electoral approval as described in "LEGAL MATTERS-Certain Constitutional Limitations." The term of any such contract may not extend over a period greater than the estimated useful life of the property or equipment. As of December 1, 2024, the City has outstanding approximately \$5,359,000 of lease purchase revenue notes, which are subject to annual appropriation and payable from revenues guaranteed by the City's open space sales and use tax.

The City has also entered into a lease purchase agreement with the Boulder Municipal Property Authority dated as of November 1, 2015 (the "2015 Lease") with respect to several buildings and properties used by the City. In connection with the 2015 Lease, Taxable Certificates of Participation, Series 2015, were issued and are presently outstanding in the aggregate principal amount of \$26,825,000. The City's obligation to pay rent under the 2015 Lease is subject to annual appropriation and may be terminated by the City during any fiscal year for all subsequent fiscal years. The City's annual rental payments under the 2015 Lease total approximately \$2.8 million per year through 2036.

In addition, the City has entered into a lease purchase agreement with the Boulder Municipal Property Authority dated as of September 1, 2019 (the "2019 Lease") with respect to several buildings and properties used by the City. In connection with the 2019 Lease, Taxable

Certificates of Participation, Series 2019, were issued and are presently outstanding in the aggregate principal amount of \$15,915,000. The City's obligation to pay rent under the 2019 Lease is subject to annual appropriation and may be terminated by the City during any fiscal year for all subsequent fiscal years. The City's annual rental payments under the 2019 Lease total approximately \$1.3 million per year through 2039.

Mill Levy Limitations and Tax Rates

The Charter restricts the property tax levy to 13.0 mills on a dollar of assessed valuation. This limitation does not include special assessments for local improvements, payment of interest or principal on bonded indebtedness or the charter mill levy for health and hospital purposes. Article X, Section 20 of the Colorado Constitution, however, imposes limitations which are substantially more restrictive than those of the Charter. See "LEGAL MATTERS-Certain Constitutional Limitations."

The current total City mill levy is 11.648. The general operating mil levy is 8.748; earmarked funds from the property tax include 2.000 mills for public safety and 0.900 mills for the Permanent Park and Recreation Fund.

ECONOMIC AND DEMOGRAPHIC INFORMATION

This portion of the Official Statement contains general information concerning historic economic and demographic conditions in and surrounding the City. It is intended only to provide prospective investors with general information regarding the City's community. The information was obtained from the sources indicated and is limited to the time periods indicated. The information is historic in nature; it is not possible to predict whether the trends shown will continue in the future. The City makes no representation as to the accuracy or completeness of data obtained from parties other than the City.

Population

The following table sets forth the populations of the City, Boulder County and the State of Colorado for the time periods shown. Between 2010 and 2020, the population of the City increased 11.2% and the population of Boulder County increased 12.3%. The State's population increased 14.8% during the same time period.

Year	<u>Population</u>					
	City of Boulder	Percent Change	Boulder County	Percent Change	Colorado	Percent Change
1980	76,685	--	189,625	--	2,889,735	--
1990	83,312	8.6%	225,339	18.8%	3,294,394	14.0%
2000 ⁽¹⁾	94,673	13.6	269,814	19.7	4,301,261	30.6
2010	97,385	2.9	294,567	9.2	5,029,196	16.9
2020	108,250	11.2	330,758	12.3	5,773,714	14.8
2021	104,704	--	327,096	--	5,811,121	--
2022	107,037	2.2%	327,372	0.1%	5,840,234	0.5%
2023	106,852	(0.2)	326,663	(0.2)	5,876,300	0.6

(1) The Colorado State Demography Office adjusted the 2000 figure for Boulder County to reflect the 2001 creation of the City and County of Broomfield.

Sources: United States Department of Commerce, Bureau of the Census (1980-2020) and Colorado State Demography Office (2021-2023 estimates, which are subject to periodic revisions, and 2000 figure for Boulder County).

Income

The following table sets forth annual per capita personal income levels for Boulder County, the State and the United States. Per capita levels in Boulder County have consistently exceeded State and national levels during the period shown.

Annual Per Capita Personal Income

<u>Year⁽¹⁾</u>	<u>Boulder County</u>	<u>Colorado</u>	<u>United States</u>
2019	\$78,641	\$61,276	\$55,566
2020	81,963	64,693	59,123
2021	92,317	71,706	64,460
2022	95,454	76,674	66,244
2023	100,242	80,068	69,810

(1) Figures for Boulder County updated November 14, 2024. State and national figures updated September 27, 2024. All figures are subject to periodic revisions.

Source: United States Department of Commerce, Bureau of Economic Analysis.

Employment

The following table presents information on employment within Boulder County, the State and the United States for the period indicated.

<u>Year</u>	<u>Labor Force and Percent Unemployed</u>				<u>United States</u>
	<u>Boulder County⁽¹⁾</u>		<u>Colorado⁽¹⁾</u>		
	<u>Labor Force</u>	<u>Percent Unemployed</u>	<u>Labor Force</u>	<u>Percent Unemployed</u>	<u>Percent Unemployed</u>
2019	194,132	2.3%	3,104,684	2.7%	3.7%
2020	190,477	5.7	3,082,228	6.8	8.1
2021	197,273	4.4	3,149,673	5.5	5.3
2022	200,348	2.6	3,186,932	3.1	3.6
2023	202,678	2.8	3,230,482	3.2	3.6
<u>Month of October</u>					
2023	204,743	2.9%	3,244,344	3.2%	3.8%
2024	206,057	4.1	3,272,611	4.4	4.1

(1) Figures for Boulder County and the State are not seasonally adjusted.

Sources: State of Colorado, Department of Labor and Employment, Labor Market Information, Labor Force Data and United States Department of Labor, Bureau of Labor Statistics.

