

RESOLUTION NO. 1220

A RESOLUTION SUPPLEMENTING ORDINANCE NO. 1538, DETERMINING THE PRINCIPAL AMOUNT AND NET EFFECTIVE INTEREST RATE OF CITY OF GOLDEN, COLORADO, IMPROVEMENT REVENUE BONDS, SERIES 2001C IN THE AGGREGATE PRINCIPAL AMOUNT OF \$4,800,000 TO BE ISSUED BY THE CITY; AUTHORIZING INCIDENTAL ACTIONS; AND REPEALING INCONSISTENT ACTIONS.

WHEREAS, the City Council (the "Council") of the City of Golden, Colorado (the "City"), by Ordinance No. 1538, finally passed and adopted on April 12, 2001, authorized the execution and delivery of not to exceed \$2,600,000 aggregate principal amount of Refunding Revenue Bonds (the "Refunding Bonds") and not to exceed \$26,420,000 aggregate principal amount of Improvement Revenue Bonds (the "Improvement Bonds") (collectively, the "Series 2001 Bonds" or the "Bonds") pursuant to provisions of the home rule Charter (the "Charter") of the City (the "Bond Ordinance"); and

WHEREAS, the Bond Ordinance, among other things, provided that before the Bonds are executed and delivered the Council shall adopt a resolution or resolutions approving the final terms of the Bonds and their award to George K. Baum & Company (the "Underwriter") and determining any details reasonably necessary or appropriate in connection therewith in order to effectuate and clarify the provisions of the Bond Ordinance and to consummate the transactions contemplated thereby (the "Supplemental Resolution" or the "Supplemental Resolutions"); and

WHEREAS, the Council, by Resolution No. 1202 (the "First Supplemental Resolution"), passed and adopted on May 10, 2001, approved the final terms of the City of Golden, Colorado, Refunding Revenue Bonds, Series 2001A, in the aggregate principal amount of \$1,870,000 (the "Series 2001A Bonds") and the City of Golden, Colorado Improvement Revenue Bonds, Series 2001B in the aggregate principal amount of \$21,620,000 (the "Series 2001B Bonds"); and

WHEREAS, pursuant to the terms of the Bond Ordinance and the First Supplemental Resolution, the City issued the Series 2001A Bonds and the Series 2001B Bonds on May 17, 2001; and

WHEREAS, a written proposal to purchase the City of Golden, Colorado, Improvement Revenue Bonds Series 2001C (the "Series 2001C Bonds") (the "Bond Purchase Agreement") has been received from the Underwriter and deposited with the City Clerk, and the Council has determined and hereby declares that it is necessary and appropriate at this time to accept such Bond Purchase Agreement; and

WHEREAS, the proposed terms of the Series 2001C Bonds specified in the Bond Purchase Agreement, including the principal amount and net effective interest rate of the Series 2001C Bonds, are authorized by the Bond Ordinance; and

WHEREAS, under the provisions of Article X, 20 of the Colorado Constitution ("TABOR"), the City must obtain voter approval prior to creating any multiple fiscal year direct or indirect debt or other financial obligation without adequate present cash reserve pledged irrevocably and held for payments in all future fiscal years; and

WHEREAS, the Series 2001C Bonds were approved by a majority of electors at an election held on November 7, 2000.

THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF GOLDEN, COLORADO, THAT:

Section 1. Sale to Underwriter. The Underwriter's offer to purchase the Series 2001C Bonds on the terms and subject to the conditions specified in the Bond Purchase Agreement is hereby accepted by the City. The Series 2001C Bond terms specified in the form of the Bond Purchase Agreement deposited with the City Clerk prior to this meeting are hereby determined to conform to the requirements of the Bond Ordinance. It is hereby determined that the remaining portion of the Improvement Bonds shall be issued in the principal amount of \$4,800,000 and shall be referred to herein as the "Series 2001C Bonds." The Series 2001C Bonds shall be sold to the Underwriter for an aggregate purchase price of 99.575% of their principal amount plus accrued interest from their date of delivery to the Underwriter. The net effective interest rate of the Series 2001C Bonds is hereby determined to be 4.87631%, which rate does not exceed the 7.5% maximum net effective interest rate prescribed in the Bond Ordinance.

