
BOND ORDINANCE

CITY OF BRIGHTON, COLORADO

**WATER ACTIVITY ENTERPRISE
REVENUE BONDS (WATER SYSTEM PROJECT),
SERIES 2025**

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(This Table of Contents is not a part of this
Bond Ordinance and is only for convenience of reference)

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ORDINANCE NO. 2469
INTRODUCED BY: Fiedler

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF BRIGHTON, COLORADO, AUTHORIZING THE ISSUANCE AND SALE OF CITY OF BRIGHTON, COLORADO, WATER ACTIVITY ENTERPRISE REVENUE BONDS (WATER SYSTEM PROJECT), SERIES 2025, TO FINANCE A NEW WATER TREATMENT FACILITY, PAYABLE SOLELY OUT OF THE NET REVENUES TO BE DERIVED FROM THE OPERATION OF THE CITY'S WATER AND WASTEWATER FACILITIES; PROVIDING OTHER DETAILS CONCERNING THE BONDS, INCLUDING, WITHOUT LIMITATION, COVENANTS AND AGREEMENTS IN CONNECTION THEREWITH

WHEREAS, the City of Brighton, Colorado (the "City") is a home rule municipal corporation duly organized and existing under the City's Home Rule Charter (the "Charter") adopted pursuant to Article XX of the Constitution of the State of Colorado ; and

WHEREAS, the members of the City Council of the City (the "City Council") have been duly elected or appointed and qualified; and

WHEREAS, the City has heretofore determined and undertaken to combine, operate, and maintain its water and wastewater facilities as a single public utility and income-producing project and accounts for the financial operations of the System (as hereinafter defined) in the City's Water and Sewer Enterprise Fund; and

WHEREAS, the City Council has heretofore established, pursuant to the Charter, the provisions of Title 37, Article 45.1, C.R.S. (the "Water Activity Act") and Ordinance No. 1470 of the City adopted on May 16, 1995 (the "Enterprise Ordinance") the "City of Brighton Water Activity Enterprise" (the "Enterprise"); and

WHEREAS, the Enterprise consists of the business represented by all of the City's water and wastewater facilities and properties, now owned or hereafter acquired, whether situated within or without the City boundaries, including all present or future improvements, extensions, enlargements, betterments, replacements or additions thereof or thereto (the "System"); and

WHEREAS, pursuant to the Enterprise Ordinance, the governing body of the Enterprise is the City Council and is subject to all of the applicable laws, rules and regulations pertaining to the City Council; and

WHEREAS, pursuant to the Enterprise Ordinance, whenever the City Council is in session, the governing body of the Enterprise shall also be deemed to be in session, and it shall not be necessary for the governing body of the Enterprise to meet separately from the regular and special meetings of the City Council, nor shall it be necessary for the governing body to specifically announce or acknowledge that actions taken thereby are taken by the governing body of the Enterprise; and

WHEREAS, pursuant to the Enterprise Ordinance, the Enterprise is authorized to issue bonds, notes, or other obligations payable from the revenues

derived or to be derived from the System, in accordance with the Water Activity Act, and the City Council may also authorize the issuance of such bonds, notes, or other obligations in accordance with applicable State laws, and in so doing shall be deemed to be acting as both the governing body of the Enterprise and the City Council; and

WHEREAS, the City Council proposes to acquire, construct, extend, better, otherwise improve and equip the System (the "Project"); and

WHEREAS, the City intends to issue its "City of Brighton, Colorado, Water Activity Enterprise Revenue Bonds (Water System Project), Series 2025" (the "Series 2025 Bonds") to finance a portion of the cost of the Project relating to the City's water system; and

WHEREAS, the City, acting by and through the Enterprise, is authorized pursuant to Article X, Section 20 of the Colorado Constitution ("TABOR"), the Charter, Title 31, Article 35, Part 4, C.R.S. (the "Act"), and the Water Activity Act, to issue the Series 2025 Bonds without an election to defray the cost of the Project; and

WHEREAS, the City previously issued its "City of Brighton, Colorado, Water Activity Enterprise Revenue Refunding Bonds (Water System Project), Series 2016A" in the original principal amount of \$20,945,000 (the "Series 2016A Bonds"), its "City of Brighton, Colorado, Water Activity Enterprise Revenue Refunding Bonds (Sewer System Project), Series 2016B" in the original principal amount of \$6,325,000 (the "Series 2016B Bonds"), its "City of Brighton, Colorado, Water Activity Enterprise Revenue Bonds (Water System Project), Series 2022" in the original aggregate principal amount of \$77,685,000 (the "Series 2022 Bonds") and its "City of Brighton, Colorado, Taxable Water Activity Enterprise Revenue Note, Series 2023" in the original aggregate principal amount of \$31,599,000 (the "Series 2023 Note" and together with the Series 2016A Bonds, the Series 2016B Bonds and the Series 2022 Bonds, the "Prior Bonds") that are secured by a pledge of the Net Revenues (hereinafter defined) of the System; and

WHEREAS, except for the Prior Bonds, the City has not pledged nor in any way hypothecated revenues derived and to be derived directly or indirectly from the operation of the System to the payment of any outstanding securities or for any other purpose (excluding securities which have heretofore been redeemed in full, as to all principal, premium, if any, and interest, or are otherwise not outstanding) and with the result that the Net Revenues may now be pledged lawfully and irrevocably for the payment of the Series 2025 Bonds on a parity with the outstanding Prior Bonds, and they may be made payable from the Net Revenues; and

WHEREAS, the Series 2025 Bonds will be payable solely from the Net Revenues of the System and certain special funds pledged to the payment of the Series 2025 Bonds, and the Series 2025 Bonds shall not constitute an indebtedness or a debt of the City within the meaning of any constitutional, 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 special and limited obligations; and

WHEREAS, at a public sale to be held in connection with the sale of the Series 2025 Bonds, the City anticipates receiving a proposal from a purchaser for the purchase of the 2025 Bonds; and

WHEREAS, pursuant to Section 11-57-205, Colorado Revised Statutes, as amended, the City Council desires to delegate to the City Manager and the Finance Director the independent authority to accept a binding bid to purchase the Series 2025 Bonds and to make certain other determinations with respect to the Series 2025 Bonds; and

WHEREAS, the City Council has determined and does hereby declare:

A. In order to meet the present and future needs of the City, it is necessary to acquire, construct, extend, better, otherwise improve and equip the System;

B. It is necessary and in the best interests of the City to issue the Series 2025 Bonds to defray a portion of the cost of the Project;

C. Net Revenues from the System shall be pledged to the payment of the Series 2025 Bonds on a parity with the outstanding Prior Bonds;

D. The Series 2025 Bonds shall be sold by competitive sale, and such sale is in the best interest of the City; and

E. All action preliminary to the authorization of the issuance of the Series 2025 Bonds has been taken.

WHEREAS, there are on file with the City Clerk the forms of the following documents (which are hereinafter defined): (i) the form of the Notice of Sale to be used in connection with the competitive sale of the Series 2025 Bonds (the "Notice of Sale"); (ii) the form of the Paying Agent Agreement; (iii) the form of a Preliminary Official Statement for the Series 2025 Bonds; and (iv) the form of the Continuing Disclosure Certificate; and

WHEREAS, it is necessary to provide for the form of the Series 2025 Bonds, the Bond details, the payment of the Series 2025 Bonds, and other provisions relating to the authorization, issuance, and sale of the Series 2025 Bonds.

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF BRIGHTON, COLORADO, AS FOLLOWS:

ARTICLE I
DEFINITIONS

Section 101. Title. This Ordinance shall be known as and may be cited by the short title "Bond Ordinance" or this "Ordinance".

Section 102. Meanings and Construction.

A. Definitions. The terms in this Section for all purposes of this Ordinance and of any ordinance amendatory hereof or supplemental hereto, or relating hereto, and of any other ordinance or any other document pertaining hereto, except where the context by clear implication otherwise requires, shall have the meanings herein specified:

"acquire" or "acquisition" means the opening, laying out, establishment, purchase, construction, securing, installation, reconstruction, lease, gift, grant from the Federal Government, the State, any body corporate and politic therein, or any other Person, the endowment, bequest, devise, transfer, assignment, option to purchase, other contract, or other acquisition, or any combination thereof, of any properties pertaining to the System, or an interest therein, or any other properties herein designated.

"Act" means Title 31, Article 35, Part 4, C.R.S.

"Bond Counsel" means an attorney or a firm of attorneys of nationally recognized standing in matters pertaining to the tax status of interest on bonds issued by states and their political subdivisions, duly admitted to the practice of law before the highest court of any state of the United States of America or the District of Columbia.

"Bond Insurance Policy" means, collectively, the municipal bond insurance policy or policies issued by the Bond Insurer that guarantees payment of principal of and interest on the Series 2025 Bonds when due, if set forth in the Sale Certificate. If the Series 2025 Bonds are not secured by a Bond Insurance Policy, all references herein to the Bond Insurance Policy and the Bond Insurer shall be of no force and effect.

"Bond Insurer" means the issuer of the Bond Insurance Policy, if set forth in the Sale Certificate.

"Business Day" a day on which banks located in the City and in the city in which the principal offices of the Paying Agent are not required or authorized to be closed and on which the New York Stock Exchange is not closed and a day other than Saturday and Sunday.

"Capital Improvements" means the acquisition of land, water or water rights, easements, facilities, and equipment (other than ordinary repairs and replacements), and the construction or reconstruction of improvements, betterments, and extensions, for use by or in connection with the System which, under Generally

Accepted Accounting Principles for governmental units as described by the Governmental Accounting Standards Board, are properly chargeable as capital items.

“Charter” means the Home Rule Charter of the City.

“City” means the City of Brighton, Colorado, or any successor municipal corporation owning the System.

“City Clerk” means the City Clerk of the City, or his or her successor in functions.

“City Council” means the City Council of the City, or any successor in functions thereto.

“City Manager” means the City Manager of the City, or his or her successor in functions.

“Closing Date” means the date of delivery of and payment for the Series 2025 Bonds.

“Combined Maximum Annual Debt Service Requirements” means the Maximum Annual Debt Service Requirements for all designated securities for which such computation is being made, treated as a single issue.

“Commercial Bank” means a state or national bank or trust company which is a member of the Federal Deposit Insurance Corporation (or any successors thereto) and of the Federal Reserve System, which has a capital and surplus of \$10,000,000 or more, and which is located within the United States of America.

“Continuing Disclosure Certificate” means the Continuing Disclosure Certificate executed by the City in connection with the issuance of the Series 2025 Bonds, which constitutes an undertaking pursuant to Rule 15c2-12 promulgated by the U.S. Securities and Exchange Commission.

“Costs of Issuance” means all financial, legal and accounting fees and expenses, any premiums for the Bond Insurance Policy or the Reserve Fund Insurance Policy, the fees and expenses of the rating agencies, the fees and expenses of the Paying Agent and the Registrar, and all costs of printing, mailing, publication and other similar costs incurred in connection with the offer, sale and issuance of the Series 2025 Bonds.

“Costs of Issuance Account” means the “City of Brighton, Colorado, Water Activity Enterprise Revenue Bonds, Series 2025 Costs of Issuance Account” created in the Paying Agent Agreement.

“Cost of the Project” means all costs, as designated by the City, of the Project, or any interest therein, which costs, at the option of the City (except as may be otherwise limited by law) may include all, any one or other portion of the incidental costs pertaining to the Project, including, without limitation:

(a) All preliminary expenses or other costs, including without limitation working capital costs, advanced by the City or advanced by the Federal Government, the State or by any other Person from any source, or any combination thereof, or otherwise;

(b) The costs of making surveys and tests, audits, preliminary plans, other plans, specifications, estimates of costs and other preliminary expenses;

(c) The costs of contingencies;

(d) The costs of premiums on any builders' risk insurance and performance bonds during the construction, installation and other acquisition of the Project, or a reasonably allocated share thereof;

(e) The costs of appraising, printing, estimates, advice, inspection, other services of engineers, architects, accountants, financial consultants, attorneys at law, clerical help and other agents and employees;

(f) The costs of making, publishing, posting, mailing and otherwise giving any notice in connection with the Project and the issuance of the Series 2025 Bonds;

(g) All costs and expenses of issuing the Series 2025 Bonds including, without limitation, fees of the Paying Agent and Registrar, bond counsel, counsel to the Purchaser, financial advisor, rating agencies and printers to the extent not defrayed as an Operation and Maintenance Expense;

(h) The costs of the filing or recording of instruments and the cost of any title insurance premiums;

(i) The costs of funding any construction loans and other temporary loans pertaining to the Project and of the incidental expenses incurred in connection with such loans;

(j) The costs of demolishing, removing, or relocating any buildings, structures, or other facilities on land acquired for the Project, and of acquiring lands to which such buildings, structures or other facilities may be moved or relocated;

(k) The costs of machinery and equipment;

(l) The costs of any properties, rights, easements or other interests in properties, or any licenses, privileges, agreements and franchises;

(m) The payment of the premium for the Bond Insurance Policy and Reserve Fund Insurance Policy, if any;

(n) The costs of labor, material and obligations incurred to contractors, builders and materialmen in connection with the acquisition and construction of the Project;

(o) The costs of amending any ordinance, resolution or other instrument pertaining to the Series 2025 Bonds or otherwise to the System; and

(p) All other costs and expenses pertaining to the Project, including any costs and expenditures required by law.

“C.R.S.” means the Colorado Revised Statutes, as amended and supplemented as of the date hereof.

“Debt Service Requirements” means the principal of, any prior redemption premiums due in connection with, and the interest on any outstanding Series 2025 Bonds, any Parity Lien Bonds, and any other securities payable from the Net Revenues and heretofore or hereafter issued, if any, or such part of such securities as may be designated.

“Dedicated Capital Charges” means any future capital charges imposed by the City which, on or about the time of imposition, are identified by the City to be excluded from Gross Revenue.

“Depository” means any securities depository as the City may provide and appoint, in accordance with the guidelines of the Securities and Exchange Commission, which shall act as securities depository for the Series 2025 Bonds.

“DTC” means the Depository Trust Company, New York, New York, or its successors or assigns.

“Enterprise” means the City's Water Activity Enterprise established by the Enterprise Ordinance.

“Enterprise Ordinance” means Ordinance No. 1470 of the City adopted on May 16, 1995 establishing the Enterprise, as it may be amended from time to time.

“Events of Default” means the events stated in Section 1003 hereof.

“Federal Government” means the United States of America and any agency, instrumentality or corporation thereof.

“Federal Securities” means bills, certificates of indebtedness, notes, bonds or other similar instruments which are direct non-callable obligations of the United States of America or which are fully and unconditionally guaranteed as to the timely payment of principal and interest by the United States of America.

“Finance Director” means the chief financial officer of the City, or his or her successor in functions, if any.

“Fiscal Year” means the calendar year or any other 12 month period hereafter selected by the City as its fiscal year.

“Gross Revenues” means all income and revenues directly or indirectly derived by the City from the ownership, operation and use of the System, or any part thereof, including without limitation, any rates, fees, and charges for the services furnished by, the use of the System, and investment income accruing from moneys held to the credit of the Water Activity Enterprise Fund; provided however, that there shall be excluded from Gross Revenue (i) Dedicated Capital Charges, (ii) borrowed moneys, (iii) any money and securities, and investment income therefrom, in any escrow or similar account pledged to the payment of any bonds or other obligations in connection with a defeasance or refunding of such obligations, and (iv) any moneys received as grants or appropriations from the United States, the State of Colorado, or other sources, the use of which is limited or restricted by the grantor or donor to the provision of Capital Improvements or for other purposes resulting in the general unavailability thereof (except to the extent any such moneys shall be received as payments for the use of the System or services rendered thereby).

“improve” or “improvement” means the extension, reconstruction, alteration, betterment or other improvement by the construction, purchase or other acquisition of facilities, including, without limitation, appurtenant machinery, apparatus, fixtures, structures and buildings.

