



RESOLUTION NO. U-11268

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 2021, in the aggregate principal amount of not
to exceed \$320,000,000; 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, and as amended by Ordinance No. 28444, passed on August 1, 2017,
8 collectively, the "Master Ordinance"), authorized electric system revenue bonds of
9 the City ("Parity Bonds") to be issued in series having a parity of lien and charge on
10 the Revenues of the Electric System after the payment of Operating Expenses (as
11 those terms are defined therein), if certain conditions are met, and made
12 covenants in connection with the issuance of such Parity Bonds, and
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15 WHEREAS pursuant to the terms of the Master Ordinance, the City acting
16 through its Department of Public Utilities, Light Division (d.b.a "Tacoma Power"),
17 issued its Electric System Revenue and Refunding Bonds, Series 2013A and
18 Electric System Revenue Refunding Bonds, Series 2013B (together, the "2013
19 Bonds"), and
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21 WHEREAS the 2013 Bonds may be defeased and/or redeemed in whole or
22 in part, on any day on or after July 1, 2023, at the option of the City at a savings to
23 Tacoma Power and its ratepayers, 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
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5 WHEREAS on April 21, 2015, the City Council passed Ordinance No. 28295
6 (as amended, the "Master Subordinate Ordinance") authorizing revenue bonds of
7 the City, junior and subordinate to the Parity Bonds, to be known as the City of
8 Tacoma Electric System Subordinate Revenue Bonds ("Subordinate Bonds") in one
9 or more series to finance costs of the Electric System, and
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11 WHEREAS pursuant to the Master Subordinate Ordinance and Ordinance
12 No. 28296, passed by the City Council on April 21, 2015, as amended, the City
13 issued its Electric System Subordinate Revenue Note, Series 2015A to evidence a
14 revolving line of credit in the principal amount of not to exceed \$150,000,000
15 outstanding at any time to finance and refinance capital improvements to the
16 Electric System (as reissued, amended and extended, the "2015A Note"), and
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18 WHEREAS the 2015A Note is currently scheduled to mature on
19 December 1, 2021 and may be redeemed prior to maturity, and
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21 WHEREAS it is deemed necessary and advisable to acquire and construct
22 certain additions and betterments to and extensions of the Electric System, and
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24 WHEREAS the Public Utility Board (the "Board") finds that it is in the best
25 interest of Tacoma Power and its ratepayers that the City issue one or more series
26 of Electric System Revenue and Refunding Bonds, Series 2021 (the "Bonds") and
to use the proceeds of such Bonds to defease and/or redeem all or a portion of the



1 outstanding 2013 Bonds, to redeem the 2015A Note, to finance or refinance costs
2 of capital improvements to the Electric System, and to pay the costs of issuance
3 for the Bonds, and
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5 WHEREAS the Board further finds that certain of the capital improvements
6 to be financed or refinanced with proceeds of the Bonds, including those financed
7 with proceeds of the 2015A Note, have environmentally beneficial attributes
8 consistent with the City's Environmental Action Plan and other environmental
9 priorities and goals of Tacoma Power designed to mitigate the impacts of climate
10 change and promote sustainability and conservation, and
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12 WHEREAS the Board desires to authorize the designation of all or a portion
13 of the Bonds issued to finance or refinance such improvements, which have
14 environmentally beneficial attributes, as "Green Bonds" in accordance with the
15 voluntary, generally accepted Green Bond Principles promulgated by the
16 International Capital Market Association and the City is permitted to make such a
17 voluntary designation based on the intended use of such proceeds, and
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19 WHEREAS pursuant to Tacoma City Charter Section 4.11, the Board is
20 required to initiate and approve all matters related to the incurrence of
21 indebtedness and the issuance of bonds on behalf of Tacoma Power, and then
22 forward such matters to the City Council for concurring approval, and
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24 WHEREAS the form of authorizing ordinance related to the issuance of the
25 Bonds (the "Supplemental Ordinance") has been presented to the Board and a
26 copy of such document is on file with the Clerk of the Board, and



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

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

7 Sec. 1. The Board hereby finds it is in the best interest of Tacoma Power
8 and its ratepayers that the City issue one or more series of Bonds as Parity Bonds
9 under the Master Ordinance to provide funding for Tacoma Power to defease
10 and/or redeem all or a portion of the outstanding 2013 Bonds, to redeem the
11 2015A Note, to finance or refinance costs of capital improvements to the Electric
12 System, and to pay the costs of issuance for the Bonds. The Bonds shall be sold
13 by negotiated sale to the underwriters subject to the parameters provided for in the
14 Supplemental Ordinance.
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17 Sec. 2. Subject to the parameters set forth in the Supplemental Ordinance,
18 that the terms and conditions of the proposed Supplemental Ordinance, including
19 delegating authority to the Director of Utilities and the Tacoma Power
20 Superintendent or their designees (each, a "Designated Representative"), to
21 approve the issuance and sale of the Bonds in the aggregate principal amount of
22 not to exceed \$320,000,000, are hereby approved, and the City Council is
23 requested to concur in this approval by the passage of the same at the earliest
24 opportunity in the final form approved by the City Attorney.
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Sec. 3. Upon passage of the Supplemental Ordinance, each Designated Representative is delegated authority to approve the final terms and conditions of the Bonds in coordination with Bond Counsel, the Municipal Advisor and the City Attorney's Office subject to the terms set forth in the Supplemental Ordinance, and to execute and implement the Bond Purchase Contracts (as defined in the Supplemental Ordinance) and any other certificates or other documents in connection therewith.

Sec. 4. This resolution shall become effective immediately upon its adoption.

Approved as to form:

Paul R. Patterson

Chair

Carlos Watson

Secretary

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Pacifica Law Group LLP,
Bond Counsel

Charleen Jacobs
Clerk

Adopted 7-14-21