Section 2. Bond Details. The Series 2001C Bonds shall be dated July 15, 2001, shall bear interest at the rates shown below, payable December 1, 2001 and semiannually thereafter each June 1 and December 1 until maturity and shall mature on December 1 of the following years and in the following amounts:

<u>Year</u>	<u>Series 2001C Amounts Maturing</u>	<u>Series 2001C Interest Rate</u>
2004	\$125,000	4.000%
2005	245,000	4.000%
2006	235,000	4.000%
2007	225,000	4.000%
2008	205,000	4.400%
2009	230,000	4.400%
2010	235,000	4.700%
2011	260,000	4.750%
2012	275,000	4.800%
2013	290,000	5.000%
2014	305,000	4.800%
2015	320,000	4.900%
2020	1,850,000	5.000%

The Series 2001C Bonds shall be subject to redemption as follows:

The Series 2001C Bonds maturing December 1, 2012 and thereafter are subject to redemption at the option of the City on December 1, 2011 and any date thereafter, in whole or in part, and if in part in such order of maturity as the City shall determine and by lot within maturities, at a redemption price equal to 100% of the principal amount of Series 2001C Bonds redeemed plus accrued interest to the redemption date.

The Series 2001C Bonds maturing December 1, 2020 (the "Series 2001C Term Bonds") are subject to mandatory redemption by lot on December 1, 2016 and each December 1 thereafter, at a redemption price equal to 100% of par plus accrued interest to the redemption date, from sinking fund installments to be paid by the City in the following amounts:

<u>Redemption Date (December 1.)</u>	<u>Principal Amount to be Redeemed</u>
2016	\$335,000
2017	350,000
2018	365,000
2019	390,000
2020*	410,000

*Stated maturity

Notice of any redemption is to be given by mailing a copy of the notice of redemption by certified or registered, first-class postage prepaid mail, to the Underwriter and the registered owners of the Series 2001C Bonds to be redeemed, not less than thirty (30) days prior to the redemption date. Failure to give such notice or any defect therein with respect to any particular Bond will not affect the validity of redemption proceedings with respect to any other Bond.

Section 3. Book Entry Form; Paying Agent, Registrar and Transfer Agent. The Series 2001C Bonds shall be issued in book entry form through the facilities of The Depository Trust Company, a limited purpose trust company organized under the laws of the State of New York ("DTC"), as Securities Depository for the Series 2001C Bonds (the "Securities Depository"). Accordingly, for so long as DTC serves as Securities Depository, the Director of Finance of the City, or her successors, shall serve as Paying Agent, Transfer Agent and Registrar with respect to the Series 2001C Bonds. In the event that DTC shall cease to serve as Securities Depository, Council may appoint a suitable institution or institutions to act, instead of the Director of Finance, as Paying Agent, Transfer Agent and Registrar as contemplated by the Bond Ordinance.

Section 4. Additional Bonds and Other Obligations. This Section 4 is intended to and shall hereby clarify an ambiguity found in section 12(d) of the Bond Ordinance. Section 12(d) of the Bond Ordinance is hereby clarified as follows: In the first line of such Section 12(d) the word "average" is hereby declared to be surplusage and inconsistent with the remainder of said Section, and inconsistent with the Council's intent. Section 12(d) shall therefore be construed as if such word were not included in the first line of Section 12(d). The owners of the Series 2001C Bonds, by their acceptance of the Series 2001C Bonds, assent to the provisions of the Bond Ordinance as supplemented by this Supplemental Resolution. The form of the Bond shall be amended to incorporate the clarification set forth above.

Section 5. Reserve Fund. Pursuant to Section 17 of the Bond Ordinance, the amount required to be deposited to the Reserve Fund upon the delivery of the Series 2001C Bonds is hereby determined to be \$401,683.75 (an amount equal to the Maximum Annual Debt Service Requirements of the Series 2001 Bonds, i.e. \$2,412,680, less the amount deposited in the Reserve Fund pursuant to Section 17 of the Bond Ordinance and Section 5 of the First Supplemental Resolution upon the delivery of the Series 2001A and 2001B Bonds, i.e., \$2,010,996.25), subject to the limitations of such Section 17. Under the Bond Ordinance the City is permitted to provide a reserve fund surety policy of a qualified surety in such amount in lieu of a cash deposit.