“Independent Accountant” means an independent certified public accountant within the meaning of Section 12-2-115, C.R.S., and any amendment thereto, licensed to practice in the State of Colorado.

“Interest Payment Date” means the dates set forth in the Sale Certificate for payment of interest on the Series 2025 Bonds.

“Investment Securities” means any securities or other obligations permitted as investments of moneys of the City under the laws of the State and the Charter.

“Maximum Annual Debt Service Requirements” means the maximum aggregate amount of Debt Service Requirements (excluding redemption premiums) due on the securities for which such computation is being made in any Fiscal Year beginning with the Fiscal Year in which Debt Service Requirements of such securities are first payable after the computation date and ending with the Fiscal Year in which the last of the Debt Service Requirements are payable.

“Mayor” means the Mayor of the City, or his or her successor in functions.

“Metro” means Metro Water Recovery, formerly known as the Metro Wastewater Reclamation District and Metropolitan Denver Sewage Disposal District No. 1, a wastewater treatment authority headquartered in Denver, Colorado, or its successor.

“Net Revenues” means the Gross Revenues remaining after the payment of the Operation and Maintenance Expenses of the System.

“Notice of Sale” means the Notice of Sale related to the competitive sale of the Series 2025 Bonds.

“Official Statement” means the Official Statement delivered in connection with the original issuance and sale of the Series 2025 Bonds.

“Operation and Maintenance Expenses” means for any particular period, all reasonable and necessary current expenses, paid or accrued, of operating, maintaining and repairing the System, but only if such charges are made in conformity with Generally Accepted Accounting Principles. Operation and Maintenance Expenses include, without limiting the generality of the foregoing, expenses for ordinary repairs, renewals and replacements of the System, salaries and wages, employees' health, hospitalization, pension and retirement expenses, fees for services, material and supplies, rents, administrative and general expenses, insurance expenses, legal, engineering, accounting, trustee, paying agent and financial advisory fees and expenses and costs of other consulting and technical services, taxes (except as hereinafter set forth), payments in lieu of taxes and other governmental charges, payments to the United States Treasury pursuant to Section 148(f) of the Tax Code or similar requirement to pay rebate, fuel costs and other current expenses or obligations required to be paid by the City by law, all to the extent properly allocable to the System. Such Operation and Maintenance Expenses do not include depreciation or obsolescence charges or reserves therefor, amortization of intangibles or other bookkeeping entries of a similar nature, interest charges and charges for the payment of principal, or amortization, or bonded or other indebtedness of the City, costs or charges made therefor, for capital additions, replacements, betterments, extensions or improvements to or retirements from the System which under Generally Accepted Accounting Principles are properly chargeable to the capital account or the reserve for depreciation, and do not include losses from the sale, abandonment, reclassification, revaluation or other disposition of any properties of the System nor such property items, including taxes and fuels, which are capitalized pursuant to the then existing accounting practice of the City. For purposes of this paragraph, “Generally Accepted Accounting Principles” means accounting principles, methods and terminology followed and construed for enterprises which are employed in business comparable to the business of the City, as amended from time to time.

“Outstanding” when used with reference to the Series 2025 Bonds, Parity Lien Bonds, or any other designated securities and as of any particular date means all the Series 2025 Bonds, Parity Lien Bonds, or any such other securities payable from the Net Revenues or otherwise pertaining to the System, as the case may be, in any manner theretofore and thereupon being executed and delivered:

- (a) Except any Series 2025 Bond or other security canceled by the City, by any paying agent, or otherwise on the City's behalf, at or before such date;

(b) Except any Series 2025 Bond or other security deemed to be paid as provided in Section 1201 hereof or any similar provision of the ordinance authorizing the issuance of such other security;

(c) Except any Series 2025 Bond or other security in lieu of or in substitution for which another Series 2025 Bond or other security shall have been executed and delivered pursuant to Sections 306, 307 or 1106 hereof or any similar provisions of the ordinance authorizing the issuance of such other security.

“Owner” means the registered owner of any designated Series 2025 Bond or other designated security.

“Parity Bond Ordinances” means the 2016 Bond Ordinance, the 2022 Bond Ordinance, the 2023 Note Ordinance and any ordinances hereafter adopted by the City Council authorizing the issuance of Parity Lien Bonds. Parity Bond Ordinances shall also include any agreements hereinafter entered into by the City relating to the execution and delivery of Parity Lien Bonds.

“Parity Lien Bonds” means the Prior Bonds and any other securities hereafter issued payable from and having an irrevocable lien upon all or a portion of the Net Revenues on a parity with the Series 2025 Bonds.

“Paying Agent” means UMB Bank, n.a., in Denver, Colorado, being the agent of the City for the payment of the Debt Service Requirements due in connection with the Series 2025 Bonds, its successors and assigns, or any other entity serving as paying agent for the Series 2025 Bonds.

“Paying Agent Agreement” means the Registrar and Paying Agent Agreement between the City and the entity serving as Paying Agent and Registrar.

“Person” means a corporation, firm, other body corporate (including, without limitation, the Federal Government, the State, or any other body corporate and politic other than the City), partnership, limited liability company, association or individual, and also includes an executor, administrator, trustee, receiver or other representative appointed according to law.

“Preliminary Official Statement” means the Preliminary Official Statement delivered in connection with the original issuance and sale of the Series 2025 Bonds.

“Principal Payment Date” means the dates set forth in the Sale Certificate for the payment of the principal of the Series 2025 Bonds.

“Prior Bonds” means, collectively, the Series 2016 Bonds, the Series 2022 Bonds and the Series 2023 Note.

“Pro Rata Portion” means the dollar amount derived by dividing the amount of principal or interest to come due on the next Principal Payment Date or Interest Payment Date by the number of monthly credits required to be made prior to such payment date.

“Project” means (i) the land, facilities and rights constructed, installed, purchased and otherwise acquired for the System, the cost of which is to be defrayed with the proceeds of the Series 2025 Bonds, and (ii) the costs of issuing the Series 2025 Bonds.

“Project Fund” means the special fund designated as the “City of Brighton, Colorado, Water Activity Enterprise Revenue Bonds, Series 2025 Project Fund” created pursuant to Section 501(C) hereof.

“Purchaser” means the initial purchaser of the Series 2025 pursuant to the competitive sale.

“Rebate Fund” means the special fund designated as the “City of Brighton, Colorado, Water Activity Enterprise Revenue Bonds, Series 2025 Rebate Fund” created pursuant to Section 607 hereof.

“Record Date” means the close of business on the fifteenth day (whether or not a Business Day) of the calendar month next preceding an Interest Payment Date.

“Redemption Date” means the date fixed for the redemption prior to their respective maturities of any Series 2025 Bonds or other designated securities.

“Registrar” means UMB Bank, n.a., Denver, Colorado, being the agent for the City for the registration, transfer and exchange of the Series 2025 Bonds, its successors and assigns, or any other entity serving as registrar for the Series 2025 Bonds.

“Reserve Fund” means the Reserve Fund, if any, established to secure the payment of the Debt Service Requirements on all or any portion of the Series 2025 Bonds in accordance with the provisions of the Sale Certificate and Section 606 hereof. If a Reserve Fund is created in the Sale Certificate, the terms and provisions of the Sale Certificate relating to the Reserve Fund shall be incorporated herein as if set forth herein. If a Reserve Fund is not created in the Sale Certificate, all references herein to the Reserve Fund shall be of no force and effect.

“Reserve Fund Insurance Policy” means any insurance policy, surety bond, irrevocable letter of credit or similar instrument deposited in or credited to the Reserve Fund in lieu of or in partial substitution for moneys on deposit therein.

“Reserve Fund Requirement” has the meaning ascribed to such term in the Sale Certificate. If a Reserve Fund is not created in the Sale Certificate, all references herein to the Reserve Fund Requirement shall be of no force and effect.

“Sale Certificate” means a certificate or certificates, executed by either the City Manager or the Finance Director, dated on or before the date of delivery of the Series 2025 Bonds, setting forth the determinations that may be delegated to such officials pursuant to the Supplemental Act.

“Series 2016 Bonds” means, collectively, the Series 2016A Bonds and the Series 2016B Bonds.

“Series 2016A Bonds” means the City's Water Activity Enterprise Revenue Refunding Bonds (Water System Project), Series 2016A.

“Series 2016B Bonds” means the City's Water Activity Enterprise Revenue Refunding Bonds (Sewer System Project), Series 2016B.

“Series 2022 Bonds” means the City's Water Activity Enterprise Revenue Bonds (Water System Project), Series 2022, issued to defray a portion of the costs of the Project.

“Series 2023 Note” means the City's Taxable Water Activity Enterprise Revenue Note, Series 2023, issued to finance the payment in full of the City's obligations under the Sewage Treatment and Disposal Agreement (Service Contract), dated April 2, 2009, as amended, between the City and Metro so that the City can transfer wastewater flows to Metro to be treated by Metro's wastewater facilities.

“Series 2025 Bonds” means the City's Water Activity Enterprise Revenue Bonds (Water System Project), Series 2025, issued to defray a portion of the costs of the Project.

“Special Record Date” means a special date fixed by the Paying Agent to determine the names and addresses of Owners of Series 2025 Bonds for the purpose of paying interest on a special interest payment date for the payment of defaulted interest, all as further provided in Section 302 hereof.

“State” means the State of Colorado.

“Subordinate Securities” means securities payable from all or a portion of the Net Revenues subordinate and junior to the lien thereon of the Prior Bonds, the Series 2025 Bonds and any Parity Lien Bonds.

“Supplemental Act” means Part 2 of Article 57 of Title 11, Colorado Revised Statutes, as amended.

“Surety Provider” means the entity issuing a Reserve Fund Insurance Policy to secure the Series 2025 Bonds, if set forth in the Sale Certificate.

“System” means the City's joint water and sanitary sewer facilities and properties, now owned or hereafter acquired, whether situated within or without the City's boundaries, including all present or future improvements, extension, enlargements, betterments, replacements or additions thereof or thereto, and such defined term includes any other utility or other income-producing facilities added to the System and to which the lien and pledge herein provided are extended by ordinance adopted by the City Council or the qualified electors of the City.

“Tax Code” means the Internal Revenue Code of 1986, as amended to the date of delivery of the Series 2025 Bonds, and the regulations promulgated thereunder.

“Tax Compliance Certificate” means the Tax Compliance and No-Arbitrage Certificate executed by the City in connection with the initial issuance and delivery of the Series 2025 Bonds as it may from time to time be amended.

“Term Bonds” means Series 2025 Bonds that are payable on or before their specified maturity dates from sinking fund payments established for that purpose and calculated to retire such Series 2025 Bonds on or before their specified maturity dates.

“Trust Bank” means a Commercial Bank which is authorized to exercise and is exercising trust powers located within or without the State, and also means any branch of the Federal Reserve Bank.

“Water Activity Act” means Title 37 of Article 45.1 C.R.S.

“Water Activity Enterprise Fund” means, collectively, the City's Water Fund and Waste Water Fund, and/or such additional or separate special funds or accounts of the City into which the City credits all or a portion of the Gross Revenues of the System.

“2016 Bond Account” means the special fund designated as the “City of Brighton, Colorado, Water Activity Enterprise Revenue Refunding Bonds, Series 2016 Bond Account” established in connection with the issuance of the Series 2016 Bonds.

“2016 Bond Ordinance” means Ordinance No. 2235 of the City authorizing the issuance of the Series 2016 Bonds adopted by the City Council.

“2016 Rate Stabilization Account” means the “City of Brighton, Colorado, Water and Sewer Revenue Rate Stabilization Account” created pursuant to Section 6.05 of the 2016 Bond Ordinance.

“2022 Bond Account” means the special fund designated as the “City of Brighton, Colorado, Water Activity Enterprise Revenue Bonds (Water System Project), Series 2022 Bond Account” established in connection with the issuance of the Series 2022 Bonds.

“2022 Bond Ordinance” means Ordinance No. 2396 of the City authorizing the issuance of the Series 2022 Bonds adopted by the City Council.

“2023 Loan Payment Fund” means the special fund designated as the “City of Brinton, Colorado, Taxable Water Activity Enterprise Revenue Loan, Series 2023, Loan Payment Fund” established in connection with the issuance of the Series 2023 Note.

“2023 Note Ordinance” means Ordinance No. 2421 of the City authorizing the issuance of the Series 2023 Note adopted by the City Council.

“2025 Bond Account” means the special fund designated as the “City of Brighton, Colorado, Water Activity Enterprise Revenue Bonds, Series 2025 Bond Account” created pursuant to Section 605 hereof.

B. City-Held Securities. Any securities payable from any Net Revenues held by the City shall not be deemed to be Outstanding for the purpose of redemption nor Outstanding for the purpose of consents hereunder or for any other purpose herein.

C. The terms "Sewer" and "Wastewater" shall be used interchangeably for purposes of this Ordinance and the Parity Bond Ordinances.

ARTICLE II
AUTHORIZATION; RATIFICATION;
SUPPLEMENTAL ACT;
APPROVAL OF DOCUMENTS; AND ENTERPRISE STATUS

Section 201. Authorization of Series 2025 Bonds. The Series 2025 Bonds are issued in accordance with the Constitution and laws of the State, the Charter, the provisions of this Ordinance, the Act, the Water Activity Act and the Supplemental Act. For the purpose of defraying the Cost of the Project, the City, acting by and through its Water Activity Enterprise, hereby authorizes to be issued its "City of Brighton, Colorado, Water Activity Enterprise Revenue Bonds (Water System Project), Series 2025" in the aggregate principal amount set forth in the Sale Certificate and in compliance with the terms provided therein, subject to the parameters and restrictions contained in this Ordinance.

Section 202. Ratification. All action heretofore taken (not inconsistent with the provisions of this Ordinance) by the City Council, the officers, employees and agents of the City, and otherwise taken by the City directed toward financing the Project and the sale and delivery of the Series 2025 Bonds for such purposes, be, and the same hereby is, ratified, approved and confirmed.

Section 203. Election to Apply Supplemental Act. Pursuant to Section 11-57-204 of the Supplemental Act, a public entity, including the City, may elect in an act of issuance to apply all or any of the provisions of the Supplemental Act. The City Council hereby elects to apply all of the provisions of the Supplemental Act to the Series 2025 Bonds. The Series 2025 Bonds are issued under the authority of the Supplemental Act and shall so recite. Pursuant to such election to apply Section 11-57-205 of the Supplemental Act to the Series 2025 Bonds, the City Council hereby delegates to each of the City Manager and the Finance Director the authority to independently make any determination delegable pursuant to Section 11-57-205(1)(a-i) of the Supplemental Act, in relation to the Series 2025 Bonds and to execute a Sale Certificate setting forth such determinations, without any requirement that the City Council approve such determinations, subject to the following parameters and restrictions:

- (i) The aggregate principal amount of the Series 2025 Bonds shall not exceed \$86,000,000.
- (ii) The net effective rate of interest on the Series 2025 Bonds shall not exceed 5.25% per annum.

- (iii) The price at which the Series 2025 Bonds will be sold to the Purchaser shall not be less than 100% of the aggregate principal amount of the Series 2025 Bonds.
- (iv) The Series 2025 Bonds shall mature no later than June 1, 2055.

Pursuant to Section 11-57-205 of the Supplemental Act and the Charter, the City Council hereby delegates to each of the City Manager and the Finance Director the independent authority to receive bids for the purchase of the Series 2025 Bonds and to determine the best bid therefor in accordance with the provisions of this Ordinance, and subject to the parameters set forth herein and the other terms and provisions set forth in this Ordinance and the Notice of Sale. Each of the City Manager and the Finance Director are hereby independently authorized to accept a binding bid for the Series 2025 Bonds and execute any associated documents. The Purchaser of the Series 2025 Bonds and the terms of the winning bid shall be set forth in the Sale Certificate.

