



## RESOLUTION NO. U-11421

1 A RESOLUTION relating to Tacoma Power; approving a Supplemental Ordinance;  
2 authorizing the issuance of one or more series of Electric System Revenue  
3 and Refunding Bonds, Series 2024, in the aggregate principal amount of not  
to exceed \$225,000,000; and approving other matters related thereto.

4 WHEREAS the City of Tacoma, Washington ("City"), by Ordinance  
5 No. 23514, passed on November 20, 1985 (as amended and supplemented,  
6 including as amended and restated by Ordinance No. 28146, passed on April 30,  
7 2013, as amended by Ordinance No. 28444, passed on August 1, 2017, and as  
8 amended by Ordinance No. 28773, passed on August 3, 2021 (collectively,  
9 "Master Ordinance"), authorized electric system revenue bonds of the City ("Parity  
10 Bonds") to be issued in series having a parity of lien and charge on the Revenues  
11 of the Electric System after the payment of Operating Expenses (as those terms  
12 are defined therein), if certain conditions are met, and made covenants in  
13 connection with the issuance of such Parity Bonds, and  
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16 WHEREAS pursuant to the terms of the Master Ordinance, the City acting  
17 through its Department of Public Utilities, Light Division (d/b/a "Tacoma Power"),  
18 issued its Electric System Revenue and Refunding Bonds, Series 2013A and  
19 Electric System Revenue Refunding Bonds, Series 2013B (together, "2013  
20 Bonds"), and  
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22 WHEREAS the 2013 Bonds may be defeased and/or redeemed in whole or  
23 in part, on any day on or after July 1, 2023, at the option of the City, and  
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1 WHEREAS the Master Ordinance permits the City to issue obligations that  
2 are junior and subordinate to the payment of the Parity Bonds subject to the  
3 conditions set forth in the Master Ordinance, and

4 WHEREAS on April 21, 2015, the City Council passed Ordinance No. 28295  
5 (as amended, "Master Subordinate Ordinance") authorizing revenue bonds of the  
6 City, junior and subordinate to the Parity Bonds, in one or more series to finance  
7 costs of the Electric System, and

8 WHEREAS pursuant to the Master Subordinate Ordinance and Ordinance  
9 No. 28774, passed by the City Council on August 3, 2021, the City issued its  
10 Electric System Subordinate Revenue Note, Series 2021 to evidence a revolving  
11 line of credit in the principal amount of not to exceed \$150,000,000 outstanding at  
12 any time to finance and refinance capital improvements to the Electric System  
13 ("2021 Note"), and

14 WHEREAS the 2021 Note is currently scheduled to mature on October 1,  
15 2024 and may be prepaid prior to maturity, and

16 WHEREAS the Public Utility Board ("Board") finds that it is in the best  
17 interest of Tacoma Power and its ratepayers that the City issue one or more series  
18 of Electric System Revenue and Refunding Bonds, Series 2024 ("Bonds") and to  
19 use the proceeds of such Bonds to defease and/or redeem all or a portion of the  
20 outstanding 2013 Bonds, to finance and/or refinance costs of capital improvements  
21 to the Electric System (including prepaying the 2021 Note), and to pay the costs of  
22 issuance for the Bonds, and  
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1 WHEREAS the Board further finds that certain of the capital improvements  
2 to be financed and/or refinanced with proceeds of the Bonds, including those  
3 financed with proceeds of the 2021 Note, have environmentally beneficial  
4 attributes consistent with the City's Environmental Action Plan and other  
5 environmental priorities and goals of Tacoma Power designed to mitigate the  
6 impacts of climate change and promote sustainability and conservation, and

7 WHEREAS the Board desires to authorize the designation of all or a portion  
8 of the Bonds issued to finance and/or refinance such improvements, which have  
9 environmentally beneficial attributes, as "Green Bonds" in accordance with the  
10 voluntary, generally accepted Green Bond Principles promulgated by the  
11 International Capital Market Association and/or other relevant standards or  
12 frameworks, and the City is permitted to make such a voluntary designation based  
13 on the intended use of such proceeds, and