The following table sets forth the number of individuals employed within selected Boulder County industries that are covered by unemployment insurance. In 2023, the largest employment sector in Boulder County was professional and technical services (comprising approximately 18.3% of the county's work force), followed, in order, by educational services, health care and social assistance, manufacturing, and accommodation and food services. For the twelve-month period ended December 31, 2023, total average employment in Boulder County increased 0.9% as compared to the same period ending December 31, 2022, and the average weekly wage increased by approximately 4.1% during the same period.

Average Number of Employees within Selected Industries - Boulder County

Industry	2019	2020	2021	2022	2023	2024 ⁽²⁾
Accommodation and Food Services	17,956	13,441	15,391	17,074	17,250	15,793
Administrative and Waste Services	6,416	6,198	6,250	6,122	5,697	5,330
Agriculture, Forestry, Fishing, Hunting	569	611	650	694	634	551
Arts, Entertainment and Recreation	3,475	2,605	2,837	3,303	3,619	3,559
Construction	5,837	5,447	5,457	5,581	5,744	5,377
Educational Services	23,172	22,172	21,997	22,937	23,494	23,910
Finance and Insurance	4,118	4,108	4,158	4,297	4,123	3,965
Government	8,447	8,323	7,997	8,036	8,332	8,230
Health Care and Social Assistance	23,357	22,056	22,702	22,429	23,248	23,319
Information	8,603	8,527	8,977	9,391	8,580	8,830
Management of Companies/Enterprises	1,525	1,614	1,811	1,873	1,899	1,912
Manufacturing	19,804	20,056	21,076	21,949	21,230	20,855
Mining	177	172	226	206	195	204
Non-classifiable	17	20	18	20	72	10
Other Services	5,415	4,862	5,240	5,454	5,649	5,734
Professional and Technical Services	30,085	30,439	32,063	34,751	35,715	34,723
Real Estate, Rental and Leasing	2,782	2,700	2,843	2,766	2,741	2,496
Retail Trade	17,493	16,565	17,181	16,700	16,824	16,524
Transportation and Warehousing	2,177	2,291	2,343	2,185	2,197	2,208
Utilities	307	311	330	392	498	531
Wholesale Trade	<u>6,730</u>	<u>6,481</u>	<u>6,778</u>	<u>7,223</u>	<u>7,335</u>	<u>7,698</u>
Total ⁽¹⁾	<u>188,461</u>	<u>178,999</u>	<u>186,322</u>	<u>193,381</u>	<u>195,074</u>	<u>191,759</u>

(1) Figures may not equal totals when added due to the rounding of averages or the inclusion in the total figure of employees that were not disclosed in individual classifications.

(2) Figures are averaged through the first quarter of 2024.

Source: State of Colorado, Department of Labor and Employment, Labor Market Information, Quarterly Census of Employment and Wages (QCEW).

Major Employers

The following table sets forth a selection of the largest public and private employers in Boulder County. No independent investigation of the stability or financial condition of the employers listed hereafter has been conducted; therefore, no representation can be made that these employers will continue to maintain their status as major employers in the area.

Major Employers in Boulder County

Name of Employer	Product or Service	Estimated Number of Employees ⁽¹⁾
University of Colorado at Boulder	Higher education	10,489 ⁽²⁾
Ball Aerospace & Technologies Corporation	Aerospace, technologies, and services	5,200
St. Vrain Valley School District RE-1J	K-12 education	3,831 ⁽³⁾
Boulder Valley School District No. Re-2	K-12 education	3,786 ⁽⁴⁾
Boulder Community Health	Healthcare	2,300
Boulder County	Government	2,075
Google	Internet services and products	1,500
Good Samaritan Medical Center	Healthcare	1,200
University Corp. for Atmos. Research	Research and training	1,200
Longmont Community Hospital	Healthcare	1,000

(1) December 2023 figures unless otherwise noted.

(2) Figure as of October 17, 2024. Figure does not include student employees.

(3) Full-time equivalent employees as presented in the employer's Annual Comprehensive Financial Report for the fiscal year ended June 30, 2024.

(4) Full-time equivalent employees as presented in the employer's Annual Comprehensive Financial Report for the fiscal year ended June 30, 2023.

Sources: Colorado Department of Labor and Employment as presented in the Boulder County *Annual Comprehensive Financial Report* for the year ended December 31, 2023; and individual employers.

Foreclosure Activity

The following table sets forth the number of foreclosures filed in Boulder County during the time period shown. Such information only represents the number of foreclosures filed and does not consider foreclosures that were filed and subsequently redeemed or withdrawn.

History of Foreclosures – Boulder County

Year	Number of Foreclosures	Percent Change
2019	146	--
2020	48	(67.1)%
2021	38	(20.8)
2022	127	234.2
2023	116	(8.7)
2024 ⁽¹⁾	109	--

(1) Figures are for foreclosures filed from January 1 through November 30, 2024.

Sources: Colorado Division of Housing (2019 to 2020 figures) and Boulder County Public Trustee's Office (2021 to 2024 figures).

TAX MATTERS

Generally

In the opinion of Kutak Rock LLP, Bond Counsel, under existing laws, regulations, rulings and judicial decisions, interest on the 2025 Bonds is excludable from gross income for federal income tax purposes and is not a specific preference item for purposes of the federal alternative minimum tax imposed on individuals. The opinions described in the preceding sentence assume the accuracy of certain representations and compliance by the City with covenants designed to satisfy the requirements of the Internal Revenue Code of 1986, as amended, that must be met subsequent to the issuance of the 2025 Bonds. Failure to comply with such requirements could cause interest on the 2025 Bonds to be included in gross income for federal income tax purposes retroactive to the date of issuance of the 2025 Bonds. The City has covenanted to comply with such requirements. Bond Counsel has expressed no opinion regarding other federal tax consequences arising with respect to the 2025 Bonds. Interest on the 2025 Bonds may affect the federal alternative minimum tax imposed on certain corporations.

Bond Counsel is also of the opinion that, under existing State of Colorado statutes, to the extent interest on the 2025 Bonds is excludable from gross income for federal income tax purposes, such interest on the 2025 Bonds is excludable from gross income for Colorado income tax purposes and from the calculation of Colorado alternative minimum taxable income.