The City Manager and the Finance Director are hereby independently authorized to determine if obtaining municipal bond insurance for all or a portion of the Series 2025 Bonds is in the best interests of the City, and if so, to select a Bond Insurer to issue a Bond Insurance Policy, execute a commitment relating to the same and execute any related documents or agreements required by such commitment. The City Manager and the Finance Director are hereby independently authorized to determine if the Series 2025 Bonds shall be secured by a Reserve Fund and whether obtaining a Reserve Fund Insurance Policy to fund the Reserve Fund is in the best interests of the City, and if so, to select a surety provider to issue a Reserve Fund Insurance Policy and execute any related documents or agreements required by such commitment.

The delegation set forth in this Section 203 shall be effective for one year following the date of adoption of this Ordinance.

Section 204. Special Obligations. All of the Debt Service Requirements of the Series 2025 Bonds shall be payable and collectible solely out of the Net Revenues, which revenues are hereby so pledged, and certain funds and accounts pledged therefor; the Owner or Owners of the Series 2025 Bonds may not look to any general or other fund for the payment of such Debt Service Requirements, except the herein designated special funds and accounts pledged therefor. The Series 2025 Bonds shall not constitute an indebtedness or a debt of the City within the meaning of any constitutional, 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. No statutory or constitutional provision or Charter provision enacted after the issuance of the Series 2025 Bonds shall in any manner be construed as limiting or impairing the obligation of the City to comply with the provisions of this Ordinance or to pay the Debt Service Requirements of the Series 2025 Bonds as herein provided.

Section 205. Bonds Equally Secured. 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 Owners of any and all of the Outstanding Series 2025

Bonds and any Outstanding Parity Lien Bonds heretofore or hereafter authorized and issued, 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 such securities over any other thereof, except as otherwise expressly provided in or pursuant to this Ordinance.

Section 206. Character of Agreement. None of the covenants, agreements, representations and warranties contained herein or in the Series 2025 Bonds shall ever impose or shall be construed as imposing any liability, obligation or charge against the City (except the special funds pledged therefor), or against its general credit, or as payable out of its general fund or out of any funds derived from taxation or out of any other revenue source (other than those pledged therefor).

Section 207. No Pledge of Property. The payment of the Series 2025 Bonds is not secured by an encumbrance, mortgage or other pledge of property of the City, except for the Net Revenues and other moneys pledged for the payment of the Debt Service Requirements of the Series 2025 Bonds. No property of the City, subject to such exception, shall be liable to be forfeited or taken in payment of the Series 2025 Bonds.

Section 208. Enterprise Status. The City Council, on behalf of the City, hereby confirms its intention that the System shall be an "enterprise" for the purposes of Article X, Section 20 of the State Constitution and for purposes of the Water Activity Act. In particular, the System shall be owned by the City and shall have the power to issue revenue bonds in the manner and payable from the sources set forth in this Ordinance.

Section 209. Authorization of the Project. The City Council, on behalf of the City, does hereby determine to undertake the acquisition, construction and installation of the Project, which is hereby authorized, and the proceeds of the Series 2025 Bonds shall be used therefor.

Section 210. Competitive Sale of Series 2025 Bonds; Notice of Sale. The Series 2025 Bonds shall be sold by competitive sale in accordance with the Notice of Sale. The City Council hereby approves the Notice of Sale in substantially the form submitted to the City Clerk, provided that such Notice of Sale may be completed, corrected or revised as deemed necessary by the City Manager, the Finance Director or the City's bond counsel in order to carry out the purposes of this Ordinance. The Finance Director is hereby authorized and directed to cause the Notice of Sale to be distributed to prospective bidders on the Series 2025 Bonds.

Section 211. Preliminary Official Statement; Official Statement. The preparation, printing, distribution and use of the Preliminary Official Statement in substantially the form on file with the City Clerk is hereby approved, with such amendments, additions and deletions as are in accordance with the facts and not inconsistent herewith. The Finance Director is authorized to prepare or cause to be prepared, and the City Manager, Finance Director and Mayor are each hereby independently authorized and directed to approve, on behalf of the City, and execute a final Official Statement for use in connection with the offering and sale of the Series 2025 Bonds in substantially the form of the Preliminary Official Statement, but with such amendments, additions and deletions as are in accordance with the facts and not

inconsistent herewith. The execution of a final Official Statement by the City Manager, Finance Director or Mayor shall be conclusively deemed to evidence the approval of the form and contents thereof by the City.

Section 212. Paying Agent Agreement and Continuing Disclosure Certificate. The City Council hereby approves the Paying Agent Agreement and the Continuing Disclosure Certificate in substantially the forms filed with the City Clerk, provided that such documents may be completed corrected or revised as deemed necessary by the parties thereto in order to carry out the purposes of this Ordinance and to comply with the terms of the Sale Certificate.

Section 213. Execution of Documents; Taking of Necessary Action. The Mayor, the City Clerk and any deputy thereof, the City Manager, the Finance Director, the City Attorney and other officers and employees of the City are hereby independently authorized and directed to take all action necessary or appropriate to effect the provisions of this Ordinance, including without limitation, executing, attesting, authenticating and delivering for and on behalf of the City, the Series 2025 Bonds, the Paying Agent Agreement, the Continuing Disclosure Certificate and such other agreements, instruments, certificates and opinions as may be required to implement the transactions contemplated hereby, or as may otherwise be reasonably required by the City's bond counsel. The execution of any document or instrument by the appropriate officers of the City herein authorized shall be conclusive evidence of the approval by the City of such document or instrument in accordance with the terms hereof.

The Mayor, the City Clerk, the City Manager, the Finance Director, the City Attorney or other employee or official of the City that is authorized or directed to execute any agreement, document, certificate, instrument or other paper in accordance with this Ordinance (collectively, the "Authorized Documents") are hereby authorized to execute Authorized Documents electronically via facsimile or email signature. Any electronic signature so affixed to any Authorized Document shall carry the full legal force and effect of any original, handwritten signature. This provision is made pursuant to Article 71.3 of Title 24, C.R.S., also known as the Uniform Electronic Transactions Act.

ARTICLE III TERMS, EXECUTION AND ISSUANCE OF SERIES 2025 BONDS

Section 301. Pledge of Net Revenues. The City hereby irrevocably pledges, but not necessarily exclusively, the Net Revenues to the payment of the Debt Service Requirements of the Series 2025 Bonds.

Section 302. Bond Details.

A. Basic Provisions. The Series 2025 Bonds shall be issued in fully registered form (*i.e.* registered as to payment of both principal and interest), in denominations of \$5,000 or any integral multiple thereof. The Series 2025 Bonds shall be numbered in such manner as the Registrar shall determine and shall initially be registered in the name of Cede & Co., as nominee for DTC, as Depository for the Series

2025 Bonds. The Series 2025 Bonds shall be dated as of their date of delivery and shall bear interest from their date until maturity or prior redemption, except that any Series 2025 Bond which is reissued upon transfer, exchange or other replacement shall bear interest from the most recent payment date to which interest has been paid, or if no interest has been paid, from the date of the Series 2025 Bonds. The Series 2025 Bonds shall mature in the years and amounts and shall be subject to prior redemption as set forth in the Sale Certificate. Interest on the Series 2025 Bonds shall be calculated on the basis of a 360-day year of twelve 30-day months, payable on the dates provided in the Sale Certificate.

B. Payment of Bonds. The principal and final payment of interest of each Series 2025 Bond shall be payable at the principal corporate trust office of the Paying Agent, or at such other office as the Paying Agent directs in writing to the Owners of the Series 2025 Bonds, or at the principal office of its successor, upon presentation and surrender of the Series 2025 Bond. Payment of any other interest on any Series 2025 Bond shall be made to the Owner thereof by the Paying Agent on or before each Interest Payment Date, (or, if such Interest Payment Date is not a Business Day, on or before the next succeeding Business Day), to such Owner at his or her address as it appears on the registration records kept by the Registrar on the Record Date; but any such interest not so timely paid or duly provided for shall cease to be payable to the person who is the Owner thereof at the close of business on the Record Date and shall be payable to the person who is the Owner thereof at the close of business on a Special Record Date for the payment of any such defaulted interest. Such Special Record Date and the date fixed for payment of such defaulted interest shall be fixed by the Paying Agent whenever moneys become available for payment of the defaulted interest, and notice of the Special Record Date shall be given to the Owners not less than ten days prior to the Special Record Date by first-class mail to each such Owner as shown on the Registrar's registration books on a date selected by the Paying Agent, stating the date of the Special Record Date and the date fixed for the payment of such defaulted interest. The Paying Agent may make payments of interest on any Series 2025 Bond by such alternative means as may be mutually agreed to between the Owner of such Series 2025 Bond and the Paying Agent. If any Series 2025 Bond is not paid upon its presentation and surrender at or after its maturity or prior redemption, interest shall continue at its stated rate per annum until the principal thereof is paid in full. All such payments shall be made in lawful money of the United States of America. The foregoing provisions of this Section are subject to the provisions of Section 308 hereof.

Section 303. Execution of Bonds. The Series 2025 Bonds shall be executed in the name and on behalf of the City by the manual or facsimile signature of the Mayor, shall be sealed with a manual or facsimile impression of the seal of the City and attested by the manual or facsimile signature of the City Clerk. Each Series 2025 Bond shall be authenticated by the manual signature of an authorized officer or employee of the Registrar as hereinafter provided. The signatures of the Mayor and the City Clerk may be by manual or facsimile signature. The Series 2025 Bonds bearing the manual or facsimile signatures of the officers in office at the time of the authorization thereof shall be the valid and binding obligations of the City (subject to the requirement of authentication by the Registrar as hereinafter provided), notwithstanding that before

the delivery thereof and payment therefor or before the issuance of the Series 2025 Bonds upon transfer or exchange, any or all of the persons whose manual or facsimile signatures appear thereon shall have ceased to fill their respective offices. The Mayor and the City Clerk shall, by the execution of a signature certificate pertaining to the Series 2025 Bonds, adopt as and for their respective signatures any facsimiles thereof appearing on the Series 2025 Bonds. At the time of the execution of the signature certificate, the Mayor and the City Clerk may each adopt as and for her facsimile signature the facsimile signature of her predecessor in office in the event that such facsimile signature appears upon any of the Series 2025 Bonds.

Section 304. Authentication Certificate. The authentication certificate upon the Series 2025 Bonds shall be substantially in the form and tenor provided in the form of the Series 2025 Bonds attached to this Ordinance as Exhibit A. No Series 2025 Bond shall be secured hereby or entitled to the benefit hereof, nor shall any Series 2025 Bond be valid or obligatory for any purpose, unless the certificate of authentication, substantially in such form, has been duly executed by the Registrar and such certificate of the Registrar upon any Series 2025 Bond shall be conclusive evidence that such Series 2025 Bond has been authenticated and delivered hereunder. The certificate of authentication shall be deemed to have been duly executed by it if manually signed by an authorized officer or employee of the Registrar, but it shall not be necessary that the same officer or employee sign the certificate of authentication on all of the Series 2025 Bonds.

Section 305. Registration and Payment. The Registrar shall keep or cause to be kept sufficient records for the registration and transfer of the Series 2025 Bonds, which shall at all times be open to inspection by the City. Upon presentation for such purpose, the Registrar shall, under such reasonable regulations as it may prescribe, register or transfer or cause to be registered or transferred, on said records, Series 2025 Bonds as herein provided. Except as provided in the first paragraph of Section 307 hereof, the Person in whose name any Series 2025 Bond shall be registered on the registration records kept by the Registrar shall be deemed and regarded as the absolute owner thereof for the purpose of making payment of the Debt Service Requirements thereof and for all other purposes; and payment of or on account of the Debt Service Requirements of any Series 2025 Bond shall be made only to the Owner thereof or his or her legal representative, but such registration may be changed upon transfer of such Series 2025 Bond in the manner and subject to the conditions and limitations provided herein. All such payments shall be valid and effectual to discharge the liability upon such Series 2025 Bond to the extent of the sum or sums so paid. The foregoing provisions of this Section are subject to the provisions of Section 308 hereof.

Section 306. Transfer and Exchange. Any Series 2025 Bond may be transferred upon the records required to be kept pursuant to the provisions of Section 305 hereof by the Person in whose name it is registered, in person or by his or her duly authorized attorney, upon surrender of such Series 2025 Bond for cancellation, accompanied by delivery of a written instrument of transfer in a form approved by the Registrar, duly executed. Whenever any Series 2025 Bond or Series 2025 Bonds shall be surrendered for transfer, the Registrar shall authenticate and deliver a new Series 2025 Bond or Series 2025 Bonds for a like aggregate principal amount and of the same maturity and interest rate and of any authorized denominations. The Series 2025 Bonds

may be exchanged by the Registrar for a like aggregate principal amount of Series 2025 Bonds of the same maturity and interest rate and of other authorized denominations. The execution by the City of any Series 2025 Bond of any denomination shall constitute full and due authorization of such denomination and the Registrar shall thereby be authorized to authenticate and deliver such Series 2025 Bond.

The Registrar shall not be required to transfer or exchange (a) any Series 2025 Bond subject to redemption during a period beginning at the opening of business 15 days before the day of the mailing of a notice of redemption of Series 2025 Bonds and ending at the close of business on the day such notice is mailed, or (b) any Series 2025 Bond so selected for redemption in whole or in part after the mailing of notice calling such Series 2025 Bond or any portion thereof for prior redemption except the unredeemed portion of Series 2025 Bonds being redeemed in part.

The Registrar shall require the payment by any Owner requesting exchange or transfer of any tax or other governmental charge required to be paid with respect to such exchange or transfer, and may charge a sum sufficient to pay the cost of preparing each new Series 2025 Bond upon each exchange or transfer and any other expenses of the City or the Registrar incurred in connection therewith.

The foregoing provisions of this Section are subject to the provisions of Section 308 hereof.

Section 307. Bond Replacement. Upon receipt by the City and the Paying Agent of evidence satisfactory to them of the ownership of and the loss, theft, destruction or mutilation of any Series 2025 Bond and, in the case of a lost, stolen or destroyed Series 2025 Bond, of indemnity satisfactory to them, and in the case of a mutilated Series 2025 Bond upon surrender and cancellation of the Series 2025 Bond, (a) the City shall execute and the Registrar shall authenticate and deliver a new Series 2025 Bond of the same date, interest rate and denomination in lieu of such lost, stolen, destroyed or mutilated Series 2025 Bond or (b) if such lost, stolen, destroyed or mutilated Series 2025 Bond shall have matured or have been called for redemption, in lieu of executing and delivering a new Series 2025 Bond as aforesaid, the City may pay such Series 2025 Bond. The applicant for any such new Series 2025 Bond may be required to pay all expenses and charges of the City and of the Registrar in connection with the issuance of such Series 2025 Bond.

Section 308. Book-Entry.

A. Depository. 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 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 Registrar 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, Depository for the Series 2025 Bonds, the Registrar may, with the consent of the City, either (i) designate a Depository for DTC and reregister the Series 2025 Bonds as directed by such substitute 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 Registrar shall have any liability to DTC, Cede & Co., any substitute Depository, any Person in whose name the Series 2025 Bonds are reregistered at the direction of any substitute Depository, any beneficial owner of the Series 2025 Bonds or any other Person for (A) any determination made by the Registrar 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 Depository or any Person in whose name the Series 2025 Bonds are reregistered.

B. Absolute Owner. The City Council and the Paying Agent shall be entitled to treat the Owner of any Series 2025 Bond as the absolute owner thereof for all purposes hereof and any applicable laws, notwithstanding any notice to the contrary received by any or all of them and the City Council and the Paying Agent shall have no responsibility for transmitting payments or notices to the beneficial owners of the Series 2025 Bonds held by DTC or any successor or new Depository named pursuant to paragraph A hereof.