Section 6. Financial Guaranty Insurance. As provided in the Bond Purchase Agreement, the delivery of the Series 2001C Bonds to the Underwriter shall be conditioned upon the issuance of a municipal bond insurance policy (the "Financial Guaranty Insurance Policy" or the "Policy") by Ambac Assurance Corporation in its capacity as issuer of the Policy (the "Bond Insurer"). The premium for such policy shall be paid as a cost of issuance of the Series 2001C Bonds. It is hereby found and determined that the amount of such premium is less than the present value of the interest savings resulting from the issuance of the Series 2001C Bonds with such insurance policy. Council hereby authorizes and directs the execution and delivery of all such documents as are necessary in connection with the issuance of the Policy. The City hereby adopts the following supplemental provisions, which shall govern the enforcement of the respective rights of the Bond Insurer, the City and the owners of the Series 2001C Bonds:

(a) **Definitions.** In addition to the terms defined in the Bond Ordinance and elsewhere throughout this Supplemental Resolution, which terms shall have the meanings set forth in such definitions whenever used herein, the following terms shall have the following meanings whenever used herein:

"Ambac Assurance" shall mean Ambac Assurance Corporation, a Wisconsin-domiciled stock insurance company.

"Financial Guaranty Insurance Policy" shall mean the financial guaranty insurance policy issued by Ambac Assurance insuring the payment when due of the principal of and interest on the Obligations as provided therein.

(b) **Consent of Ambac Assurance.** Any provision of the Ordinance or this Supplemental Resolution expressly recognizing or granting rights in or to Ambac Assurance may not be amended in any manner which affects the rights of Ambac Assurance hereunder without the prior written consent of Ambac Assurance.

(c) **Consent of Ambac Assurance in Addition to Holder Consent.** Unless otherwise provided in this Section, Ambac Assurance's consent shall be required in addition to Bondholder ("Holder") consent, when required, for the following purposes: (i) execution and delivery of any supplemental Bond Ordinance or any amendment, supplement or change to or modification of the Bond Ordinance (ii) removal of the Trustee or Paying Agent and selection and appointment of any successor trustee or paying agent; and (iii) initiation or approval of any action not described in (i) or (ii) above which requires Holder consent.

(d) **Consent of Ambac Assurance in the Event of Insolvency.** Any reorganization or liquidation plan with respect to the City as obligor (the "Obligor") must be acceptable to Ambac Assurance. In the event of any reorganization or liquidation, Ambac Assurance shall have the right to vote on behalf of all Holders who hold Ambac Assurance-insured Obligations absent a default by Ambac Assurance under the applicable Financial Guaranty Insurance Policy insuring such Obligations.

(e) **Consent of Ambac Assurance Upon Default.** Anything in this Supplemental Resolution to the contrary notwithstanding, upon the occurrence and continuance of an event of default as defined herein, Ambac Assurance shall be entitled to control and direct the enforcement of all rights and remedies granted to the Holders or the Trustee for the benefit of the Holders under this Supplemental Resolution.

(f) **Notices to be sent to the attention of the SURVEILLANCE DEPARTMENT.**

1. While the Financial Guaranty Insurance Policy is in effect, the Obligor shall furnish to Ambac Assurance (to the attention of the Surveillance Department, unless otherwise indicated):

a. as soon as practicable after the filing thereof, a copy of any financial statement of the Obligor and a copy of any audit and annual report of the Obligor;

b. such additional information it may reasonably request.

2. a copy of any notice to be given to the registered owners of the Obligations, including, without limitation, notice of any redemption of or defeasance of Obligations, and any certificate rendered pursuant to this Supplemental Resolution relating to the security for the Obligations.

3. To the extent that the Obligor has entered into a continuing disclosure agreement with respect to the Obligations, Ambac Assurance shall be included as party to be notified.

(g) *Notices to be sent to the attention of the GENERAL COUNSEL OFFICE.*

1. The Obligor shall notify Ambac Assurance of any failure of the Obligor to provide relevant notices, certificates, etc.

2. Notwithstanding any other provision of this Supplemental Resolution, the Obligor shall immediately notify Ambac Assurance if at any time there are insufficient moneys to make any payments of principal and/or interest as required and immediately upon the occurrence of any event of default hereunder.