The accrual or receipt of interest on the 2025 Bonds may otherwise affect the federal income tax liability of the owners of the 2025 Bonds. The extent of these other tax consequences will depend upon such owner's particular tax status or other items of income or deduction. Bond Counsel has expressed no opinion regarding any such consequences. Purchasers of the 2025 Bonds, particularly purchasers that are corporations (including S corporations, foreign corporations operating branches in the United States and certain corporations subject to the alternative minimum tax imposed on corporations), property or casualty insurance companies, banks, thrifts or other financial institutions, certain recipients of social security or railroad retirement benefits, taxpayers entitled to claim the earned income credit, taxpayers entitled to claim the refundable credit in Section 36B of the Code for coverage under a qualified health plan, and taxpayers who may be deemed to have incurred or continued indebtedness to purchase or carry tax exempt obligations, should consult their tax advisors as to the tax consequences of purchasing or owning the 2025 Bonds.

A copy of the proposed form of opinion of Bond Counsel with respect to the 2025 Bonds is attached as Appendix E to this Official Statement.

Original Issue Premium

The 2025 Bonds that have an original yield below their respective interest rates, as shown on the inside cover of this Official Statement (collectively, the "Premium Obligations"), are being sold at a premium. An amount equal to the excess of the issue price of a Premium Obligation over its stated redemption price at maturity constitutes original issue premium on such Premium Obligation. A purchaser of a Premium Obligation must amortize any premium over the term of such Premium Obligation using constant yield principles based upon the purchaser's yield to

maturity (or, in the case of Premium Obligations callable prior to their maturity, by amortizing the premium to the call date, based upon the purchaser's yield to the call date and giving effect to any call premium). As premium is amortized, the amount of premium amortized in a payment period offsets a corresponding amount of the interest allocable to the corresponding payment period and the purchaser's basis in such Premium Obligation is reduced by a corresponding amount resulting in the gain (or decrease in the loss) to be recognized for federal income tax purposes upon a sale or disposition of such Premium Obligation prior to its maturity. Even though the purchaser's basis may be reduced, no federal income tax deduction is allowed. Purchasers of the Premium Obligations should consult with their tax advisors with respect to the determination and treatment of premium for federal income tax purposes and with respect to the state and local tax consequences of owning a Premium Obligation.

Original Issue Discount

The 2025 Bonds that have an original yield above their respective interest rates, as shown on the inside cover of this Official Statement (collectively, the "Discounted Tax-Exempt Obligations"), are being sold at an original issue discount. The difference between the initial public offering prices of the Discounted Tax-Exempt Obligations and their stated amounts to be paid at maturity, (excluding "qualified stated interest" within the meaning of Section 1.1273-1 of the Regulations) constitutes original issue discount treated in the same manner for federal income tax purposes as interest, as described above.

The amount of original issue discount which is treated as having accrued with respect to such Discounted Tax -Exempt Obligation is added to the cost basis of the owner in determining, for federal income tax purposes, gain or loss upon disposition of a Discounted Tax -Exempt Obligation (including its sale, redemption or payment at maturity). Amounts received upon disposition of a Discounted Tax-Exempt Obligation which are attributable to accrued original issue discount will be treated as tax exempt interest, rather than as taxable gain, for federal income tax purposes.

Original issue discount is treated as compounding semiannually, at a rate determined by reference to the yield to maturity of each individual Discounted Tax-Exempt Obligation, on days which are determined by reference to the maturity date of such Discounted Tax-Exempt Obligation. The amount treated as original issue discount on a Discounted Tax -Exempt Obligation for a particular semiannual accrual period is equal to (a) the product of (i) the yield to maturity for such Discounted Tax -Exempt Obligation (determined by compounding at the close of each accrual period); and (ii) the amount which would have been the tax basis of such Discounted Tax -Exempt Obligation at the beginning of the particular accrual period if held by the original purchaser; and less (b) the amount of any interest payable for such Discounted Tax -Exempt Obligation during the accrual period. The tax basis is determined by adding to the initial public offering price on such Discounted Tax-Exempt Obligation the sum of the amounts which have been treated as original issue discount for such purposes during all prior periods. If a Discounted Tax-Exempt Obligation is sold between semiannual compounding dates, original issue discount which would have been accrued for that semiannual compounding period for federal income tax purposes is to be apportioned in equal amounts among the days in such compounding period.

Owners of Discounted Tax-Exempt Obligations should consult their tax advisors with respect to the determination and treatment of original issue discount accrued as of any date and with respect to the state and local consequences of owning a Discounted Tax-Exempt Obligation. Subsequent purchasers of Discounted Tax-Exempt Obligations that purchase such bonds for a price that is higher or lower than the “adjusted issue price” of the bonds at the time of purchase should consult their tax advisors as to the effect on the accrual of original issue discount.

Backup Withholding

An owner of a 2025 Bond may be subject to backup withholding at the applicable rate determined by statute with respect to interest paid with respect to the 2025 Bonds if such owner fails to provide to any person required to collect such information pursuant to Section 6049 of the Code with such owner’s taxpayer identification number, furnishes an incorrect taxpayer identification number, fails to report interest, dividends or other “reportable payments” (as defined in the Code) properly, or, under certain circumstances, fails to provide such persons with a certified statement, under penalty of perjury, that such owner is not subject to backup withholding.