C. Payment. The City Council and the Paying Agent shall endeavor to cooperate with DTC or any successor or new Depository named pursuant to paragraph A hereof in effectuating payment of the principal amount of the Series 2025 Bonds upon maturity or prior redemption by arranging for payment in such a manner that funds representing such payments are available to the Depository on the date they are due.

D. Redemption. Upon any partial redemption of Series 2025 Bonds of the same maturity and interest rate, Cede & Co. (or its successor) in its discretion may request the City to issue and authenticate a new Series 2025 Bond or shall make an appropriate notation on the Series 2025 Bond indicating the date and amount of prepayment, except in the case of final maturity, in which case the Series 2025 Bond must be presented to the Paying Agent prior to payment. The records of the Paying Agent shall govern in the case of any dispute as to the amount of any partial prepayment made to Cede & Co. (or its successor).

Section 309. Bond Cancellation. Whenever any Series 2025 Bond shall be surrendered to the Paying Agent upon payment thereof, or to the Registrar for transfer, exchange or replacement as provided herein, such Series 2025 Bond shall be promptly canceled and destroyed by the Paying Agent or the Registrar, as the case may be, and a certificate of such cancellation and destruction shall be furnished by the Paying Agent or the Registrar to the City.

Section 310. Incontestable Recital in Bonds. Pursuant to Article XX of the State Constitution, the Act, the Supplemental Act and this Ordinance, each Series 2025 Bond shall recite that it is issued under the authority of this Ordinance, the Act and the Supplemental Act and that it is the intention of the City that such recital shall conclusively impart full compliance with all the provisions of this Ordinance and shall be conclusive evidence of the validity and the regularity of the issuance of the Series 2025 Bonds after their delivery for value and that all the Series 2025 Bonds issued containing

such recital shall be incontestable for any cause whatsoever after their delivery for value.

Section 311. Bond Form. Subject to the provisions of this Ordinance and the Sale Certificate authorized hereby, each Series 2025 Bond shall be in substantially the form attached hereto as Exhibit A, with such omissions, insertions, endorsements and variations as to any recitals of fact or other provisions as may be required by the circumstances, be required or permitted by this Ordinance or the Sale Certificate, be consistent with this Ordinance and the Sale Certificate or be necessary or appropriate to conform to the rules and requirements of any governmental authority or any usage or requirement of law with respect thereto.

Section 312. Uniform Commercial Code. The holder or holders of the Series 2025 Bonds shall possess all rights enjoyed by the holders of investment securities under the provisions of the Uniform Commercial Code – Investment Securities. The principal of and interest on the Series 2025 Bonds shall be paid, and the Series 2025 Bonds shall be transferable, free from and without regard to any equities between the City and the original or any intermediate Owner of any Series 2025 Bonds or any setoffs or cross-claims.

ARTICLE IV REDEMPTION

Section 401. Optional Redemption. The Series 2025 Bonds will be subject to redemption at the option of the City from any legally available funds on the dates, at the prices, and in the manner set forth in the Sale Certificate.

Section 402. Mandatory Sinking Fund Redemption. The Term Bonds, if any, shall be subject to mandatory sinking fund redemption at the times, in the amounts and at the prices provided in the Sale Certificate.

On or before the thirtieth day prior to each such sinking fund payment date, the Paying Agent shall proceed to call the Term Bonds, if any, as provided in the Sale Certificate (or any Term Bond or Term Bonds issued to replace such Term Bonds) for redemption from the sinking fund on the date or dates set forth in the Sale Certificate, and give notice of such call without further instruction or notice from the City.

At its option, to be exercised on or before the sixtieth day next preceding each such sinking fund Redemption Date, the City may (a) deliver to the Paying Agent for cancellation Term Bonds subject to mandatory sinking fund redemption on such date in an aggregate principal amount desired or (b) receive a credit in respect of its sinking fund redemption obligation for any Term Bonds of the same maturity and interest rate subject to mandatory sinking fund redemption on such date, which prior to said date have been redeemed (otherwise than through the operation of the sinking fund) and canceled by the Paying Agent and not theretofore applied as a credit against any sinking fund redemption obligation. Each Term Bond so delivered or previously redeemed will be credited by the Paying Agent at the principal amount thereof against the obligation of the City on such sinking fund date and such sinking fund obligation will be accordingly reduced. The City will on or before the sixtieth day

next preceding each sinking fund Redemption Date furnish the Paying Agent with its certificate indicating whether or not and to what extent the provisions of (a) and (b) of the preceding sentence are to be availed with respect to such sinking fund payment. Failure of the City to deliver such certificate shall not affect the Paying Agent's duty to give notice of sinking fund redemption as provided in this paragraph.

Section 403. Partial Redemption. In the case of Series 2025 Bonds of a denomination larger than \$5,000, a portion of such Series 2025 Bond (\$5,000 or any integral multiple thereof) may be redeemed, in which case the Paying Agent shall, without charge to the owner of such Series 2025 Bond, authenticate and issue a replacement Series 2025 Bond or Series 2025 Bonds for the unredeemed portion thereof.

Section 404. Notice of Prior Redemption. Notice of optional or mandatory redemption shall be given by the Paying Agent in the name of the City by sending a copy of such notice by first-class, postage prepaid mail, or by electronic means to DTC or a successor Depository, not more than sixty nor less than thirty days prior to the Redemption Date to each Owner at his or her address as it last appears on the registration books kept by the Registrar; but neither failure to give such notice nor any defect therein shall affect the redemption of any other Series 2025 Bond. Such notice shall identify the Series 2025 Bonds to be so redeemed (if less than all are to be redeemed) and the Redemption Date, and shall further state that on such Redemption Date there will become and be due and payable upon each Series 2025 Bond so to be redeemed, at the Paying Agent, the principal amount thereof, accrued interest to the Redemption Date, and the stipulated premium, if any, and that from and after such date interest will cease to accrue. Notice having been given in the manner hereinabove provided, the Series 2025 Bond or Series 2025 Bonds so called for redemption shall become due and payable on the Redemption Date so designated; and upon presentation thereof at the Paying Agent, the Paying Agent will pay the Series 2025 Bond or Series 2025 Bonds so called for redemption. No further interest shall accrue on the principal of any such Series 2025 Bond called for redemption from and after the Redemption Date, provided sufficient funds are deposited with the Paying Agent and available on the Redemption Date.

Notwithstanding the provisions of this Section, any notice of redemption may contain a statement that the redemption is conditioned upon the receipt by the Paying Agent on or before the Redemption Date of funds sufficient to pay the redemption price of the Series 2025 Bonds so called for redemption, and that if such funds are not available, such redemption shall be canceled by written notice to the Owners of the Series 2025 Bonds called for redemption in the same manner as the original redemption notice was mailed.

ARTICLE V USE OF BOND PROCEEDS AND OTHER MONEYS

Section 501. Delivery of Bonds; Disposition of Bond Proceeds. When the Series 2025 Bonds have been duly executed by appropriate City officers and authenticated by the Registrar, the City shall cause the Series 2025 Bonds to be delivered to the Purchaser on receipt of the agreed purchase price. The Series 2025 Bonds shall be delivered in such denominations as the Purchaser shall direct, subject to

the provisions of this Ordinance, and the Registrar shall initially register the Series 2025 Bonds in such name or names as the Purchaser shall direct.

The net proceeds derived from the sale of the Series 2025 Bonds, upon the receipt thereof, shall be applied by the City in the following manner:

A. Costs of Issuance Account. First, there shall be credited to the Costs of Issuance Account created in the Paying Agent Agreement the amount set forth in the Sale Certificate. Amounts on deposit in the Costs of Issuance Account shall be applied to pay the Costs of Issuance, as further set forth in the Paying Agent Agreement. The Costs of Issuance Account shall be maintained by the Paying Agent.

B. Reserve Fund. Second, to the extent that the Series 2025 Bonds are secured by a Reserve Fund, as determined in the Sale Certificate, there shall be credited to and deposited in the Reserve Fund from the net proceeds of the Series 2025 Bonds an amount equal to the Reserve Fund Requirement, or a Reserve Fund Insurance Policy.

C. Project Fund. Third, there shall be credited to the special and separate fund hereby created and to be known as the "City of Brighton, Colorado, Water Activity Enterprise Revenue Bonds, Series 2025 Project Fund" the amount set forth in the Sale Certificate. The Project Fund shall be held by the City and, except as otherwise provided herein, the moneys in the Project Fund shall be used solely for the purpose of paying the Cost of the Project.

The Purchaser and any subsequent Owners of any of the Series 2025 Bonds are not 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 of any other moneys herein designated.

Section 502. Payment of Expenses. Moneys deposited in the Project Fund pursuant to Section 501 (C) hereof may be used and paid out by the City to defray the administrative Cost of the Project, including, without limitation, amounts to be paid to the Paying Agent and the Registrar, legal fees, accounting fees, financial advisory fees, printing costs and rating fees. The City may defray any such administrative costs from time to time as Operation and Maintenance Expenses to the extent the moneys deposited in the Project Fund pursuant to Section 501 (C) hereof are insufficient therefor.

Section 503. Completion of Project. When the Project is completed in accordance with the relevant plans and specifications and all amounts due therefor, including all proper incidental expenses and all administrative Cost of the Project referred to in Section 502 hereof, are paid, or for which full provision is made, the Finance Director shall cause all surplus moneys remaining in the Project Fund, if any, except for any moneys designated by the Finance Director to be retained in the Project Fund to pay any unpaid accrued costs or contingent obligations, to be transferred to (a) the Rebate Fund so as to enable the City to comply with Section 917 hereof, (b) the Reserve Fund, if any, to such extent as shall not cause the amount in the Reserve Fund to exceed the Reserve Fund Requirement and (c) the 2025 Bond Account to the extent of any remaining balance of such moneys to be applied against the next principal

payment or payments coming due on the Series 2025 Bonds. Nothing herein prevents the transfer from the Project Fund to the 2025 Bond Account, at any time prior to the termination of the Project Fund, of any moneys which the Finance Director by certificate determines will not be necessary for the Project and will not be designated to be transferred to the Rebate Fund.

Section 504. Lien on Project Fund. Until the proceeds of the Series 2025 Bonds deposited in the Project Fund are applied as herein provided, such Series 2025 Bond proceeds are subject to a lien thereon and pledge thereof for the benefit of the Owners of the Outstanding Bonds as provided in Section 601 hereof.

ARTICLE VI
ADMINISTRATION OF AND ACCOUNTING FOR
PLEGGED REVENUES

Section 601. Pledge Securing Bonds. The Net Revenues and any moneys or securities on deposit in the 2016 Rate Stabilization Account (to the extent the Series 2016 Bonds are Outstanding) are hereby pledged to secure the payment of the Debt Service Requirements of the Series 2025 Bonds, the Prior Bonds and any additional Parity Lien Bonds hereafter issued in accordance with the provisions of this Ordinance. All moneys and securities held in the 2025 Bond Account, the Project Fund and the Reserve Fund, if any, are hereby pledged to secure the payment of the Debt Service Requirements of the Outstanding Series 2025 Bonds. Moneys and securities on deposit in the 2025 Bond Account and the Project Fund shall not secure the payment of the Debt Service Requirements on the Prior Bonds or any additional Parity Lien Bonds hereafter issued. Moneys and securities on deposit in the Reserve Fund, if any, shall not secure the payment of the Debt Service Requirements on the Prior Bonds.

This pledge shall be valid and binding from and after the date of the delivery of the Series 2025 Bonds. The creation, perfection, enforcement, and priority of the pledge of revenues to secure or pay the Series 2025 Bonds as provided herein shall be governed by § 11-57-208 of the Supplemental Act and this Ordinance. The revenues pledged for the payment of the Series 2025 Bonds, as received by or otherwise credited to the City, shall immediately be subject to the lien of such pledge without any physical delivery, filing, or further act. The lien of such pledge on the revenues pledged for payment of the Series 2025 Bonds and the obligation to perform the contractual provisions made herein shall have priority over any or all other obligations and liabilities of the City except the Prior Bonds and any Parity Lien Bonds hereafter authorized. The lien of such pledge shall be valid, binding, and enforceable as against all persons or entities having claims of any kind in tort, contract, or otherwise against the City (except as herein otherwise provided) irrespective of whether such persons or entities have notice of such liens.

Section 602. Water Activity Enterprise Fund. So long as any of the Series 2025 Bonds shall be Outstanding, the entire Gross Revenues, upon their receipt from time to time by the City, shall be set aside and credited immediately to the Water Activity Enterprise Fund.

Section 603. Administration of Water Activity Enterprise Fund. So long as any of the Series 2025 Bonds shall be Outstanding, the following payments shall be made from the Water Activity Enterprise Fund, as provided in Sections 604 through 609 hereof.

Section 604. Operation and Maintenance Expenses. First, as a first charge on the Water Activity Enterprise Fund, from time to time there shall continue to be held therein moneys sufficient to pay Operation and Maintenance Expenses, as they become due and payable, and thereupon they shall be promptly paid. Any surplus remaining in the Water Activity Enterprise Fund and not needed for Operation and Maintenance Expenses shall be used for other purposes of the Water Activity Enterprise Fund as herein provided.

Section 605. 2025 Bond Account. Second, from the Net Revenues on deposit in the Water Activity Enterprise Fund, there shall be credited or deposited to the "City of Brighton, Colorado, Water Activity Enterprise Revenue Bonds, Series 2025 Bond Account" hereby created, concurrently with amounts required to meet the Debt Service Requirements for the Prior Bonds and any Outstanding Parity Lien Bonds hereafter issued, the following amounts:

A. Interest Payments. Monthly, commencing on the day set forth in the Sale Certificate, concurrently on a pari passu basis with any payments required to be made to the 2016 Bond Account pursuant to the 2016 Bond Ordinance, any payments required to be made to the 2022 Bond Account pursuant to the 2022 Bond Ordinance, any payments required to be made to the 2023 Loan Payment Fund pursuant to the 2023 Note Ordinance and any payments required to be made to any separate interest accounts for any Parity Lien Bonds hereafter issued, an amount equal to the Pro Rata Portion of the 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 2025 Bonds then Outstanding.

B. Principal Payments. Monthly, commencing on the day set forth in the Sale Certificate, concurrently on a pari passu basis with any payments required to be made to the 2016 Bond Account pursuant to the 2016 Bond Ordinance, any payments required to be made to the 2022 Bond Account pursuant to the 2022 Bond Ordinance, any payments required to be made to the 2023 Loan Payment Fund pursuant to the 2023 Note Ordinance and any payments required to be made to any separate principal accounts for any Parity Lien Bonds hereafter issued, an amount equal to the Pro Rata Portion of the monthly installments necessary, together with any other moneys from time to time available therefor from whatever source, to pay the next installment of principal of the Series 2025 Bonds coming due at maturity or upon mandatory redemption.