(h) *Other Information to be given to Ambac Assurance.* The Obligor will permit Ambac Assurance to discuss the affairs, finances and accounts of the Obligor or any information Ambac Assurance may reasonably request regarding the security for the Obligations with appropriate officers of the Obligor. The Obligor will permit Ambac Assurance to have access to the Project and have access to and to make copies of all books and records relating to the Obligations at any reasonable time.

Ambac Assurance shall have the right to direct an accounting at the Obligor's expense, and the Obligor's failure to comply with such direction within thirty (30) days after receipt of written notice of the direction from Ambac Assurance shall be deemed a default hereunder; provided, however, that if compliance cannot occur within such period, then such period will be extended so long as compliance is begun within such period and diligently pursued, but only if such extension would not materially adversely affect the interests of any registered owner of the Obligations.

(i) *Permitted Investments.* While the Financial Guaranty Insurance Policy is in effect, Ambac Assurance will allow the following obligations to be used as Permitted Investments for all purposes, **including** defeasance investments in refunding escrow accounts. **Ambac Assurance does not give a premium credit for the investment of accrued and/or capitalized interest.**

1. Cash (insured at all times by the Federal Deposit Insurance Corporation or otherwise collateralized with obligations described in paragraph (2) below), or

2. Direct obligations of (including obligations issued or held in book entry form on the books of) the Department of the Treasury of the United States of America.

3. Senior debt obligations of other Government Sponsored Agencies approved by Ambac.

Ambac Assurance will allow the following Obligations to be used as Permitted Investments for all purposes other than defeasance investments in refunding escrow accounts.

1. Obligations of any of the following federal agencies which obligations represent the full faith and credit of the United States of America,

- a. Export-Import Bank
- b. Farm Credit System Financial Assistance Corporation
- c. Rural Economic Community Development Administration (formerly the Farmers Home Administration)
- d. General Services Administration
- e. U.S. Maritime Administration
- f. Small Business Administration
- g. Government National Mortgage Association (GNMA)
- h. U.S. Department of Housing & Urban Development (PHA's)
- i. Federal Housing Administration
- j. Federal Financing Bank;

2. Direct obligations of any of the following federal agencies which obligations are not fully guaranteed by the full faith and credit of the United States of America including:

- a. Senior debt obligations rated "Aaa" by Moody's and "AAA" by S&P issued by the Federal National Mortgage Association (FNMA) or Federal Home Loan Mortgage Corporation (FHLMC)
- b. Obligations of the Resolution Funding Corporation (REFCORP)
- c. Senior debt obligations of the Federal Home Loan Bank System
- d. Senior debt obligations of other Government Sponsored Agencies approved by Ambac;

3. U.S. dollar denominated deposit accounts, federal funds and bankers' acceptances with domestic commercial banks which have a rating on their short term certificates of deposit on the date of purchase of "P-1" by Moody's and "A-1" or "A-1+" by S&P and maturing no more than 360 calendar days after the date of purchase. (Ratings on holding companies are not considered as the rating of the bank.);

4. Commercial paper which is rated at the time of purchase in the single highest classification, "P-1" by Moody's and "A-1+" by S&P and which matures not more than 270 calendar days after the date of purchase;

5. Investments in a money market fund rated "AAAm" or "AAAm-G" or better by S&P;

6. Pre-refunded Municipal Obligations defined as follows: Any Obligations or other obligations of any state of the United States of America or of any agency, instrumentality or local governmental unit of any such state which are not callable at the option of the obligor prior to maturity or as to which irrevocable instructions have been given by the obligor to call on the date specified in the notice; and

- a. which are rated, based on an irrevocable escrow account or fund (the "escrow"), in the highest rating category of S&P and Moody's or any successors thereto; or

- b. (i) which are fully secured as to principal and interest and redemption premium, if any, by an escrow consisting only of cash or obligations described in paragraph A(2) above, which escrow may be applied only to the payment of such principal of and interest and redemption premium, if any, on such Obligations or other obligations on the maturity date or dates thereof or the specified redemption date or dates pursuant to such irrevocable instructions, as appropriate, and (ii) which escrow is sufficient, as verified by a nationally recognized independent certified public accountant, to pay principal of and interest and redemption premium, if any, on the Obligations or other obligations described in this paragraph on the maturity date or dates specified in the irrevocable instructions referred to above, as appropriate;

7. Municipal obligations rated "Aaa/AAA" or general obligations of States with a rating of at least "A2/A" or higher by both Moody's and S&P.