Changes in Federal and State Tax Law

From time to time, there are legislative proposals in the Congress and in the states that, if enacted, could alter or amend the federal and state tax matters referred to above under this heading “TAX MATTERS” or adversely affect the market value of the 2025 Bonds. It cannot be predicted whether or in what form any such proposal might be enacted or whether if enacted, it would apply to bonds issued prior to enactment. In addition, regulatory actions are from time to time announced or proposed and litigation is threatened or commenced which, if implemented or concluded in a particular manner, could adversely affect the market value of the 2025 Bonds. It cannot be predicted whether any such regulatory action will be implemented, how any particular litigation or judicial action will be resolved, or whether the 2025 Bonds of the market value thereof would be impacted thereby. Purchasers of the 2025 Bonds should consult their tax advisor regarding any pending or proposed tax legislation, regulatory initiatives, or litigation. The opinions expressed by Bond Counsel are based upon existing legislation and regulations as interpreted by relevant judicial and regulatory authorities as of the date of issuance and delivery of the 2025 Bonds, and Bond Counsel has expressed no opinion as of any date subsequent thereto or with respect to any pending legislation, regulatory initiatives or litigation.

PROSPECTIVE PURCHASES OF THE 2025 BONDS ARE ADVISED TO CONSULT THEIR OWN TAX ADVISORS PRIOR TO ANY PURCHASE OF THE 2025 BONDS AS TO THE IMPACT OF THE CODE UPON THEIR ACQUISITION, HOLDING OR DISPOSITION OF THE 2025 BONDS.

LEGAL MATTERS

Litigation

The City has been advised that to the best knowledge of the City Attorney as of the date of this Official Statement, there are no suits or claims currently pending or threatened against the City that will materially and adversely affect the financial condition or operations of the City, the City’s power to issue and deliver the 2025 Bonds; the proceedings and authority under which the 2025

Bonds are issued, or the Net Income is charged or collected, or affecting the validity of the 2025 Bonds or the pledge of said Net Income to the repayment of the 2025 Bonds thereunder; and neither the corporate existence nor the boundaries of the City or the title of its present officers to their respective offices is being contested.

Governmental Immunity

The Colorado Governmental Immunity Act, Title 24, Article 10, C.R.S. (the “Immunity Act”), provides that, with certain specified exceptions, sovereign immunity acts as a bar to any action against a public entity, such as the City, for injuries which lie in tort or could lie in tort.

The Immunity Act provides that sovereign immunity is waived by a public entity for injuries occurring as a result of certain specified actions or conditions, including: the operation of a non-emergency motor vehicle (including a light rail car), owned or leased by the public entity; the operation of any public hospital, correctional facility or jail; a dangerous condition of any public building; certain dangerous conditions of a public highway, road or street; failure to perform an education employment required background check; and the operation and maintenance of any public water facility, gas facility, sanitation facility, electrical facility, power facility or swimming facility by such public entity. Financial immunity is also waived for serious bodily injury or death resulting from an incident of school violence (murder, first degree assault or felony sexual assault). In such instances, the public entity may be liable for injuries arising from an act or omission of the public entity, or an act or omission of its public employees, which occur during the performance of their duties and within the scope of their employment.

The maximum amounts that may be recovered under the Immunity Act for injuries occurring on or after January 1, 2022, whether from one or more public entities and public employees, are as follows: (a) for any injury to one person in any single occurrence, the sum of \$424,000; (b) for an injury to two or more persons in any single occurrence, the sum of \$1,195,000; except in such instance, no person may recover in excess of \$424,000. Those amounts increase every four years pursuant to a formula based on the Denver-Aurora-Greeley Consumer Price Index. The City may increase any maximum amount that may be recovered from the City for certain types of injuries. However, the City may not be held liable either directly or by indemnification for punitive or exemplary damages unless the City voluntarily pays such damages in accordance with State law. The City has not acted to increase the damage limitations in the Immunity Act.

In 2021, the Colorado Legislature passed Senate Bill 21-088 (“SB 88”) which created a new cause of action and added a waiver of immunity for certain sexual misconduct claims that occurred on or after January 1, 1960, but before January 1, 2022. Any claims brought under SB 88 must be commenced before January 1, 2025. Claimants are limited to a maximum recovery of \$500,000 under the new cause of action created by SB 88 unless a court finds certain aggravating factors by clear and convincing evidence, in which case the total amount awarded to a claimant cannot exceed \$1,000,000 dollars. The City’s historical insurance coverage for sexual misconduct claims may not be sufficient to cover claims brought pursuant to SB 88. To date, the City has not received any notices or demands under SB 88 and the City has plans in place to address any such claims in the event they are alleged in the future.

The City may be subject to civil liability and damages including punitive or exemplary damages under federal laws, and it may not be able to claim sovereign immunity for actions founded upon federal laws. Examples of such civil liability include suits filed pursuant to Section 1983 of Title 42 of the United States Code, alleging the deprivation of federal constitutional or statutory rights of an individual. In addition, the City may be enjoined from engaging in anti-competitive practices which violate federal and State antitrust laws. However, the Immunity Act provides that it applies to any State court having jurisdiction over any claim brought pursuant to any federal law, if such action lies in tort or could lie in tort.

Approval of Certain Legal Proceedings

In connection with the 2025 Bonds, Kutak Rock LLP, as Bond Counsel, will render its opinion as to the validity of the 2025 Bonds and the treatment of interest thereon for purposes of federal and State income taxation. See Appendix E - Form of Bond Counsel Opinion. Butler Snow LLP is acting as special counsel to the City in connection with this Official Statement. Certain matters will be passed upon for the City by the City Attorney.

Certain Constitutional Limitations

General. At the general election on November 3, 1992, the voters of Colorado approved TABOR. In general, TABOR restricts the ability of the State and local governments to increase revenues and spending, to impose taxes, and to issue debt and certain other types of obligations without voter approval. TABOR generally applies to the State and all local governments, including the City (“local governments”), but does not apply to “enterprises,” defined as government-owned businesses authorized to issue revenue bonds and receiving under 10% of annual revenue in grants from all state and local governments combined.

Some provisions of TABOR are unclear and will require further judicial interpretation. No representation can be made as to the overall impact of TABOR on the future activities of the City, including its ability to generate sufficient revenues for its general operations, to undertake additional programs or to engage in any subsequent financing activities.