C. Use of Moneys in the 2025 Bond Account. Moneys credited or deposited in the 2025 Bond Account shall be used solely for the purpose of paying the principal of, premium, if any, and interest on the Series 2025 Bonds. The 2016 Bond Account established in connection with the issuance of the Series 2016 Bonds shall be considered to be a separate principal and interest account for the payment of the Series 2016 Bonds, and shall not be part of the 2022 Bond Account, the 2023 Loan

Payment Fund or the 2025 Bond Account, but the 2016 Bond Account shall have a claim to the Net Revenues equal to and on a parity with the 2022 Bond Account, the 2023 Loan Payment Fund and the 2025 Bond Account and all other separate principal and interest accounts for any Parity Lien Bonds hereafter issued. The 2022 Bond Account established in connection with the issuance of the Series 2022 Bonds shall be considered to be a separate principal and interest account for the payment of the Series 2022 Bonds, and shall not be a part of the 2016 Bond Account, the 2023 Loan Payment Fund or the 2025 Bond Account, but the 2022 Bond Account shall have a claim to the Net Revenues equal to and on a parity with the 2016 Bond Account, the 2023 Loan Payment Fund and the 2025 Bond Account and all other separate principal and interest accounts for any Parity Lien Bonds hereafter issued. The 2023 Loan Payment Fund established in connection with the issuance of the Series 2023 Note shall be considered to be a separate principal and interest account for the payment of the Series 2023 Note, and shall not be a part of the 2016 Bond Account, the 2022 Bond Account or the 2025 Bond Account, but the 2023 Loan Payment Fund shall have a claim to the Net Revenues equal to and on a parity with the 2016 Bond Account, the 2022 Bond Account and the 2025 Bond Account and all other separate principal and interest accounts for any Parity Lien Bonds hereafter issued. The City shall create separate principal and interest accounts for any Parity Lien Bonds hereafter issued and account separately for any credits or deposits made thereto on account of such Parity Lien Bonds, provided that any such separate accounts shall have claims to the Net Revenues equal to and on a parity with those of the 2025 Bond Account, the 2023 Loan Payment Fund, the 2022 Bond Account, the 2016 Bond Account and such other accounts. The City may create separate principal and interest accounts within the 2025 Bond Account for each series of Bonds, as determined by the Finance Director.

D. Investments. Moneys credited to the 2025 Bond Account may be invested or deposited in securities or obligations which are Investment Securities. The investment of moneys deposited in the 2025 Bond Account shall, however, be subject to the covenants and provisions in Section 917 hereof regarding the exclusion of interest on the Series 2025 Bonds from gross income for federal income tax purposes.

Section 606. Reserve Fund. Third, to the extent that a Reserve Fund is created pursuant to the Sale Certificate to secure the payment of the Debt Service Requirements of the Series 2025 Bonds, from any remaining Net Revenues on deposit in the Water Activity Enterprise Fund, there shall be credited or deposited, if necessary, sufficient amounts into any such Reserve Fund to meet or replenish the Reserve Fund Requirement, and, on a pro rata basis, there shall be credited or deposited, if necessary, sufficient amounts into any separate reserve funds or accounts created in connection with the issuance of any Parity Lien Bonds to meet or replenish the requirements set forth in the Parity Bond Ordinances authorizing such Parity Lien Bonds.

A. Use of Moneys in the Reserve Fund. Moneys in the Reserve Fund shall be used, except as provided in Sections 607 and 1301 hereof, only to prevent a default in the payment of the principal of, premium, if any, and interest on the Series 2025 Bonds when due. Moneys on deposit in the Reserve Fund, proceeds of the liquidation of Investment Securities on deposit in the Reserve Fund, or moneys available from a Reserve Fund Insurance Policy shall be transferred to the 2025 Bond Account on any date on which a payment of principal of, premium, if any, or interest on the Series

2025 Bonds is due to the extent the amount on deposit in the 2025 Bond Account, including any amounts transferred from the 2016 Rate Stabilization Account, is insufficient to make such payment.

B. Funding and Maintenance of Reserve Fund Requirement. The Reserve Fund Requirement shall be funded and maintained by any one of or any combination of (i) cash; (ii) Investment Securities; and (iii) a Reserve Fund Insurance Policy which provides for payments when and as required for purposes of the Reserve Fund. To the extent that the Reserve Fund Requirement is funded from Investment Securities, such investments shall have an aggregate weighted term to maturity of not greater than five years.

C. Valuation of Deposits. Cash shall satisfy the Reserve Fund Requirement by the amount of cash on deposit. Investment Securities shall satisfy the Reserve Fund Requirement by the value of such investments. The Finance Director shall value each Investment Security on deposit in the Reserve Fund on the first Business Day of the year and upon the prior redemption or defeasance of any of the Series 2025 Bonds. A Reserve Fund Insurance Policy shall satisfy the Reserve Fund Requirement by the amount payable to the City pursuant to such policy.

D. Calculation of Reserve Fund Requirement; Transfers Resulting from Calculation and Valuation. The Reserve Fund Requirement shall be calculated by the Finance Director on the first Business Day of each year and upon the prior redemption or defeasance of any of the Series 2025 Bonds. If on any calculation date the amount on deposit in the Reserve Fund is less than the Reserve Fund Requirement or transfers are made from the Reserve Fund as provided in paragraph (A) hereof, then the City shall deposit to the Reserve Fund from the Net Revenues amounts sufficient to bring the amounts deposited in the Reserve Fund to the Reserve Fund Requirement. If at any time the calculated amounts of the Reserve Fund are more than the Reserve Fund Requirement, then the City shall transfer from the Reserve Fund to the 2025 Bond Account any amounts which are in excess of the Reserve Fund Requirement. Such deposits shall be made as soon as possible after such use or calculation, but in accordance with and subject to the limitations of this Article VI.

E. Transfer of Interest Income to 2025 Bond Account. The investment of moneys deposited in the Reserve Fund shall be subject to the covenants and provisions of Section 917 hereof. Except to the extent otherwise required by such section, interest income from the investment or reinvestment of moneys deposited in the Reserve Fund shall be transferred to the 2025 Bond Account at least annually, as determined by the Finance Director.

Section 607. Rebate Fund. Fourth, concurrently with any payments required to be made pursuant to any Parity Bond Ordinances with respect to any rebate funds established thereby, there shall be deposited into the special and separate account hereby created and to be known as the "City of Brighton, Colorado, Water Activity Enterprise Revenue Bonds, Series 2025 Rebate Fund" moneys in the amounts and at the times specified in the Tax Compliance Certificate so as to enable the City to comply with Section 917 hereof. Amounts on deposit in the Rebate Fund shall not be subject to the lien and pledge of this Ordinance to the extent that such

amounts are required to be paid to the United States Treasury. The City shall cause amounts on deposit in the Rebate Fund to be forwarded to the United States Treasury (at the address provided in the Tax Compliance Certificate) at the times and in the amounts set forth in the Tax Compliance Certificate.

If the moneys on deposit in the Rebate Fund are insufficient for the purposes thereof, the City shall transfer moneys in the amount of the insufficiency to the Rebate Fund from the Project Fund and from the Reserve Fund. Upon receipt by the City of an opinion of Bond Counsel to the effect that the amount in the Rebate Fund is in excess of the amount required to be contained therein, such excess may be transferred to the Water Activity Enterprise Fund.

Section 608. Payment of Subordinate Securities. Fifth, and subject to the provisions hereinabove in this Article, but subsequent to the payments required by Sections 605, 606 and 607 hereof, any moneys remaining in the Water Activity Enterprise Fund may be used by the City for the payment of Debt Service Requirements of Subordinate Securities, including reasonable reserves for such Subordinate Securities and for rebate of amounts to the United States Treasury with respect to such Subordinate Securities.

Section 609. 2016 Rate Stabilization Account. The 2016 Rate Stabilization Account is hereby continued until the Series 2016 Bonds are paid and discharged in accordance with the terms of the 2016 Bond Ordinance. Upon payment in full and discharge of the Series 2016 Bonds in accordance with the terms of the 2016 Bond Ordinance, the 2016 Rate Stabilization Account shall be terminated and any moneys held in the 2016 Rate Stabilization Account shall be released from the lien of this Ordinance and any Parity Bond Ordinance and may be used for any one or any combination of lawful purposes as the City Council may from time to time determine.

After the transfers and deposits required by Sections 6.03 through 6.04 of the 2016 Bond Ordinance have been made, and after the transfers and deposits required by Sections 604 through 608 hereof have been made, the City may credit or deposit moneys from the Water Activity Enterprise Fund into the 2016 Rate Stabilization Account in an amount to be determined from time to time by the Finance Director or as directed by the City Council.

The City shall be required to transfer moneys on deposit in the 2016 Rate Stabilization Account to the 2016 Bond Account, the 2022 Bond Account, the 2023 Loan Payment Fund, the 2025 Bond Account and any separate principal and interest accounts established in connection with Parity Lien Bonds hereafter issued, concurrently and on a pari passu basis, to the extent necessary to prevent a default in the payment of the Debt Service Requirements due on the Series 2016 Bonds, the Series 2022 Bonds, the Series 2023 Note, the Series 2025 Bonds and any Parity Lien Bonds hereafter issued resulting from a deficiency of moneys on deposit in the 2016 Bond Account, the 2022 Bond Account, the 2023 Loan Payment Fund, the 2025 Bond Account or such separate principal and interest accounts.

To the extent that a Reserve Fund is established pursuant to the Sale Certificate to secure the payment of the Debt Service Requirements on the Series 2025 Bonds, any such required transfer of moneys from the 2016 Rate Stabilization Account to the 2025 Bond Account shall be made by the City prior to any draws being made on the Reserve Fund.

Section 610. Use of Remaining Revenues. After the payments hereinabove required or authorized to be made pursuant to the 2016 Bond Ordinance, pursuant to the 2022 Bond Ordinance, pursuant to the 2023 Note Ordinance and pursuant to Sections 602 through 609 hereof are made or provided for in each month, any remaining Net Revenues in the Water Activity Enterprise Fund shall be used, first, for any one or any combination of necessary purposes relating to the operation, improvement or debt management of the System and, second, to the extent of any remaining surplus, for any one or any combination of lawful purposes as the City Council may from time to time determine.

ARTICLE VII GENERAL ADMINISTRATION

Section 701. Administration of Funds and Accounts. The special funds and accounts designated in Articles V and VI hereof shall be administered as provided in this Article (but not any account under Section 1301 hereof). The City shall keep proper books of record and accounts showing complete and correct entries of all transactions relating to the funds and accounts referred to herein, and in such manner that the Gross Revenues and the Net Revenues may at all times be readily and accurately determined.

Section 702. Places and Times of Deposits. Except as hereinafter provided, each of such special funds or accounts shall be maintained by the City as a book account and kept separate from all other accounts as a trust account solely for the purposes herein designated therefor. The moneys accounted for in such special book accounts may be in one or more bank accounts in one or more Commercial Banks. Each such bank 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 book account not later than the date therefor herein designated, except that when any such date shall not be a Business Day, then such payment shall be made on or before the next preceding Business Day. Moneys shall be deposited with the Paying Agent for the Series 2025 Bonds at the times set forth in the Paying Agent Agreement in amounts sufficient to pay the Debt Service Requirements then becoming due on the Outstanding Bonds.

Section 703. Investment of Moneys. Any moneys in the Project Fund, Water Activity Enterprise Fund, 2025 Bond Account, Reserve Fund, and Rebate Fund and not needed for immediate use shall be invested or reinvested by the Finance Director in Investment Securities. All such investments shall (a) either be subject to redemption at any time at a fixed value by the holder thereof at the option of such holder, or (b) mature not later than the estimated date or respective dates on which

the proceeds are to be expended as estimated by the Finance Director at the time of such investment or reinvestment; provided that (1) Investment Securities credited to the Reserve Fund shall not mature later than five years from the date of such investment or reinvestment and (2) collateral securities of any Investment Securities may have a maturity of more than five years from the date of purchase thereof. For the purpose of any such investment or reinvestment, Investment Securities shall be deemed to mature at the earliest date on which the obligor is, on demand, obligated to pay a fixed sum in discharge of the whole of such obligations.

Section 704. Accounting for Investments. The Investment Securities so purchased as an investment or reinvestment of moneys in any such fund or account hereunder shall be deemed at all times to be a part of the fund or account. Any interest or other gain from any investments and reinvestments of moneys accounted for in the Water Activity Enterprise Fund, the Project Fund, the 2025 Bond Account, and the Rebate Fund shall be credited to such Fund, and any loss resulting from any such investments or reinvestments of moneys accounted for in the Water Activity Enterprise Fund, the Project Fund, the 2025 Bond Account, the Reserve Fund, and the Rebate Fund shall be charged or debited to such Fund. Any interest or other gain from any investment or reinvestment of moneys accounted for in the Reserve Fund (a) shall be credited to the Rebate Fund or the 2025 Bond Account, at the discretion of the Finance Director, if the amount credited to the Reserve Fund immediately after such credit to the Rebate Fund or the 2025 Bond Account is not less than the Reserve Fund Requirement and (b) if the amount credited to the Reserve Fund is less than the Reserve Fund Requirement, shall be credited to the Reserve Fund (up to the amount of the deficiency). In the computation of the amount in any account for any purpose hereunder, except as herein otherwise expressly provided or for rebate purposes, as described in the Tax Compliance Certificate, Investment Securities shall be valued at the cost thereof (including any amount paid as accrued interest at the time of purchase of the obligation); provided that any time or demand deposits shall be valued at the amounts deposited, in each case exclusive of any accrued interest or any other gain to the City until such gain is realized by the presentation of matured coupons for payment or otherwise.

Section 705. Redemption or Sale of Investment Securities. The Finance Director shall present for redemption or sale on the prevailing market at the best price obtainable any Investment Securities so purchased as an investment or reinvestment of moneys in the fund or account whenever it shall be necessary in order to provide moneys to meet any withdrawal, payment or transfer from such account. Neither the Finance Director or any other officer or employee of the City shall be liable or responsible for any loss resulting from any such investment or reinvestment made in accordance with this Ordinance.

Section 706. Character of Funds. The moneys in any fund or account designated in Articles V and VI hereof shall consist either of lawful money of the United States or Investment Securities, or both such money and such Investment Securities. Moneys deposited in a demand or time deposit account in a bank or savings and loan association, appropriately secured according to the laws of the State, shall be deemed lawful money of the United States.

Section 707. Payment of Debt Service Requirements. The moneys credited to any fund or account designated in this Ordinance for the payment of the Debt Service Requirements of any Series 2025 Bonds shall be used without requisition, voucher, warrant, further order or authority (other than is contained herein), or any other preliminaries, to pay promptly the Debt Service Requirements of any Series 2025 Bonds payable from such fund or account as such amounts are due, except to the extent any other moneys are available therefor. The sums provided to pay the Debt Service Requirements on the Series 2025 Bonds are hereby appropriated for said purposes, and said amounts for each year shall be included in the annual budget and the appropriation ordinance or measures to be adopted or passed by the City Council in each year respectively while any of the Series 2025 Bonds, either as to principal or interest, are Outstanding and unpaid. No provision of any constitution, statute, charter, ordinance, resolution, or other order or measure enacted after the issuance of the Series 2025 Bonds shall in any manner be construed as limiting or impairing the obligation of the City to keep and perform the covenants contained in this Ordinance so long as any of the Series 2025 Bonds remain Outstanding and unpaid. Nothing herein shall prohibit the City Council, at its sole option, from appropriating and applying other funds of the City legally available for such purpose to the 2025 Bond Account or Reserve Fund for the purpose of providing for the payment of the principal of, interest on or any premiums due with respect to the Series 2025 Bonds.

ARTICLE VIII
LIENS AND ADDITIONAL SECURITIES

Section 801. Equality of the Prior Bonds, Series 2025 Bonds and Parity Lien Bonds. The Prior Bonds, the Series 2025 Bonds and any Parity Lien Bonds hereafter authorized to be issued and from time to time Outstanding are equitably and ratably secured by a lien on the Net Revenues and shall not be entitled to any priority one over the other in the application of the Net Revenues regardless of the time or times of the issuance of the Series 2025 Bonds, the Prior Bonds and any other such Parity Lien Bonds, it being the intention of the City Council that there shall be no priority among the Series 2025 Bonds, the Prior Bonds and any other Parity Lien Bonds regardless of the fact that they may be actually issued and delivered at different times, except that (a) moneys in the 2025 Bond Account shall secure only the Series 2025 Bonds; (b) moneys in the 2023 Loan Payment Fund shall secure only the Series 2023 Note (c) moneys in the 2022 Bond Account shall secure only the Series 2022 Bonds; (d) moneys in the 2016 Bond Account shall secure only the Series 2016 Bonds; and (e) moneys in any separate principal and interest account created in connection with Parity Lien Bonds hereafter issued shall secure only such Parity Lien Bonds. Any Parity Lien Bonds hereafter issued may have a lien on Net Revenues on a parity with the lien thereon of the Series 2025 Bonds and the Prior Bonds even if no reserve fund is established for such Parity Lien Bonds or a reserve fund is established but with a different requirement as to the amount of moneys required to be on deposit therein, or the manner in which such reserve fund is funded or the period of time over which such reserve fund is funded.