8. Investment agreements approved in writing by Ambac Assurance Corporation supported by appropriate opinions of counsel; and

9. Other forms of investments (including repurchase agreements) approved in writing by Ambac.

The value of the above investments shall be determined as follows:

"Value," which shall be determined as of the end of each month, means that the value of any investments shall be calculated as follows:

1. For securities:
 - a. the closing bid price quoted by Interactive Data Systems, Inc.; or
 - b. a valuation performed by a nationally recognized and accepted pricing service acceptable to Ambac whose valuation method consists of the composite average of various bid price quotes on the valuation date; or
 - c. the lower of two dealer bids on the valuation date. The dealers or their parent holding companies must be rated at least investment grade by Moody's and S&P and must be market makers in the securities being valued.
2. As to certificates of deposit and bankers' acceptances: the face amount thereof, plus accrued interest; and
3. As to any investment not specified above: the value thereof established by prior agreement between the Obligor, the Trustee and Ambac

(j) **Defeasance.** The definition of "Outstanding" Obligations or obligations, or any like concept, should specifically include Obligations or obligations which fall into the category described below.

Notwithstanding anything herein to the contrary, in the event that the principal and/or interest due on the Obligations shall be paid by Ambac Assurance Corporation pursuant to the Financial Guaranty Insurance Policy, the Obligations shall remain Outstanding for all purposes, not be defeased or otherwise satisfied and not be considered paid by the Obligor, and the assignment and pledge of the Trust Estate and all covenants, agreements and other obligations of the Obligor to the registered owners shall continue to exist and shall run

to the benefit of Ambac Assurance, and Ambac Assurance shall be subrogated to the rights of such registered owners.

(k) ***Payment Procedure Pursuant to the Financial Guaranty Insurance Policy.*** As long as the Obligation insurance shall be in full force and effect, the Obligor, the Trustee and any Paying Agent agree to comply with the following provisions:

1. At least one (1) day prior to all Interest Payment Dates the Trustee or Paying Agent, if any, will determine whether there will be sufficient funds in the Funds and Accounts to pay the principal of or interest on the Obligations on such Interest Payment Date. If the Trustee or Paying Agent, if any, determines that there will be insufficient funds in such Funds or Accounts, the Trustee or Paying Agent, if any, shall so notify Ambac Assurance. Such notice shall specify the amount of the anticipated deficiency, the Obligations to which such deficiency is applicable and whether such Obligations will be deficient as to principal or interest, or both. If the Trustee or Paying Agent, if any, has not so notified Ambac Assurance at least one (1) day prior to an Interest Payment Date, Ambac Assurance will make payments of principal or interest due on the Obligations on or before the first (1st) day next following the date on which Ambac Assurance shall have received notice of nonpayment from the Trustee or Paying Agent, if any.

2. the Trustee or Paying Agent, if any, shall, after giving notice to Ambac Assurance as provided in (a) above, make available to Ambac Assurance and, at Ambac Assurance's direction, to The Bank of New York, in New York, New York, as insurance trustee for Ambac Assurance or any successor insurance trustee (the "Insurance Trustee"), the registration books of the Obligor maintained by the Trustee or Paying Agent, if any, and all records relating to the Funds and Accounts maintained under this Supplemental Resolution.

3. the Trustee or Paying Agent, if any, shall provide Ambac Assurance and the Insurance Trustee with a list of registered owners of Obligations entitled to receive principal or interest payments from Ambac Assurance under the terms of the Financial Guaranty Insurance Policy, and shall make arrangements with the Insurance Trustee (i) to mail checks or drafts to the registered owners of Obligations entitled to receive full or partial interest payments from Ambac Assurance and (ii) to pay principal upon Obligations surrendered to the Insurance Trustee by the registered owners of Obligations entitled to receive full or partial principal payments from Ambac Assurance.