Voter Approval Requirements and Limitations on Taxes, Spending, Revenues, and Borrowing. TABOR requires voter approval in advance for: (a) any new tax, tax rate increase, mill levy above that for the prior year, valuation for assessment ratio increase, extension of an expiring tax, or a tax policy change causing a net tax revenue gain; (b) any increase in a local government’s spending from one year to the next in excess of the limitations described below; (c) any increase in the real property tax revenues of a local government from one year to the next in excess of the limitations described below; or (d) creation of any multiple-fiscal year direct or indirect debt or other financial obligation whatsoever, subject to certain exceptions such as the refinancing of obligations at a lower interest rate. The City’s Water System and Sewer System currently qualify as “enterprises” under TABOR, and therefore the 2025 Bonds may be issued without an election.

TABOR limits increases in government spending and property tax revenues to, generally, the rate of inflation and a local growth factor which is based upon, for school districts, the percentage change in enrollment from year to year, and for non-school districts, the actual value

of new construction in the local government's jurisdiction. Unless voter approval is received as described above, revenues collected in excess of these permitted spending limitations must be rebated. Debt service, however, including the debt service on the 2025 Bonds, can be paid without regard to any spending limits, assuming revenues are available to do so.

At the November 2, 1993, election, City voters authorized the City to collect, retain, and expend without regard to the revenue and limitations imposed by TABOR, the full proceeds of the City's sales and use tax, admission tax, accommodations tax, and non-federal grants. At the November 8, 1994, election, City voters approved an increase in the City's trash tax and allowed the City to collect and spend the full proceeds of such taxes and any interest thereon.

At the November 5, 1996 election, City voters authorized the City to remove TABOR restrictions on all revenues (except property tax) and expenditures of the City, and authorized the collection, retention and expenditures of all revenues of the City free from current revenue and expenditure limitations and from any limitations that may be enacted in the future without the amendment of the City's Charter by the electors of the City.

In addition, at the November 4, 2008, election, City voters authorized the City to remove TABOR restrictions on property tax revenues collected above the limits imposed by TABOR. The election specified that retention above TABOR limits will not rise more than 0.5 mills annually for tax collection years 2009 and beyond up to the maximum allowable level of property taxes and that any tax monies that are collected above those that the City may retain will be credited to property owners as an offset against the subsequent year's taxes.

Emergency Reserve Funds. TABOR also requires local governments to establish emergency reserve funds. The reserve fund must consist of at least 3% of fiscal year spending. TABOR allows local governments to impose emergency taxes (other than property taxes) if certain conditions are met. Local governments are not allowed to use emergency reserves or taxes to compensate for economic conditions, revenue shortfalls, or local government salary or benefit increases. The City has set aside emergency reserves as required by TABOR.

Other Limitations. TABOR also prohibits new or increased real property transfer tax rates and local government income taxes. TABOR allows local governments to enact exemptions and credits to reduce or end business personal property taxes; provided, however, the local governments' spending is reduced by the amount saved by such action. With the exception of K-12 public education and federal programs, TABOR also allows local governments (subject to certain notice and phase-out requirements) to reduce or end subsidies to any program delegated for administration by the general assembly; provided, however, the local governments' spending is reduced by the amount saved by such action.

Enterprise Status. The City has determined that the Facilities are currently enterprises for purposes of TABOR. Voter approval for the issuance of the 2025 Bonds is not required, and the remaining terms of TABOR do not apply to the operation of the Facilities. However, TABOR contemplates that enterprise status can change over time.

If the Facilities ever ceases to be enterprises, the Facilities' spending and revenues would become subject to the limitations of TABOR, unless the City obtains voter approval to be exempted

from such limitations. Assuming such voter approval is not obtained, the applicability of the spending and revenue limitations upon the Facilities could restrict the City's ability to spend its revenues in excess of such limitations absent voter approval. The effect of any future application of the limitations of TABOR would depend on the City's overall spending and revenues at that time. Even if the Facilities cease to have enterprise status, the rate covenant and the lien on Net Income provided for in the Bond Ordinance will continue to secure the payment of debt service on the 2025 Bonds.

Police Power

The obligations of the City are subject to the reasonable exercise in the future by the State and its governmental bodies of the police power inherent in the sovereignty of the State and to the exercise by the United States of America of the powers delegated to it by the Federal Constitution, including bankruptcy.

INDEPENDENT AUDITORS

The basic financial statements of the City as of December 31, 2023, and for the year then ended, included in this Official Statement as Appendix A, have been audited by CliftonLarsonAllen LLP, Broomfield, Colorado, as stated in the report appearing therein.

The City has not requested and will not obtain a consent letter from its auditor for the inclusion of the audit report in this Official Statement. CliftonLarsonAllen LLP, the City's independent auditor, has not been engaged to perform, and has not performed, since the date of its report included herein any procedures on the financial statements addressed in that report. CliftonLarsonAllen LLP, also has not performed any procedures relating to this Official Statement.

MUNICIPAL ADVISOR

Hilltop Securities Inc. is acting as the Municipal Advisor to the City in connection with the issuance of the 2025 Bonds. The Municipal Advisor has assisted in the preparation of this Official Statement and in other matters relating to the planning, structuring, rating, and issuance of the 2025 Bonds. In its role of Municipal Advisor to the City, the Municipal Advisor has not undertaken either to make an independent verification of or to assume responsibility for the accuracy or completeness of the information contained in the Official Statement and the appendices hereto.

RATING

S&P Global Ratings, a division of Standard & Poor's Financial Services LLC ("S&P"), has assigned the 2025 Bonds the rating shown on the cover page of this Official Statement. An explanation of the significance of any S&P ratings may be obtained from S&P at 55 Water Street, New York, New York 10041.

Such rating reflects only the views of the rating agency, and there is no assurance that the rating will be obtained or will continue for any given period of time or that the rating will not be revised downward or withdrawn entirely by the rating agency if, in its judgment, circumstances so warrant. Any such downward revision or withdrawal of such rating may have an adverse effect on the market price of the 2025 Bonds. Other than the City's obligations under the Disclosure

Undertaking, neither the City nor the Municipal Advisor has undertaken any responsibility to bring to the attention of the owners of the 2025 Bonds any proposed change in or withdrawal of such rating once received or to oppose any such proposed revision.