Section 802. Issuance of Additional Parity Lien Bonds. Nothing herein prevents the issuance by the City of additional securities payable from the Net Revenues and constituting a lien thereon on a parity with, but not prior nor superior to,

the lien thereon of the Series 2025 Bonds; but before any such additional Parity Lien Bonds are authorized or actually issued all of the following conditions shall be satisfied:

A. Absence of Default. At the time of issuance of the additional Parity Lien Bonds, the City shall not be in default in making any payments or deposits required by Article VI hereof.

B. Historic Earnings Test. Except as hereinafter provided in the case of additional Parity Lien Bonds issued for the purpose of refunding less than all of the Prior Bonds, the Series 2025 Bonds and other Parity Lien Bonds then Outstanding, the Net Revenues for any 12 consecutive months out of the 18 months preceding the month in which such securities are to be issued, as certified by the Finance Director, must have been equal to at least 125% of the Combined Maximum Annual Debt Service Requirements of the Series 2025 Bonds then Outstanding, any Outstanding Prior Bonds and any other Outstanding Parity Lien Bonds, and the additional Parity Lien Bonds proposed to be issued plus one hundred percent (100%) of all policy costs attributable to any Bond Insurance Policy and Reserve Fund Insurance Policy and other similar amounts then due and owing. If any adjustment in water or sewer rates, fees, tolls or charges or tap fees, or any combination thereof, is made by the City prior to the issuance of the proposed additional Parity Lien Bonds, the calculation of the Net Revenues may be adjusted to reflect the amount thereof that would have been received if such adjustment had been in effect throughout such period. In the case of additional Parity Lien Bonds issued for the purpose of refunding less than all of the Series 2025 Bonds, the Prior Bonds and any other Parity Lien Bonds then Outstanding, compliance with this Section 802(b) shall not be required so long as the Debt Service Requirements payable on the Series 2025 Bonds, the Prior Bonds and all other Parity Securities Outstanding after the issuance of such additional Parity Lien Bonds during each Fiscal Year does not exceed the Debt Service Requirements payable on the Series 2025 Bonds, the Prior Bonds and all other Parity Lien Bonds Outstanding prior to the issuance of such additional Parity Lien Bonds in each Fiscal Year.

Section 803. Certification of Revenues. Where certifications of revenues are required by this Ordinance, the specified and required written certifications of the Finance Director that revenues are sufficient to pay the required amounts shall be conclusively presumed to be accurate in determining the right of the City to authorize issue, sell and deliver additional Parity Lien Bonds.

Section 804. Subordinate Securities Permitted. Nothing herein prevents the City from issuing additional securities payable from the Net Revenues and having a lien thereon subordinate, inferior and junior to the lien thereon of the Series 2025 Bonds.

Section 805. Superior Securities Prohibited. Nothing herein permits the City to issue additional securities payable from the Net Revenues and having a lien thereon prior and superior to the lien thereon of the Series 2025 Bonds.

ARTICLE IX
PROTECTIVE COVENANTS

Section 901. General. The City hereby covenants and agrees with the Owners of the Series 2025 Bonds and makes provisions which shall be a part of its contract with such Owners to the effect and with the purpose set forth in the following Sections of this Article IX.

Section 902. Performance of Duties. The City, acting by and through the City Council or otherwise, shall faithfully and punctually perform, or cause to be performed, all duties with respect to the Gross Revenues and the System required by the Constitution and laws of the State, the Charter, and various ordinances of the City, including, without limitation, the making and collection of reasonable and sufficient fees, rates and other charges for services rendered or furnished by or the use of the System, as herein provided, and the proper segregation of the proceeds of the Series 2016 Bonds, the Series 2022 Bonds, the Series 2023 Note, the Series 2025 Bonds and of any securities hereafter authorized and the Gross Revenues and their application from time to time to the respective accounts provided therefor.

Section 903. Contractual Obligations. The City shall perform all contractual obligations undertaken by it under any agreements relating to the Series 2025 Bonds, the Gross Revenues, the Net Revenues, the Project, or the System, or any combination thereof, with any other Persons.

Section 904. Efficient Operation and Maintenance. The City shall at all times operate the System properly and in a sound and economical manner; and the City shall maintain, preserve and keep the same properly or cause the same so to be maintained, preserved and kept, with the appurtenances and every part and parcel thereof in good repair, working order and condition, and shall from time to time make or cause to be made all necessary and proper repairs, replacements and renewals so that at all times the operation of the System may be properly and advantageously conducted.

Section 905. Rules, Regulations and Other Details. The City shall establish and enforce reasonable rules and regulations governing the operation, use and services of the System. The City shall observe and perform all of the terms and conditions contained in this Ordinance and shall comply with all valid acts, rules, regulations, orders and directions of any legislative, executive, administrative or judicial body applicable to the System.

Section 906. Protection of Security. The City, the officers, agents and employees of the City, and the City Council shall not take any action in such manner or to such extent as might materially prejudice the security for the payment of the Debt Service Requirements of the Series 2025 Bonds and any other securities payable from the Net Revenues. No contract shall be entered into nor any other action taken by which the rights of any Owner of any Series 2025 Bond or other security payable from Net Revenues might be prejudicially and materially impaired or diminished.

Section 907. Prompt Payment of Bonds. The City shall promptly pay, or cause to be paid, the Debt Service Requirements of the Series 2025 Bonds at the places, on the dates and in the manner specified herein and in the Sale Certificate,

and in the Series 2025 Bonds, according to the true intent and meaning hereof and thereof.

Section 908. Enterprise Status. The City has established, and covenants to continue to maintain, the System as an “enterprise” within the meaning of Article X, Section 20 of the Colorado Constitution, and as a “water activity enterprise” within the meaning of the Water Activity Act; provided, however, after calendar year 2025 the City may disqualify the System as an “enterprise” in any year in which said disqualification does not materially, adversely affect the enforceability of the covenants made pursuant to this Ordinance. In the event the System is disqualified as an enterprise and the enforceability of the covenants made pursuant to this Ordinance are materially, adversely affected, the City covenants to immediately take all actions necessary to (i) qualify the System as an enterprise within the meaning of Article X, Section 20 of the Colorado Constitution and (ii) permit the enforcement of the covenants made herein.

Section 909. Alienation of Property. The City shall not sell or alienate any of the property constituting any part or all of the System in any manner or to any extent as might materially reduce the security provided for the payment of the Bonds, but the City may sell any portion of such property which shall have been replaced by other similar property of at least equal value, or which shall cease to be necessary for the efficient operation of the System; provided, however, that the proceeds of any such sale of property shall be included as part of the Gross Revenues and deposited in the Water Activity Enterprise Fund. Notwithstanding any other provision in this Ordinance to the contrary, the City may enter into contractual arrangements with the Metro, including, without limitation, the treatment of all or a portion of the City's wastewater, and the City may thereafter sell or dispose or otherwise reconstruct all or a portion of the City's existing wastewater treatment plant in accordance with Section 914 hereof.

Section 910. Employment of Management Engineers. If the City defaults in paying the Debt Service Requirements of the Series 2025 Bonds or any other securities payable from the Net Revenues promptly as the same become due, or in the keeping of any covenants herein contained, and if such default continues for a period of 60 days, or if the Net Revenues in any Fiscal Year fail to equal at least the amount of the Debt Service Requirements of the Outstanding Series 2025 Bonds and any other securities (including all reserves therefor specified in the authorizing proceedings, including, without limitation, this Ordinance) payable from the Net Revenues in that Fiscal Year, the City shall retain a firm of competent management engineers skilled in the operation of such facilities to assist the management of the System so long as such default continues or so long as the Net Revenues are less than the amount hereinabove designated in this Section.

Section 911. Budgets. The City Council and officials of the City shall annually and at such other times as may be provided by law prepare and adopt a budget pertaining to the System.

Section 912. Rate Maintenance Covenant. The City shall prescribe, revise, and collect rates, fees, tolls and charges and tap fees and plant investment

fees, or any combination thereof which may be imposed by the City whether for the direct or indirect connection with or use of the System, which together with any other moneys legally available therefore and credited to the Water Activity Enterprise Fund, are expected to produce Gross Revenues for each calendar year which will be at least sufficient for such calendar year to pay the sum of: (a) all amounts estimated to be required to pay the Operation and Maintenance Expense during such calendar year; (b) a sum at least equal to one hundred twenty-five percent (125%) of the Debt Service Requirements due on the Series 2025 Bonds, the Prior Bonds and all other Outstanding Parity Lien Bonds for such calendar year, computed as of the beginning of such calendar year; (c) the amount, if any, to be paid during such calendar year into the Reserve Fund or policy costs related thereto, and any other amounts to be paid into any debt service reserve fund securing the payment of Outstanding Parity Lien Bonds; (d) a sum equal to the Debt Service Requirements on any Subordinate Securities for such calendar year computed as of the beginning of such calendar year; and (e) amounts necessary to pay and discharge all other charges or liens payable out of the Gross Revenues or Net Revenues during such calendar year.

For purposes of calculating the Rate Maintenance Covenant set forth in this Section 912 only, moneys deposited to the 2016 Rate Stabilization Account shall not be considered Gross Revenues; provided, however, that the 2016 Rate Stabilization Account is pledged in accordance with and to the extent set forth in Section 601 hereof.

Section 913. Limitations Upon Free Service. Upon the occurrence of an Event of Default, and for so long as an Event of Default is continuing, no free service or facilities shall be furnished by the System, except that the City shall not be required to pay for any use by the City of any facilities of the System for municipal purposes or for fire protection purposes. If the City chooses, in its sole discretion, to pay for its use of the System, all the income so derived from the City shall be deemed to be income derived from the operation of the System, to be used and to be accounted for in the same manner as any other income derived from the operation of the System.

Section 914. Metro Water Recovery. Notwithstanding any other provision in this Ordinance to the contrary, the City may become a member of Metro, and/or enter into contractual arrangements with Metro, for the treatment of all or a portion of the City's wastewater, and the City may thereafter sell or dispose or otherwise reconstruct all or a portion of the City's existing wastewater treatment plant as determined by the City Council to be in the best interest of the City and its inhabitants, provided that the Gross Revenues shall be sufficient to satisfy the covenant in Section 912 hereof.

Section 915. Audits Required; Accounting Principles. The City agrees that it will, within 180 days following the close of each Fiscal Year, cause an audit of the City's books and accounts to be made by an Independent Accountant. System records and accounts, and audits thereof, shall be currently kept and made, as nearly as practicable, in accordance with the then generally accepted accounting principles, methods and terminology followed and construed for utility operations comparable to the System, except as may be otherwise provided herein or required by

applicable law or regulation or by contractual obligation existing on the effective date of this Ordinance.

Section 916. Insurance and Reconstruction. Except to the extent of any self-insurance, the City shall at all times maintain with responsible bond insurers fire and extended coverage insurance, worker's compensation insurance, public liability insurance and all such other insurance as is customarily maintained with respect to utilities of like character against loss of or damage to the System and against loss of revenues and against public and other liability to the extent reasonably necessary to protect the interests of the City and of each Owner of a Series 2025 Bond. If any useful part of the System shall be damaged or destroyed, the City shall, as expeditiously as may be possible, commence and diligently proceed with the repair or replacement of the damaged property so as to restore the same to use. The proceeds of any such insurance shall be payable to the City and (except for proceeds of any use and occupancy insurance) shall be applied to the necessary costs involved in such repair and replacement and to the extent not so applied shall (together with the proceeds of any such use and occupancy insurance) be deposited in the Water Activity Enterprise Fund by the City as revenues derived from the operation of the System.

Section 917. Federal Income Tax Exemption. The City covenants for the benefit of the Owners of the Series 2025 Bonds that it will not take any action or omit to take any action with respect to the Series 2025 Bonds, the proceeds thereof, any other funds of the City or any facilities financed with the proceeds of the Series 2025 Bonds if such action or omission (a) would cause the interest on the Series 2025 Bonds to lose its exclusion from gross income for federal income tax purposes under Section 103 of the Tax Code, (b) would cause interest on the Series 2025 Bonds to become a specific preference item for purposes of federal alternative minimum tax under the Tax Code, except as such interest is taken into account in determining the annual adjusted financial statement income of applicable corporations (as defined in Section 59(k) of the Tax Code) for the purpose of computing the alternative minimum tax imposed on corporations, or (c) would cause interest on the Series 2025 Bonds to lose its exclusion from State taxable income or to lose its exclusion from State alternative minimum taxable income under present State law. In furtherance of this covenant, the City agrees to comply with the procedures set forth in the Tax Compliance Certificate. The foregoing covenant shall remain in full force and effect notwithstanding the payment in full or defeasance of the Series 2025 Bonds until the date on which all obligations of the City in fulfilling the above covenant under the Tax Code and Colorado law have been met.

Section 918. Continuing Disclosure. The City shall comply with the provisions of the Continuing Disclosure Certificate. Any failure by the City to perform in accordance with this Section shall not constitute an Event of Default under this Ordinance, and the rights and remedies provided by this Ordinance upon the occurrence of an Event of Default shall not apply to any such failure. The Paying Agent shall not have any power or duty to enforce this Section. No Owner of a Series 2025 Bond shall be entitled to damages for the City's non-compliance with its obligations under this Section; however, the Owners of the Series 2025 Bonds may enforce specific performance of the obligations contained in this Section by any judicial proceeding available.

ARTICLE X
PRIVILEGES, RIGHTS AND REMEDIES

Section 1001. Owners' Remedies. Each Owner of any Series 2025 Bond shall be entitled to all of the privileges, rights and remedies provided and this Ordinance, and as otherwise provided or permitted by law or in equity or by any statutes, except as provided in Sections 202 through 206 hereof, but subject to the provisions herein concerning the pledge of and the covenants and the other contractual provisions concerning the Gross Revenues, the Net Revenues and the proceeds of the Series 2025 Bonds.

Section 1002. Right to Enforce Payment. Nothing in this Article affects or impairs the right of any Owner of any Series 2025 Bond to enforce the payment of the Debt Service Requirements due in connection with his or her Series 2025 Bond or the obligation of the City to pay the Debt Service Requirements of each Series 2025 Bond to the Owner thereof at the time and the place expressed in the Series 2025 Bond.

Section 1003. Events of Default. Each of the following events is hereby declared an "Event of Default," provided however, that in determining whether a payment default has occurred pursuant to paragraphs A or B of this Section, no effect shall be given to payments made under any Bond Insurance Policy:

A. Nonpayment of Principal. Payment of the principal of any of the Series 2025 Bonds is not made when the same becomes due and payable, either at maturity or by proceedings for prior redemption, or otherwise;

B. Nonpayment of Interest. Payment of any installment of interest on any of the Series 2025 Bonds is not made when the same becomes due and payable;

C. Payment Default on Parity Lien Bonds. The City fails to pay when due any Debt Service Requirements of any Parity Lien Bonds;

D. Failure to Reconstruct. The City unreasonably delays or fails to carry out with reasonable dispatch the reconstruction of any part of the System which is destroyed or damaged and is not promptly repaired or replaced (whether such failure promptly to repair the same is due to impracticability of such repair or replacement or is due to a lack of moneys therefor or for any other reason), but it shall not be an Event of Default if such reconstruction is not essential to the efficient operation of the System;

E. Appointment of Receiver. An order or decree is entered by a court of competent jurisdiction with the consent or acquiescence of the City appointing a receiver or receivers for the System or for the Gross Revenues and any other moneys subject to the lien to secure the payment of the Series 2025 Bonds, or if an order or decree having been entered without the consent or acquiescence of the City is not vacated or discharged or stayed on appeal within 60 days after entry; and

F. Default of Any Other Provision. The City defaults in the due and punctual performance of any other of the representations, covenants, conditions, agreements and other provisions contained in the Series 2025 Bonds or in this Ordinance

on its part to be performed (other than Section 918 hereof), and such default continues for 60 days after written notice specifying such default and requiring the same to be remedied is given to the City specifying the failure and requiring that it be remedied, which notice may be given by the Paying Agent in its discretion and shall be given by the Paying Agent at the written request of the Owners of not less than 25% in aggregate principal amount of Series 2025 Bonds then Outstanding.