4. the Trustee or Paying Agent, if any, shall, at the time it provides notice to Ambac Assurance pursuant to (a) above, notify registered owners of Obligations entitled to receive the payment of principal or interest thereon from Ambac Assurance (i) as to the fact of such entitlement, (ii) that Ambac Assurance will remit to them all or a part of the interest payments next coming due upon proof of Holder entitlement to interest payments and delivery to the Insurance Trustee, in form satisfactory to the Insurance Trustee, of an appropriate assignment of the registered owner's right to payment, (iii) that should they be entitled to receive full payment of principal from Ambac Assurance, they must surrender their Obligations (along with an appropriate instrument of assignment in form satisfactory to the Insurance Trustee to permit ownership of such Obligations to be registered in the name of Ambac Assurance) for payment to the Insurance Trustee, and not the Trustee or Paying Agent, if any, and (iv) that should they be entitled to receive partial payment of principal from Ambac Assurance, they must surrender their Obligations for payment thereon first to the Trustee or Paying Agent, if any, who shall note on such Obligations the portion of the principal paid by the Trustee or Paying Agent, if any, and then, along with an appropriate instrument of assignment in form satisfactory to the Insurance Trustee, to the Insurance Trustee, which will then pay the unpaid portion of principal.

5. in the event that the Trustee or Paying Agent, if any, has notice that any payment of principal of or interest on an Obligation which has become Due for Payment and which is made to a Holder by or on behalf of the Obligor has been deemed a preferential transfer and theretofore recovered from its registered owner pursuant to the United States Bankruptcy Code by a trustee in bankruptcy in accordance with the final, nonappealable order of a court having competent jurisdiction, the Trustee or Paying Agent, if any, shall, at the time Ambac Assurance is notified pursuant to (a) above, notify all registered owners that in the event that any registered owner's payment is so recovered, such registered owner will be entitled to payment from Ambac Assurance to the extent of such recovery if sufficient funds are not otherwise available, and the Trustee or Paying Agent, if any, shall furnish to Ambac Assurance its records evidencing the payments of principal of and interest on the Obligations which have been made by the Trustee or Paying Agent, if any, and subsequently recovered from registered owners and the dates on which such payments were made.

6. in addition to those rights granted Ambac Assurance under this Supplemental Resolution, Ambac Assurance shall, to the extent it makes payment of principal of or interest on Obligations, become subrogated to the rights of the recipients of such payments in accordance with the terms of the Financial Guaranty Insurance Policy, and to evidence such subrogation (i) in the case of subrogation as to claims for past due interest, the Trustee or Paying Agent, if any, shall note Ambac Assurance's rights as subrogee on the registration books of the Obligor maintained by the Trustee or Paying Agent, if any, upon receipt from Ambac Assurance of proof of the payment of interest thereon to the registered owners of the Obligations, and (ii) in the case of subrogation as to claims for past due principal, the Trustee or Paying Agent, if any, shall note Ambac Assurance's rights as subrogee on the registration books of the Obligor maintained by the Trustee or Paying Agent, if any, upon surrender of the Obligations by the registered owners thereof together with proof of the payment of principal thereof.

(l) *Paying Agent-Related Provisions.*

The Trustee (or Paying Agent) may be removed at any time, at the request of Ambac Assurance, for any breach of the Trust set forth herein.

Ambac Assurance shall receive prior written notice of any Trustee (or Paying Agent) resignation.

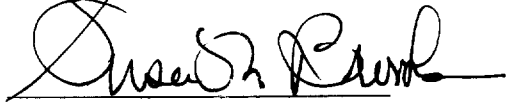
Every successor Trustee appointed pursuant to this Section shall be a trust company or bank in good standing located in or incorporated under the laws of the State, duly authorized to exercise trust powers and subject to examination by federal or state authority, having a reported capital and surplus of not less than \$75,000,000 and acceptable to Ambac Assurance. Any successor Paying Agent, if applicable, shall not be appointed unless Ambac approves such successor in writing.

Notwithstanding any other provision of this Supplemental Resolution, in determining whether the rights of the Holders will be adversely affected by any action taken pursuant to the terms and provisions of this Supplemental Resolution, the Trustee (or Paying Agent) shall consider the effect on the Holders as if there were no Financial Guaranty Insurance Policy.

Notwithstanding any other provision of this Supplemental Resolution, no removal, resignation or termination of the Trustee (or Paying Agent) shall take effect until a successor, acceptable to Ambac, shall be appointed.