PUBLIC SALE

The City sold the 2025 Bonds at public sale to _____ at a purchase price equal to \$ _____ (equal to the par amount of the 2025 Bonds, plus net original issue premium of \$ _____, and less underwriting discount of \$ _____).

OFFICIAL STATEMENT CERTIFICATION

The City Council have authorized the preparation of this Official Statement and its distribution. This Official Statement is hereby duly approved by the City Council as of the date on the cover page hereof.

CITY OF BOULDER, COLORADO

By: /s/ Aaron Brockett
Mayor

APPENDIX A

AUDITED BASIC FINANCIAL STATEMENTS OF THE CITY AS OF AND FOR THE FISCAL YEAR ENDED DECEMBER 31, 2023

NOTE: The audited basic financial statements of the City for the year ended December 31, 2023, have been excerpted from the City's Annual Comprehensive Financial Report for that year. Certain statistical tables and other information were purposely excluded from this Appendix A. Such statements provide supporting details and are not necessary for a fair presentation of the general-purpose financial statement of the City.

APPENDIX B

SUMMARY OF CERTAIN PROVISIONS OF THE BOND ORDINANCE

(to come)

APPENDIX C

BOOK-ENTRY ONLY SYSTEM

DTC will act as securities depository for the 2025 Bonds. The 2025 Bonds will be issued as fully registered securities registered in the name of Cede & Co. (DTC's partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully registered certificate will be issued for each maturity of the 2025 Bonds, in the aggregate principal amount of such maturity, and will be deposited with DTC.

DTC, the world's largest securities depository, is a limited-purpose trust company organized under the New York Banking Law, a "banking organization" within the meaning of the New York Banking Law, a member of the Federal Reserve System, a "clearing corporation" within the meaning of the New York Uniform Commercial Code, and a "clearing agency" registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 3.5 million issues of U.S. and non-U.S. equity issues, corporate and municipal debt issues, and money market instruments (from over 100 countries) that DTC's participants ("Direct Participants") deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities through electronic computerized book-entry transfers and pledges between Direct Participants' accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is a wholly owned subsidiary of The Depository Trust & Clearing Corporation ("DTCC"). DTCC is the holding company for DTC, National Securities Clearing Corporation and Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its regulated subsidiaries. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly ("Indirect Participants"). DTC has a Standard & Poor's rating of AA+. The DTC Rules applicable to its Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at www.dtcc.com.

Purchases of 2025 Bonds under the DTC system must be made by or through Direct Participants, which will receive a credit for the 2025 Bonds on DTC's records. The ownership interest of each actual purchaser of each 2025 Bond ("Beneficial Owner") is in turn to be recorded on the Direct and Indirect Participants' records. Beneficial Owners will not receive written confirmation from DTC of their purchase. Beneficial Owners are, however, expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the 2025 Bonds are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in 2025 Bonds, except in the event that use of the book-entry system for the 2025 Bonds is discontinued.

To facilitate subsequent transfers, all 2025 Bonds deposited by Direct Participants with DTC are registered in the name of DTC's partnership nominee, Cede & Co., or such other name as may be requested by an authorized representative of DTC. The deposit of 2025 Bonds with DTC and their registration in the name of Cede & Co. or such other DTC nominee do not effect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the 2025 Bonds; DTC's records reflect only the identity of the Direct Participants to whose accounts such 2025 Bonds

are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.

Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time. Beneficial Owners of 2025 Bonds may wish to take certain steps to augment the transmission to them of notices of significant events with respect to the 2025 Bonds, such as redemptions, tenders, defaults, and proposed amendments to the 2025 Bond documents. For example, Beneficial Owners of 2025 Bonds may wish to ascertain that the nominee holding the 2025 Bonds for their benefit has agreed to obtain and transmit notices to Beneficial Owners. In the alternative, Beneficial Owners may wish to provide their names and addresses to the Registrar and request that copies of notices be provided directly to them.

Redemption notices shall be sent to DTC. If less than all of the 2025 Bonds are being redeemed, DTC's practice is to determine by lot the amount of the interest of each Direct Participant in such issue to be redeemed.

Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to the 2025 Bonds unless authorized by a Direct Participant in accordance with DTC's MMI Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to the City as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts 2025 Bonds are credited on the record date (identified in a listing attached to the Omnibus Proxy).

Principal, interest, and redemption proceeds on the 2025 Bonds will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts upon DTC's receipt of funds and corresponding detail information from the City or the Paying Agent on payable date in accordance with their respective holdings shown on DTC's records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Participant and not of DTC, the Paying Agent or the City, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of principal, interest or redemption proceeds to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the City or the Paying Agent, disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants.

DTC may discontinue providing its services as depository with respect to the 2025 Bonds at any time by giving reasonable notice to the City or the Registrar and Paying Agent. Under such circumstances, in the event that a successor depository is not obtained, 2025 Bond certificates are required to be printed and delivered.

The City may decide to discontinue use of the Facilities of book-entry-only transfers through DTC (or a successor securities depository). In that event, 2025 Bond certificates will be printed and delivered to DTC.

The information in this section concerning DTC and DTC's book-entry system has been obtained from sources that the City believes to be reliable, but the City takes no responsibility for the accuracy thereof.