Section 1004. Remedies for Defaults. Upon the happening and continuance of any Event of Default, the Owner or Owners of not less than 25% in aggregate principal amount of the Series 2025 Bonds then Outstanding, including, without limitation, a trustee or trustees therefor, may proceed against the City and its agents, officers and employees to protect and to enforce the rights of any Owner of Series 2025 Bonds under this Ordinance by mandamus or by other suit, action or special proceedings in equity or at law, in any court of competent jurisdiction, either for the appointment 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 equitable remedy as such Owner or 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 Owner of any Series 2025 Bond, or to require the City to act as if it were the trustee of an expressed trust, or any combination of such remedies. All such proceedings at law or in equity shall be instituted, had and maintained for the equal benefit of all Owners of the Series 2025 Bonds and any other Outstanding Parity Lien Bonds.

Section 1005. Receiver's Rights and Privileges. Any receiver appointed in any proceedings to protect the rights of such Owners hereunder, the consent to any such appointment being hereby expressly granted by the City, may enter and may take possession of the System, may operate and maintain the same, may prescribe fees, rates and other charges, and may collect, receive and apply all Gross Revenues arising after the appointment of such receiver in the same manner as the City itself might do.

Section 1006. Rights and Privileges Cumulative. The failure of any Owner of any Outstanding Series 2025 Bond to proceed in any manner herein provided shall not relieve the City, or any of its officers, agents or employees of any liability for failure to perform or carry out any duty, obligation or other commitment. Each right or privilege of any such Owner (or trustee thereof) is in addition and is cumulative to any other right or privilege, and the exercise of any right or privilege by or on behalf of any Owner shall not be deemed a waiver of any other right or privilege thereof.

Section 1007. Duties upon Defaults. Upon the happening of any Event of Default, the City shall do and perform all proper acts on behalf of and for the Owners of Series 2025 Bonds to protect and to preserve the security created for the payment of the Series 2025 Bonds and to insure the payment of the Debt Service Requirements promptly as the same become due. While any Event of Default exists, except to the extent it may be unlawful to do so, all Net Revenues shall be paid into the 2025 Bond Account and into bond or similar funds established for other Parity Lien Bonds then Outstanding, pro rata based upon the aggregate principal amount of the Series 2025 Bonds and Parity Lien Bonds then Outstanding. If the City fails or refuses to proceed as

in this Section provided, the Owner or Owners of not less than 25% in aggregate principal amount of the Series 2025 Bonds then Outstanding, after demand in writing, may proceed to protect and to enforce the rights of the Owners of the Series 2025 Bonds as hereinabove provided, and to that end any such Owners of the Outstanding Bonds shall be subrogated to all rights of the City under any agreement, lease or other contract involving the System or the Gross Revenues entered into prior to the effective date of this Ordinance or thereafter while any of the Series 2025 Bonds are Outstanding.

ARTICLE XI
AMENDMENT OF ORDINANCE

Section 1101. Amendment of Ordinance Not Requiring Consent of Bond Owners. The City may, without the consent of or notice to the Owners of the Series 2025 Bonds, adopt such ordinances supplemental hereto (which amendments shall thereafter form a part hereof) for any one or more or all of the following purposes:

- A. To cure or correct any formal defect, ambiguity or inconsistent provision contained in this Ordinance;
- B. To appoint successors to the Paying Agent or Registrar;
- C. To designate a trustee for the owners of the Series 2025 Bonds, to transfer custody and control of the Net Revenues to such trustee, and to provide for the rights and obligations of such trustee;
- D. To add to the covenants and agreements of the City or the limitations and restrictions on the City set forth herein;
- E. To pledge additional revenues, properties or collateral to the payment of the Series 2025 Bonds;
- F. To cause this Ordinance to comply with the Trust Indenture Act of 1939, as amended from time to time; or
- G. To effect any such other changes hereto which do not materially adversely affect the interests of the Owners of the Series 2025 Bonds.

Section 1102. Amendment of Ordinance Requiring Consent of Bond Owners. Exclusive of the amendatory ordinances covered by Section 1101 hereof, this Ordinance may be amended or modified by ordinances or other instruments duly adopted by the City, without receipt by it or any additional consideration, but with the written consent of the Owners of at least a majority in aggregate principal amount of the Series 2025 Bonds then Outstanding at the time of the adoption of such amendatory ordinance, provided that no such amendatory resolution shall permit:

- A. Changing Payment. A change in the maturity or in the terms of redemption of the principal of any Outstanding Series 2025 Bond or any interest thereon; or

B. Reducing Return. A reduction in the principal amount of any Series 2025 Bond or the rate of interest thereon without the consent of the Owner of the Series 2025 Bond; or

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 Ordinance, except as otherwise permitted by this Ordinance; or

D. Modifying Amendment Terms. A reduction of the principal amount or percentages of Series 2025 Bonds, or any modification otherwise affecting the description of Series 2025 Bonds, otherwise changing the consent of the Owners of Series 2025 Bonds, which may be required herein for any amendment hereto; or

E. Priorities Among Bonds or Parity Lien Bonds. The establishment of priorities as among Series 2025 Bonds issued and Outstanding under the provisions of this Ordinance or as among the Series 2025 Bonds and other Parity Lien Bonds; or

F. Partial Modification. Any modifications otherwise materially and prejudicially affecting the rights or privileges of the Owners of less than all of the Series 2025 Bonds then Outstanding.

Whenever the City proposes to supplement or amend this Ordinance under the provisions of this Section 1102, it shall cause notice of the proposed supplement or amendment to be given by mailing such notice to all Owners of Series 2025 Bonds at the addresses appearing on the registration books of the City. Such notice shall briefly set forth the nature of the proposed amendment and shall state that a copy of the proposed amendatory ordinance or other instrument is on file in the office of the City Clerk for public inspection.

Section 1103. Time for and Consent to Amendment. Whenever at any time within one (1) year from the date of the completion of the notice required to be given by Section 1102 hereof there shall be filed in the office of the City Clerk an instrument or instruments executed by the Owners of at least a majority in aggregate principal amount of the Series 2025 Bonds then Outstanding, which instrument or instruments shall refer to the proposed amendatory ordinance or other instrument described in such notice and shall specifically consent to and approve the adoption of such ordinance or other instrument, thereupon, but not otherwise, the City Council may adopt such amendatory ordinance or instrument and such ordinance or instrument shall become effective. If the Owners of at least a majority in aggregate principal amount of the Series 2025 Bonds then Outstanding, at the time of the adoption of such amendatory ordinance or instrument, or the predecessors in title of such Owners, shall have consented to and approved the adoption thereof as herein provided, no Owner of any Series 2025 Bond whether or not such Owner shall have consented to or shall have revoked any consent as herein provided shall have any right or interest to object to the adoption of such amendatory ordinance or other instrument 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. Any consent given by the Owner of a Series 2025 Bond pursuant to the provisions thereof shall be

irrevocable for a period of six (6) months from the date of the completion of the notice above provided for and shall be conclusive and binding upon all future Owners of the same Series 2025 Bond during such period. Such consent may be revoked at any time after six (6) months from the completion of such notice, by the Owner who gave such consent or by a successor in title, by filing notice of such revocation with the City Clerk, but such revocation shall not be effective if the Owners of at least a majority in aggregate principal amount of the Series 2025 Bonds Outstanding as herein provided, prior to the attempted revocation, shall have consented to and approved the amendatory instrument referred to in such revocation.

Section 1104. Unanimous Consent. Notwithstanding anything in the foregoing provisions contained, the terms and the provisions of this Ordinance, or of any ordinance or instrument amendatory thereof, and the rights and the obligations of the City and of the Owners of the Series 2025 Bonds may be modified or amended in any respect upon the adoption by the City and upon the filing with the City Clerk of an instrument to that effect and with the consent of the Owners of all the then Outstanding Series 2025 Bonds, such consent to be given in the manner provided in Section 1103 hereof; and no notice to Owners of Series 2025 Bonds shall be required as provided in Section 1102 hereof, nor shall the time of consent be limited except as may be provided in such consent.

Section 1105. Exclusion of Bonds. At the time of any consent or of other action taken hereunder the City shall furnish to the City Clerk a certificate, upon which the City Clerk may rely, describing all Series 2025 Bonds to be excluded for the purpose of consent or of other action or any calculation of Outstanding Series 2025 Bonds provided for hereunder, and, with respect to such excluded Series 2025 Bonds, the City shall not be entitled or required with respect to such Series 2025 Bonds to give or obtain any consent or to take any other action provided for hereunder.

ARTICLE XII DEFEASANCE

Section 1201. Defeasance. If, when the Series 2025 Bonds shall be paid in accordance with their terms (or payment of the Series 2025 Bonds has been provided for in the manner set forth in the following paragraph), together with all other sums payable hereunder, then this Ordinance and all rights granted hereunder shall thereupon cease, terminate and become void and be discharged and satisfied. Also if all Outstanding Series 2025 Bonds shall have been purchased by the City and delivered to the Paying Agent for cancellation, and all other sums payable hereunder have been paid, or provision shall have been made for the payment of the same, then this Ordinance and all rights granted hereunder shall thereupon cease, terminate and become void and be discharged and satisfied.

Payment of any Outstanding Series 2025 Bond shall prior to the maturity or Redemption Date thereof be deemed to have been provided for within the meaning and with the effect expressed in this Section if (a) in case said Series 2025 Bond is to be redeemed on any date prior to its maturity, the City shall have given to the Paying Agent in form satisfactory to it irrevocable instructions to give on a date in accordance with the provisions of Section 404 hereof notice of redemption of such Series 2025 Bond

on said Redemption Date, such notice to be given in accordance with the provisions of Section 404 hereof, (b) there shall have been deposited with the Paying Agent or other Trust Bank either moneys in an amount which shall be sufficient, or Federal Securities which shall not contain provisions permitting the redemption thereof at the option of the issuer, the principal of and the interest on which when due, and without any reinvestment thereof, will provide moneys which, together with the moneys, if any, deposited with or held by the Paying Agent or other Trust Bank at the same time, shall be sufficient to pay when due the Debt Service Requirements due and to become due on said Series 2025 Bond on and prior to the Redemption Date or maturity date thereof, as the case may be, and (c) in the event said Series 2025 Bond is not by its terms subject to redemption within the next sixty days, the City shall have given the Paying Agent in form satisfactory to it irrevocable instructions to give, as soon as practicable in the same manner as the notice of redemption is given pursuant to Section 404 hereof, a notice to the Owner of such Series 2025 Bond that the deposit required by (b) above has been made with the Paying Agent or other Trust Bank and that payment of said Series 2025 Bond has been provided for in accordance with this Section and stating such maturity or Redemption Date upon which moneys are to be available for the payment of the Debt Service Requirements of said Series 2025 Bond. Neither such securities nor moneys deposited with the Paying Agent or other Trust Bank pursuant to this Section or principal or interest payments on any such Federal Securities shall be withdrawn or used for any purpose other than, and shall be held in trust for, the payment of the Debt Service Requirements of said Series 2025 Bond; provided any cash received from such principal or interest payments on such Federal Securities deposited with the Paying Agent or other Trust Bank, if not then needed for such purpose, shall, to the extent practicable, be reinvested in securities of the type described in (b) of this paragraph maturing at times and in amounts sufficient to pay when due the Debt Service Requirements to become due on said Series 2025 Bond on or prior to such Redemption Date or maturity date thereof, as the case may be. At such time as payment of a Series 2025 Bond has been provided for as aforesaid, such Series 2025 Bond shall no longer be secured by or entitled to the benefits of this Ordinance, except for the purpose of any payment from such moneys or securities deposited with the Paying Agent or other Trust Bank.

In the event that any Series 2025 Bond is deemed to have been paid and defeased in accordance with (b) of the preceding paragraph, then in connection therewith, the City shall cause to be delivered a verification report of an independent nationally recognized certified public accountant.

The release of the obligations of the City under this Section shall be without prejudice to the right of the Paying Agent to be paid reasonable compensation for all services rendered by it hereunder and all its reasonable expenses, charges and other disbursements incurred on or about the administration of and performance of its powers and duties hereunder.

Upon compliance with the foregoing provisions of this Section with respect to all Series 2025 Bonds then Outstanding, this Ordinance may be discharged in accordance with the provisions of this Section but the liability of the City in respect of the Series 2025 Bonds shall continue; provided that the Owners thereof shall thereafter be entitled to payment only out of the moneys or Federal Securities deposited with the Paying Agent or other Trust Bank as provided in this Section.

If all of the Outstanding Series 2025 Bonds are to be defeased in accordance with the provisions of this Section, any amounts on deposit in the Reserve Fund may be applied to the payment or defeasance of the Outstanding Series 2025 Bonds.

Notwithstanding anything herein to the contrary, in the event that the principal and/or interest due on the Series 2025 Bonds shall be paid by the Bond Insurer pursuant to the Bond Insurance Policy, the Series 2025 Bonds shall remain Outstanding for all purposes, not be defeased or otherwise satisfied and not be considered paid by the City, and the assignment and pledge of the Net Revenues and all covenants, agreements and other obligations of the City to the Owners shall continue to exist and shall run to the benefit of the Bond Insurer, and the Bond Insurer shall be subrogated to the rights of such Owners.

Section 1202. Unclaimed Moneys. Anything contained herein to the contrary notwithstanding, any money held by the Paying Agent in trust for the payment and discharge of any of the Series 2025 Bonds that remains unclaimed for two (2) years after the date when such Series 2025 Bonds have become due and payable, either at their stated maturity dates or by call for redemption prior to maturity, shall be repaid by the Paying Agent to the City as its absolute property free from trust, and the Paying Agent shall thereupon be released and discharged with respect thereto and the Owners shall not look to the Paying Agent for the payment of such Series 2025 Bonds.

ARTICLE XIII MISCELLANEOUS

Section 1301. Evidence of Bond Owners. Any request, consent or other instrument which this Ordinance may require or may permit to be signed and to be executed by the Owners of any Series 2025 Bonds may be in one or more instruments of similar tenor and shall be signed or shall be executed by each such Owner in person or by his or her attorney appointed in writing. Proof of the execution of any such instrument or of an instrument appointing any such attorney, or the holding by any Person of the Series 2025 Bonds shall be sufficient for any purpose of this Ordinance (except as otherwise herein expressly provided) if made in the following manner:

A. Proof of Execution. The fact and the date of the execution by any Owner of any Series 2025 Bonds or his or her attorney of such instrument may be established by a certificate, which need not be acknowledged or verified, of an officer of a bank or trust company satisfactory to the City Clerk or of any notary public or other officer authorized to take acknowledgments of deeds to be recorded in the state in which he or she purports to act, that the individual signing such request or other instrument acknowledged to him or her the execution thereof, or by an affidavit of a witness of such execution, duly sworn to before such notary public or other officer; the authority of the individual or individuals executing any such instrument on behalf of a corporate Owner of any securities may be established without further proof if such instrument is signed by an individual purporting to be the president or vice president of such corporation with a corporate seal affixed and attested by an individual purporting to be its secretary or an assistant secretary; and the authority of any Person or Persons executing any such instrument in any fiduciary or representative capacity may be

established without further proof if such instrument is signed by a Person or Persons purporting to act in such fiduciary or representative capacity; and

B. Proof of Holdings. The amount of Series 2025 Bonds held by any Person and the numbers, date and other identification thereof, together with the date of his or her holding the Series 2025 Bonds, shall be proved by the registration records maintained by the Registrar.