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15 WHEREAS Tacoma Power has received a proposal from J.P. Morgan  
16 Securities LLC, Goldman Sachs and Co. LLC, and Loop Capital Markets LLC  
17 ("Underwriters") to purchase the Bonds pursuant to the terms of an ordinance  
18 adopted by the City Council ("Supplemental Ordinance"), and

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20 WHEREAS a form of the proposed Supplemental Ordinance, a copy of  
21 which is on file with the Clerk of the Board, has been presented at this meeting,  
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23 and

24 WHEREAS pursuant to Tacoma City Charter Section 4.11, the Board is  
25 required to initiate and approve all matters related to the incurrence of  
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1 indebtedness and the issuance of bonds on behalf of Tacoma Power, and then  
2 forward such matters to the City Council for concurring approval, and

3 WHEREAS the Board requests that the City Council delegate authority to  
4 the Director of Utilities and the Tacoma Power Superintendent, and their  
5 designees, as provided herein, for a limited time, to approve the final terms of the  
6 Bonds as set forth herein, and

7 WHEREAS the Board hereby recommends that it is in the best interest of  
8 ratepayers of the Electric System that the Supplemental Ordinance be approved by  
9 the Board and passed by the City Council to accomplish the purposes set forth  
10 therein; Now, Therefore,

11 BE IT RESOLVED BY THE PUBLIC UTILITY BOARD OF THE CITY OF  
12 TACOMA:

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14 Sec. 1. Pursuant to Tacoma City Charter Section 4.11, it is necessary for  
15 the Board to initiate and approve all matters related to the incurrence of  
16 indebtedness and the issuance of bonds on behalf of Tacoma Power, and then  
17 forward such matters to the City Council for concurring approval. The Board  
18 hereby finds it is in the best interest of Tacoma Power and its ratepayers that the  
19 City issue one or more series of Bonds as Parity Bonds under the Master  
20 Ordinance to provide funding for Tacoma Power to defease and/or redeem all or a  
21 portion of the outstanding 2013 Bonds, to finance and/or refinance costs of capital  
22 improvements to the Electric System (including prepaying the 2021 Note), and to  
23 pay the costs of issuance for the Bonds. The Bonds shall including its necessary  
24 approval and passage by the City Council, be sold by negotiated sale to the  
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Underwriters subject to the parameters provided for in the Supplemental  
1 Ordinance.

2           Sec. 2. Subject to the parameters set forth in the Supplemental Ordinance,  
3 including its necessary approval and passage by the City Council, that the terms  
4 and conditions of the proposed Supplemental Ordinance, including delegating  
5 authority to the Director of Utilities and the Tacoma Power Superintendent and  
6 their designees (each, a "Designated Representative"), to approve the issuance  
7 and sale of the Bonds in the aggregate principal amount of not to exceed  
8 \$225,000,000, are hereby approved, and selling such Bonds to the Underwriters  
9 pursuant to the terms of the Supplemental Ordinance and the Bond Purchase  
10 Contract (as defined in the Supplemental Ordinance) is hereby approved, and the  
11 City Council is requested to concur in this approval by the passage of the same at  
12 the earliest opportunity in the final form approved by the City Attorney or such  
13 individual's designee.  
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17           Sec. 3. Upon passage of the Supplemental Ordinance, each Designated  
18 Representative is delegated authority to approve the final terms and conditions of  
19 the Bonds in coordination with Bond Counsel, the Municipal Advisor to Tacoma  
20 Power and the City Attorney, or such individual's designee, subject to the terms set  
21 forth in the Supplemental Ordinance, and to execute and implement the Bond  
22 Purchase Contract and any other certificates or other documents in connection  
23 therewith.  
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Sec. 4. This resolution shall become effective immediately upon its

1 adoption.

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3 Approved as to form:

Carlos Watson  
Chair

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5 15/  
6 Pacifica Law Group LLP,  
Bond Counsel

[Signature]  
Secretary

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8 [Signature]  
9 Clerk

Adopted 11-15-23

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