APPENDIX D**FORM OF CONTINUING DISCLOSURE CERTIFICATE****CONTINUING DISCLOSURE CERTIFICATE**

§ _____

CITY OF BOULDER, COLORADO
STORMWATER AND FLOOD MANAGEMENT REVENUE BONDS
SERIES 2025

This Continuing Disclosure Certificate (the “Disclosure Certificate”) is executed and delivered by the City of Boulder, Colorado (the “City”) (acting through its Water Utility Enterprise and its Wastewater Utility Enterprise) in connection with the issuance of the Stormwater and Flood Management Revenue Bonds, Series 2025, dated as _____, 2025, in the aggregate principal amount of \$_____ (the “2025 Bonds”). The 2025 Bonds are being executed and delivered pursuant to that certain Bond Ordinance adopted by the City Council of the City on _____, 2025. The City covenants and agrees as follows:

SECTION 1. Purpose of this Disclosure Certificate. This Disclosure Certificate is being executed and delivered by the City for the benefit of the holders and beneficial owners of the 2025 Bonds and in order to assist the Participating Underwriter in complying with Rule 15c2-12(b)(5) of the Securities and Exchange Commission (the “SEC”).

SECTION 2. Definitions. In addition to the definitions set forth in the Indenture or parenthetically defined herein, which apply to any capitalized terms used in this Disclosure Certificate unless otherwise defined in this Section, the following capitalized terms shall have the following meanings:

“Annual Report” shall mean any Annual Report provided by the City pursuant to, and as described in, Sections 3 and 4 of this Disclosure Certificate.

“Dissemination Agent” shall mean any Dissemination Agent designated in writing by the City and which has filed with the City a written acceptance of such designation.

“Fiscal Year” shall mean the period beginning on January 1 and ending on December 31, or such other 12-month period as may be adopted by the City in accordance with law.

“Listed Events” shall mean any of the events listed in Section 5 of this Disclosure Certificate.

“MSRB” shall mean the Municipal Securities Rulemaking Board. As of the date hereof, the MSRB’s required method of filing is electronically via its Electronic Municipal Market Access (EMMA) system, which is currently available at <http://emma.msrb.org>.

“Official Statement” means the final Official Statement prepared in connection with the 2025 Bonds.

“Participating Underwriter” shall mean the original underwriter of the 2025 Bonds required to comply with the Rule in connection with an offering of the 2025 Bonds.

“Rule” shall mean Rule 15c2-12(b)(5) adopted by the SEC under the Securities Exchange Act of 1934, as in effect on the date of this Disclosure Certificate.

SECTION 3. Provision of Annual Reports.

(a) The City shall, or shall cause the Dissemination Agent to, not later than July 31 following the end of the City’s fiscal year, commencing on July 31, 2019, provide to the MSRB (in an electronic format as prescribed by the MSRB), an Annual Report which is consistent with the requirements of Section 4 of this Disclosure Certificate. Not later than five (5) business days prior to said date, the City shall provide the Annual Report to the Dissemination Agent (if the City has selected one). The Annual Report may be submitted as a single document or as separate documents comprising a package and may cross-reference other information as provided in Section 4 of this Disclosure Certificate; provided that the audited financial statements of the City may be submitted separately from the balance of the Annual Report.

(b) If the City is unable to provide to the MSRB an Annual Report by the date required in subsection (a), the City shall, in a timely manner, file or cause to be filed with the MSRB a notice in substantially the form attached to this Disclosure Certificate as Exhibit “A.”

SECTION 4. Content of Annual Reports. The City’s Annual Report shall contain or incorporate by reference the following:

(a) A copy of its annual financial statements, if any, prepared in accordance with generally accepted accounting principles audited by a firm of certified public accountants. If audited annual financial statements are not available by the time specified in Section 3(a) above, audited financial statements will be provided when and if available.

(b) An update of the type of information identified in Exhibit “B” hereto, which is contained in the tables in the Official Statement with respect to the 2025 Bonds.

Any or all of the items listed above may be incorporated by reference from other documents (including official statements), which are available to the public on the MSRB’s Internet Web Site or filed with the SEC. The City shall clearly identify each such document incorporated by reference.

SECTION 5. Reporting of Listed Events. The City shall file or cause to be filed with the MSRB, in a timely manner not in excess of ten (10) business days after the occurrence of the event, notice of any of the events listed below with respect to the 2025 Bonds. All of the events currently mandated by the Rule are listed below; however, some may not apply to the 2025 Bonds.

- (1) Principal and interest payment delinquencies;
- (2) Non-payment related defaults, *if material*;
- (3) Unscheduled draws on debt service reserves reflecting financial difficulties;
- (4) Unscheduled draws on credit enhancements reflecting financial difficulties;
- (5) Substitution of credit or liquidity providers or their failure to perform;

- (6) Adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the 2025 Bonds, or other material events affecting the tax status of the 2025 Bonds;
- (7) Modifications to rights of Bondholders, *if material*;
- (8) 2025 Bonds calls, *if material*, and tender offers;
- (9) Defeasances;
- (10) Release, substitution, or sale of property securing repayment of the 2025 Bonds, *if material*;
- (11) Rating changes;
- (12) Bankruptcy, insolvency, receivership, or similar event of the obligated person;^{*}
- (13) The consummation of a merger, consolidation, or acquisition involving an obligated person or the sale of all or substantially all of the assets of the obligated person, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, *if material*;
- (14) Appointment of a successor or additional trustee or the change of name of a trustee, *if material*;
- (15) Incurrence of a financial obligation[†] of the obligated person, *if material*, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a financial obligation of the City, any of which affect security holders, *if material*; and
- (16) Default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a financial obligation² of the obligated person, any of which reflect financial difficulties.

^{*} For the purposes of the event identified in subparagraph (b)(5)(i)(C)(12) of the Rule, the event is considered to occur when any of the following occur: the appointment of a receiver, fiscal agent or similar officer for an obligated person in a proceeding under the U.S. Bankruptcy Code or in any other proceeding under state or federal law in which a court or governmental authority has assumed jurisdiction over substantially all of the assets or business of the obligated person, or if such jurisdiction has been assumed by leaving the existing governing body and official or officers in possession but subject to the supervision and orders of a court or governmental authority, or the entry of an order confirming a plan of reorganization, arrangement or liquidation by a court or governmental authority having supervision or jurisdiction over substantially all of the assets or business of the obligated person.