Section 1302. Replacement of Registrar or Paying Agent. The Registrar or Paying Agent may resign at any time on 30 days prior written notice to the City. The City may remove said Registrar or Paying Agent upon 30 days prior written notice to the Registrar and/or Paying Agent, as the case may be. No resignation or dismissal of the Registrar or Paying Agent may take effect until a successor is appointed. Every such successor Registrar or Paying Agent shall be the City or a bank or trust company having a shareowner's equity (e.g., capital, surplus, and undivided profits), however denominated, of not less than \$10,000,000. It shall not be required that the same institution serve as both Registrar and Paying Agent hereunder, but the City shall have the right to have the same institution serve as both Registrar and Paying Agent hereunder.

Section 1303. Parties Interested Herein. Nothing herein expressed or implied confers any right, remedy or claim upon any Person, other than the City, the City Council, the Paying Agent, the Registrar, the Bond Insurer, the Surety Provider, the Owners of the Series 2025 Bonds and the Owners of any Parity Lien Bonds or other securities payable from the Net Revenues when reference is expressly made thereto. 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 City Council, the Paying Agent, the Registrar, the Bond Insurer, the Surety Provider, the Owners of the Series 2025 Bonds and the Owners of any such other securities in the event of such a reference.

Section 1304. Notices. Except as otherwise may be provided in this Ordinance, all notices, certificates, requests or other communications pursuant to this Ordinance shall be in writing and shall be sufficiently given and shall be deemed given by personal delivery or when mailed by first class mail, and either delivered or addressed as follows:

If to the City at:

City of Brighton, Colorado
500 South 4th Avenue
Brighton, Colorado 80601
Attention: Finance Director

If to the Paying Agent at:

UMB Bank, n.a.
1670 Broadway
Denver, CO 80202

Attention: Corporate Trust Services

Any of the foregoing Persons may, by notice given hereunder to each of the other Persons, designate any further or different means of communication hereunder or addresses to which subsequent notices, certificates, requests or other communications shall be sent.

Section 1305. No Recourse Against Officers and Agents. Pursuant to § 11-57-209 of the Supplemental Act, if a member of the City Council, or any officer or agent of the City acts in good faith, no civil recourse shall be available against such City Council member, officer, or agent for payment of the principal or interest on the Series 2025 Bonds. Such recourse shall not be available either directly or indirectly through the City Council or the City, or otherwise, whether by virtue of any constitution, statute, rule of law, enforcement of penalty, or otherwise. By the acceptance of the Series 2025 Bonds and as a part of the consideration of their sale or purchase, any person purchasing or selling such Series 2025 Bonds specifically waives any such recourse.

Section 1306. Limitation of Actions. Pursuant to Section 11-57-212 of the Supplemental Act, no legal or equitable action brought with respect to any legislative acts or proceedings of the City in connection with the authorization or issuance of the Series 2025 Bonds, including but not limited to the adoption of this Ordinance, shall be commenced more than thirty days after the authorization of the Series 2025 Bonds.

Section 1307. Business Days. If the date for making any payment or the last date for performance of any act or the exercising of any rights, as provided in this Ordinance, shall not be a Business Day, such payment may be made or act performed or right exercised on the next succeeding Business Day, with the same force and effect as if done on the nominal date provided in this Ordinance, and no interest shall accrue for the period after such nominal date.

Section 1308. Severability. If any one or more sections, sentences, clauses or parts of this Ordinance shall for any reason be held invalid, such judgment shall not affect, impair, or invalidate the remaining provisions of this Ordinance, but shall be confined in its operation to the specific sections, sentences, clauses or parts of this Ordinance so held unconstitutional or invalid, and the inapplicability and invalidity of any section, sentence, clause or part of this Ordinance in any one or more instances shall not affect or prejudice in any way the applicability and validity of this Ordinance in any other instances.

Section 1309. Repealer. All bylaws, orders, resolutions and ordinances, or parts thereof, inconsistent herewith are hereby repealed to the extent only of such inconsistency. This repealer shall not be construed to revise any bylaw, order, resolution or ordinance, or part thereof, heretofore repealed.

Section 1310. Interpretation. This Ordinance shall be so interpreted and construed as to effectuate its general purpose.

Section 1311. Governing Law. This Ordinance shall be governed by and construed in accordance with the laws of the State of Colorado.

Section 1312. Ordinance Irrepealable. After any of the Series 2025 Bonds are issued, this Ordinance shall constitute an irrevocable contract between the City and the Owner or Owners of the Series 2025 Bonds and this Ordinance shall be and shall remain irrepealable until the Series 2025 Bonds, as to all Debt Service Requirements, shall be fully paid, canceled, and discharged, except as herein otherwise provided.

Section 1313. Charter Controls. Pursuant to Article XX of the State Constitution and the Charter, all State statutes that might otherwise apply in connection with the provisions of this Ordinance, including but not limited to the issuance of the Series 2025 Bonds and the use of the moneys on deposit in the funds and accounts created hereunder, are hereby superseded to the extent of any inconsistencies or conflicts between the provisions of this Ordinance and the Sale Certificate authorized hereby and such statutes. Any such inconsistency or conflict is intended by the City Council and shall be deemed made pursuant to the authority of Article XX of the State Constitution and the Charter.

Section 1314. Recording and Authentication; Publication. Immediately after its passage this Ordinance shall be recorded in the ordinance book of the City kept for that purpose, authenticated by the signatures of the Mayor and City Clerk, and affidavits of publication shall be retained with this Ordinance in the City records. Upon final passage, this Ordinance shall be published by title only, with notice that copies of this Ordinance are available at the office of the City Clerk.

Section 1315. Effective Date. This Ordinance shall be in full force and effect five days after publication following final passage.

INTRODUCED, PASSED ON FIRST READING, AND ORDERED PUBLISHED, THIS 21ST DAY OF JANUARY, 2025.

PASSED ON SECOND AND FINAL READING AND ORDERED PUBLISHED BY TITLE ONLY THIS 4TH DAY OF FEBRUARY, 2025.

CITY OF BRIGHTON, COLORADO

GREGORY MILLS, Mayor

ATTEST:

NATALIE HOEL, City Clerk

Published in the *Brighton Standard Blade*

First Publication: January 30, 2025

Final Publication: February 13, 2025

APPROVED AS TO FORM:

ALICIA CALDERÓN, City Attorney

EXHIBIT A

(FORM OF SERIES 2025 BOND)

Unless this Bond is presented by an authorized representative of The Depository Trust Company, a New York corporation ("DTC"), to the City or its agent for registration of transfer, exchange, or payment, and any Bond issued is registered in the name of Cede & Co. or in such other name as is requested by an authorized representative of DTC (and any payment is made to Cede & Co. or to such other entity as is requested by an authorized representative of DTC), ANY TRANSFER, PLEDGE, OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL inasmuch as the registered owner hereof, Cede & Co., has an interest herein.

UNITED STATES OF AMERICA

STATE OF COLORADO

COUNTIES OF ADAMS AND WELD

CITY OF BRIGHTON, COLORADO
WATER ACTIVITY ENTERPRISE REVENUE BOND
(WATER SYSTEM PROJECT)
SERIES 2025

No. R- _____ \$ _____

<u>INTEREST RATE</u>	<u>MATURITY DATE</u>	<u>DATED AS OF</u>	<u>CUSIP</u>
_____ %	_____ 1, 20__	_____ , 2025	_____

REGISTERED OWNER: CEDE & CO.

PRINCIPAL AMOUNT: _____ DOLLARS

The City of Brighton (the "City"), in the Counties of Adam and Weld and State of Colorado (the "State"), acting by and through its Water Activity Enterprise, for value received, hereby promises to pay to the registered owner specified above, or registered assigns, upon the presentation and surrender of this, solely from the special funds provided therefor, as hereinafter set forth, the principal amount set forth above on the maturity date specified above (unless this bond shall have been called for prior redemption, in which case on the Redemption Date) and to pay solely from such special funds interest hereon at the interest rate per annum specified above, payable semiannually on June 1 and December 1 in each year, commencing on _____ 1, 20__, until the principal amount is paid or payment has been provided for, as described in an ordinance adopted by the City Council of the City on _____, 2025 (the "Ordinance"). This is one of an authorized Series of bonds issued under the Ordinance (the "Series 2025 Bonds"). The Series 2025 Bonds are all issued under and equally and ratably secured by and entitled to the security of the Ordinance. To the extent not defined herein, terms used in this Series 2025 Bond shall have the same meanings as set forth in the Ordinance.

This Series 2025 Bond bears interest, matures, is payable, is subject to redemption and is transferable as provided in the Ordinance and the Sale Certificate authorized thereby.

Reference is made to the Ordinance and to all Ordinances supplemental thereto, with respect to the nature and extent of the security for the Series 2025 Bonds, the accounts, funds or revenues pledged, rights, duties and obligations of the City and the Paying Agent, the rights of the Owners of the Series 2025 Bonds, the events of defaults and remedies, the circumstances under which any Series 2025 Bond is no longer Outstanding, the issuance of additional bonds and the terms on which such additional bonds may be issued under and secured by the Ordinance, the ability to amend the Ordinance, and to all the provisions of which the Owner hereof by the acceptance of this Series 2025 Bond assents.

THE SERIES 2025 BONDS ARE ISSUED PURSUANT TO AND IN FULL COMPLIANCE WITH THE CONSTITUTION AND LAWS OF THE STATE OF COLORADO, THE CITY'S HOME RULE CHARTER AND PURSUANT TO THE ORDINANCE. THE SERIES 2025 BONDS ARE SPECIAL, LIMITED OBLIGATIONS OF THE CITY, SECURED BY THE NET REVENUES. THE SERIES 2025 BONDS DO NOT CONSTITUTE A DEBT OF THE CITY, THE STATE OR ANY POLITICAL SUBDIVISION THEREOF, AND NEITHER THE CITY, THE STATE NOR ANY OF THE POLITICAL SUBDIVISIONS THEREOF IS LIABLE THEREFOR. NEITHER THE MEMBERS OF THE CITY COUNCIL NOR ANY PERSONS EXECUTING THIS SERIES 2025 BOND SHALL BE PERSONALLY LIABLE FOR THIS SERIES 2025 BOND.

It is certified, recited and warranted that all the requirements of law have been fully complied with by the proper officers of the City in the issuance of this Series 2025 Bond; that it is issued pursuant to and in strict conformity with the Constitution of the State, the laws of the State of Colorado, the City's home rule charter and with the Ordinance and any ordinances supplemental thereto; and that this Series 2025 Bond does not contravene any Constitutional or statutory or charter limitation.

The Bonds of the Series of which this Bond is one are issued under the authority of (i) Title 31, Article 35, Part 4; (ii) Title 37, Article 45.1; and (iii) Title 11, Article 57, Part 2, C.R.S., and in full conformity therewith. Pursuant to Section 11-57-210, C.R.S., and Section 31-35-413, C.R.S., this recital shall be conclusive evidence of the validity and the regularity of the issuance of the Series 2025 Bonds, and the Series 2025 Bonds shall be incontestable for any cause whatsoever after their delivery for value.

This Series 2025 Bond shall not be valid or become obligatory for any purpose or be entitled to any security or benefit under the Ordinance until the certificate of authentication hereon shall have been duly executed by the Registrar.

IN WITNESS WHEREOF, the City has caused this Series 2025 Bond to be signed and executed in its name and upon its behalf with the facsimile signature of its Mayor, has caused the facsimile of the seal of the City to be affixed hereon and has caused this Series 2025 Bond to be signed, executed and attested with the facsimile signature of its City Clerk, all as of the date specified above.

(Facsimile Signature)
Mayor

(SEAL)

Attest:

(Facsimile Signature)
City Clerk

(End of Form of Series 2025 Bond)

(Form of Registrar's Certificate of Authentication)

REGISTRAR'S CERTIFICATE OF AUTHENTICATION

This is one of the Series 2025 Bonds described in the within-mentioned Ordinance, and this Series 2025 Bond has been duly registered on the registration records kept by the undersigned as Registrar for such Series 2025 Bonds.

UMB Bank, n.a.,
as Registrar

Date of Authentication
and Registration:

By: _____
Authorized Officer

(End of Form of Registrar's Certificate of Authentication)

(Form of Assignment)

ASSIGNMENT

For value received, the undersigned hereby sells, assigns and transfers unto _____ the within Bond and hereby irrevocably constitutes and appoints _____ attorney, to transfer the same on the records of the Registrar, with full power of substitution in the premises.

Dated: _____

Signature Guaranteed:

Signature must be guaranteed by a member of a Medallion Signature Program.

Address of transferee:

Social Security or other tax identification number of transferee:

NOTE: The signature to this Assignment must correspond with the name as written on the face of the within Bond in every particular, without alteration or enlargement or any change whatsoever.

EXCHANGE OR TRANSFER FEES MAY BE CHARGED

(End of Form of Assignment)

STATE OF COLORADO)
)
 ADAMS AND WELD COUNTIES) SS.
)
 CITY OF BRIGHTON)

I, Natalie Hoel, the duly appointed, qualified and acting City Clerk of the City of Brighton, Colorado (the "City") do hereby certify that:

1. The foregoing pages are a true, correct, and complete copy of an ordinance adopted by the City Council (the "Council") of the City (i) on first reading at a regular meeting of the Council held on January 21, 2025, and (ii) on second reading, at a regular meeting of the Council held on February 4, 2025.

2. The ordinance has been signed by the Mayor, sealed with the corporate seal of the City, attested by me as City Clerk, and duly recorded in the books of the City; and that the same remains of record in the book of records of the City.

3. The passage of the ordinance on first reading was duly moved and seconded and the ordinance was passed on first reading on January 21, 2025, by an affirmative vote of a majority of the members of the Council as follows:

Name	"Yes"	"No"	Absent	Abstain
Gregory Mills, Mayor			X	
Peter Padilla, Mayor Pro Tem	X			
Chris Fiedler	X			
Tom Green	X			
Matt Johnston		X		
Jan Pawlowski	X			
Jim Snyder			X	
Ann Taddeo	X			
Lloyd Worth	X			

4. The passage of the ordinance on second and final reading was duly moved and seconded and the ordinance was passed on second and final reading on February 4, 2025, by an affirmative vote of the members of the Council as follows:

Name	"Yes"	"No"	Absent	Abstain
Gregory Mills, Mayor	X			
Peter Padilla, Mayor Pro Tem	X			
Chris Fiedler	X			
Tom Green			X	
Matt Johnston		X		
Jan Pawlowski	X			
Jim Snyder	X			
Ann Taddeo			X	
Lloyd Worth	X			

5. Notice of the January 21, 2025, Council meeting was given to the public in the form set forth as Exhibit A attached hereto, which notice was duly posted on the public website of the City not less than 24 hours prior to the meeting.

6. After passage on first reading, the ordinance was published by title in the *Brighton Standard Blade*, a newspaper of general circulation within the City, on January 30, 2025. The affidavit of publication is attached hereto as Exhibit B.

7. Notice of the February 4, 2025, Council meeting was given to the public in the form set forth as Exhibit C attached hereto, which notice was duly posted on the public website of the City not less than 24 hours prior to the meeting.

8. After final passage, the Ordinance was published by title in the *Brighton Standard Blade*, a newspaper of general circulation within the City, on February 13, 2025. The affidavit of publication is attached hereto as Exhibit D.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the seal of
said City this _____ day of February, 2025.

City Clerk

(SEAL)

EXHIBIT A

(Attach Notice of Meeting of January 21, 2025)

EXHIBIT B

(Attach Affidavit of Publication after First Reading)

EXHIBIT C

(Attach Notice of Meeting of February 4, 2025)

EXHIBIT D

(Attached Affidavit of Publication after Second Reading)