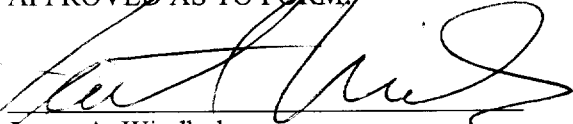
(m) *Ambac as Third Party Beneficiary.* To the extent that this Supplemental Resolution confers upon or gives or grants to Ambac any right, remedy or claim under or by reason of this Supplemental Resolution,

ATTEST:



Susan M. Brooks, MMC
City Clerk

APPROVED AS TO FORM:

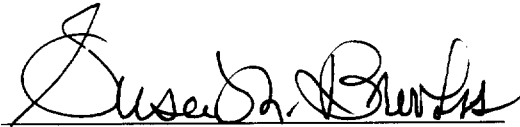


James A. Windholz
City Attorney

I, Susan M. Brooks, City Clerk of the City of Golden, Colorado, do hereby certify that the foregoing is a true copy of a certain Resolution adopted by the City Council of the City of Golden, Colorado at a special meeting thereof held on the 19th day of July, A.D., 2001.

(SEAL)

ATTEST:



Susan M. Brooks, City Clerk of the City of
Golden, Colorado

(m) **Ambac as Third Party Beneficiary.** To the extent that this Supplemental Resolution confers upon or gives or grants to Ambac any right, remedy or claim under or by reason of this Supplemental Resolution, Ambac is hereby explicitly recognized as being a third-party beneficiary hereunder and may enforce any such right remedy or claim conferred, given or granted hereunder.

(n) **Parties Interested Herein.** Nothing in this Supplemental Resolution expressed or implied is intended or shall be construed to confer upon, or to give or grant to, any person or entity, other than the Obligor, the Trustee, Ambac Assurance, the Paying Agent, if any, and the registered owners of the Obligations, any right, remedy or claim under or by reason of this Supplemental Resolution or any covenant, condition or stipulation hereof, and all covenants, stipulations, promises and agreements in this Supplemental Resolution contained by and on behalf of the Obligor shall be for the sole and exclusive benefit of the Obligor, the Trustee, Ambac Assurance, the Paying Agent, if any, and the registered owners of the Obligations.

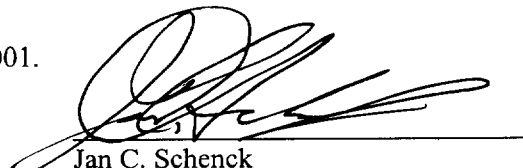
Section 7. Golf Course Improvement Bonds. At such time as the Construction Project has been completed, the City shall allocate a portion of the proceeds of the Series 2001C Bonds to golf course improvements, proportionately among the various maturities of the Series 2001C Bonds, based upon the relative amount, if any, of the net proceeds of the Series 2001C Bonds used to finance golf course improvements. The Series 2001C Bonds to which such allocation is made, if any, together with the Series 2001B Bonds to which such allocation is made pursuant to the First Supplemental Resolution, are hereby designated "Golf Course Improvement Bonds." The City intends to use any golf course revenues remaining after payment of operation and maintenance costs, to pay principal and interest on the Golf Course Improvement Bonds, provided that such revenues are not subject to any pledge or lien created herein for such payment.

Section 8. Incidental Action. The action taken by the Council in authorizing the issuance of the Series 2001C Bonds, and the actions of the officials of the City, its agents, attorneys and employees in arranging for the execution and delivery of the same pursuant to the Bond Ordinance, are hereby ratified and confirmed. The Mayor, the City Clerk and the other officials of the City are hereby authorized and directed to take such actions as may be necessary or appropriate in order to effectuate the execution and delivery of the Series 2001C Bonds, the Bond Purchase Agreement, a Continuing Disclosure Undertaking in substantially the form previously filed with the City Clerk and any such other documents as may be necessary or appropriate (including the approval of changes in such documents which bond counsel and the City Attorney hereafter approve and which do not alter the basic terms and substance of the proposed transactions) and the performance of the obligations of the City thereunder, all in accordance with this Resolution and the provisions of the Bond Ordinance.

Section 9. General Repealer. All prior resolutions or parts thereof inconsistent herewith are hereby repealed.

Section 10. Effective Date. This Resolution shall take effect immediately and without reconsideration on this, the 19th day of July, 2001.

Adopted on the 19th day of July, 2001.


Jan C. Schenck
Mayor