[†] For purposes of the events identified in subparagraphs (b)(5)(i)(C)(15) and (16) of the Rule, the term “financial obligation” is defined to mean a (A) debt obligation; (B) derivative instrument entered into in connection with, or pledged as security or a source of payment for, an existing or planned debt obligation; or (C) a guarantee of (A) or (B). The term “financial obligation” shall not include municipal securities as to which a final official statement has been otherwise provided to the MSRB consistent with the Rule. In complying with Listed Events (15) and (16), the City intends to apply the guidance provided by the Rule or other applicable federal securities law, SEC Release No. 34-83885 (August 20, 2018) and any future guidance provided by the SEC or its staff.

SECTION 6. Format; Identifying Information. All documents provided to the MSRB pursuant to this Disclosure Certificate shall be in the format prescribed by the MSRB and accompanied by identifying information as prescribed by the MSRB.

As of the date of this Disclosure Certificate, all documents submitted to the MSRB must be in portable document format (PDF) files configured to permit documents to be saved, viewed, printed, and retransmitted by electronic means. In addition, such PDF files must be word-searchable, provided that diagrams, images, and other non-textual elements are not required to be word-searchable.

SECTION 7. Termination of Reporting Obligation. The City's obligations under this Disclosure Certificate shall terminate upon the earliest of: (i) the date of legal defeasance, prior redemption or payment in full of all of the 2025 Bonds; (ii) the date that the City shall no longer constitute an "obligated person" within the meaning of the Rule; or (iii) the date on which those portions of the Rule which require this written undertaking are held to be invalid by a court of competent jurisdiction in a non-appealable action, have been repealed retroactively or otherwise do not apply to the 2025 Bonds.

SECTION 8. Dissemination Agent.

(a) The City may, from time to time, appoint or engage a Dissemination Agent to assist the City in carrying out its obligations under this Disclosure Certificate, and may discharge any such Dissemination Agent, with or without appointing a successor Dissemination Agent. If the City elects not to appoint a successor Dissemination Agent, it shall perform the duties thereof under this Disclosure Certificate. The Dissemination Agent shall have only such duties as are specifically set forth in this Disclosure Certificate and any other agreement between the City and the Dissemination Agent.

(b) In addition to the filing duties on behalf of the City described in this Disclosure Certificate, the Dissemination Agent shall:

(1) each year, prior to the date for providing the Annual Report, determine the appropriate electronic format prescribed by the MSRB;

(2) send written notice to the City at least 45 days prior to the date the Annual Report is due stating that the Annual Report is due as provided in Section 3(a) hereof; and

(3) certify in writing to the City that the Annual Report has been provided pursuant to this Disclosure Certificate and the date it was provided.

(4) If the Annual Report (or any portion thereof) is not provided to the MSRB by the date required in Section (3)(a), the Dissemination Agent shall file with the MSRB a notice in substantially the form attached to this Disclosure Certificate as Exhibit A.

SECTION 9. Amendment; Waiver. Notwithstanding any other provision of this Disclosure Certificate, the City may amend this Disclosure Certificate and may waive any provision of this Disclosure Certificate, without the consent of the holders and beneficial owners of the 2025 Bonds, if such amendment or waiver does not, in and of itself, cause the undertakings

herein (or action of any Participating Underwriter in reliance on the undertakings herein) to violate the Rule, but taking into account any subsequent change in or official interpretation of the Rule. The City will provide notice of such amendment or waiver to the MSRB.

SECTION 10. Additional Information. Nothing in this Disclosure Certificate shall be deemed to prevent the City from disseminating any other information, using the means of dissemination set forth in this Disclosure Certificate or any other means of communication, or including any other information in any Annual Report or notice of occurrence of a Listed Event, in addition to that which is required by this Disclosure Certificate. If the City chooses to include any information in any Annual Report or notice of occurrence of a Listed Event in addition to that which is specifically required by this Disclosure Certificate, the City shall have no obligation under this Disclosure Certificate to update such information or include it in any future Annual Report or notice of occurrence of a Listed Event.

SECTION 11. Default. In the event of a failure of the City to comply with any provision of this Disclosure Certificate, any holder or beneficial owner of the 2025 Bonds may take such actions as may be necessary and appropriate, including seeking mandate or specific performance by court order, to cause the City to comply with its obligations under this Disclosure Certificate. A default under this Disclosure Certificate shall not be deemed an event of default under the Indenture, and the sole remedy under this Disclosure Certificate in the event of any failure of the City to comply with this Disclosure Certificate shall be an action to compel performance.

SECTION 12. Beneficiaries. This Disclosure Certificate shall inure solely to the benefit of the City, the Dissemination Agent, the Participating Underwriter and the holders and beneficial owners from time to time of the 2025 Bonds and shall create no rights in any other person or entity.

[The remainder of this page left intentionally blank.]

DATE: _____, 2025

CITY OF BOULDER, COLORADO

By: _____
Chief Financial Officer

EXHIBIT “A”

NOTICE OF FAILURE TO FILE ANNUAL REPORT

Name of City: City of Boulder, Colorado

Name of Bond Issue: Stormwater and Flood Management Revenue Bonds, Series 2025

Date of Issuance: _____, 2025

CUSIP Number: 10146

NOTICE IS HEREBY GIVEN that the City has not provided an Annual Report with respect to the above-named 2025 Bonds as required by the Continuing Disclosure Certificate dated _____, 2025. The City anticipates that the Annual Report will be filed by _____.

Dated: _____, _____

CITY OF BOULDER, COLORADO

EXHIBIT “B”

OFFICIAL STATEMENT TABLES TO BE UPDATED

See page iv of the Official Statement

NOTE: The information to be updated may be reported in any format chosen by the City; it is not required that the format reflected in this Official Statement be used in future years.

APPENDIX E
FORM OF BOND COUNSEL OPINION
(TO BE PROVIDED BY BOND COUNSEL)