

AGENDA ITEM FOR WVU ALUMNI CENTER BOND MATTER

1. **CONSIDERATION FOR ADOPTION OF A RESOLUTION APPROVING THE MAKING OF CERTAIN AMENDMENTS TO THE CITY'S COMMERCIAL DEVELOPMENT REVENUE BONDS, AMENDED SERIES 2007 (WEST VIRGINIA UNIVERSITY ALUMNI ASSOCIATION, INC. PROJECT) AND DOCUMENTS RELATED THERETO AND APPROVING THE TAKING OF ALL NECESSARY ACTIONS RELATING TO THE FOREGOING.**

Bond Resolution

**THE CITY COUNCIL OF MORGANTOWN, WEST VIRGINIA
RESOLUTION AUTHORIZING AMENDMENTS TO BONDS**

RESOLUTION APPROVING THE MAKING OF CERTAIN AMENDMENTS TO THE CITY'S COMMERCIAL DEVELOPMENT REVENUE BONDS, AMENDED SERIES 2007 (WEST VIRGINIA UNIVERSITY ALUMNI ASSOCIATION, INC. PROJECT) AND DOCUMENTS RELATED THERETO AND APPROVING THE TAKING OF ALL NECESSARY ACTIONS RELATING TO THE FOREGOING.

WHEREAS, the City of Morgantown, West Virginia, a political subdivision of the State of West Virginia (the "City"), under Chapter 13, Article 2C of the Code West Virginia, 1931, as amended (the "Act"), has plenary power and authority to finance industrial and commercial projects by making loans to others to provide funds for the acquisition and construction of such projects and to issue revenue bonds for the purpose of defraying the costs of acquisition and construction of such projects or any additions, extensions or improvements thereto;

WHEREAS, the West Virginia University Alumni Association, Inc., a West Virginia nonprofit corporation (the "Association"), has heretofore financed the construction and equipping of a new alumni center and all necessary appurtenances and related facilities located in the City of Morgantown, West Virginia (the "Project");

WHEREAS, on November 2, 2007 the City issued \$8,400,000 aggregate principal amount of its Commercial Development Revenue Bonds, Series 2007 (West Virginia University Alumni Association Project) (the "Bonds") pursuant to a Trust Indenture dated as of November 1, 2007 (the "Indenture") to permanently finance the acquisition, construction and equipping of a portion of the Project and loaned the proceeds of the Bonds to the Association to be used by the Association in funding a portion of the Project pursuant to a Loan Agreement dated as of November 1, 2007 (the "Loan Agreement");

WHEREAS, on June 1, 2010 the City Council of the City approved the making of certain amendments to the Indenture and the Loan Agreement as a result of certain changes agreed upon by the Association and WesBanco Bank, Inc. ("WesBanco") as the holder of the Bonds;

WHEREAS, the Association and Wesbanco have agreed to certain additional changes to the terms of the Bonds which the Association would like for the City to agree to in its capacity as issuer of the Bonds;

WHEREAS, Wesbanco has agreed to change certain terms of the Bonds such as the interest rate and the maturity schedule for the Bonds, including, specifically, adjusting the interest rate to a 2.45% fixed rate for the five year period commencing on the date of the amendments to the Financing Agreements, as defined below, with the rate adjusting every five years thereafter to a rate equal to the greater of (a) 2.45% or (b) 70% multiplied by the sum of the comparable LIBOR swap rate plus 2.50%. The remaining balance of the Bonds as of the effective date of the amendments is expected to be \$4,200,000 and such amount will be amortized over a period ending no later than June 10, 2030;

WHEREAS, in order to make the amendments it will be necessary to amend the terms of the Bonds, the Indenture, the Loan Agreement and other documents related thereto (collectively, the "Financing Agreements") to reflect the agreement reached between the Association and Wesbanco with respect to the proposed amendments; and

WHEREAS, the proposed amendments to the Bonds will cause a "reissuance" of the Bonds to occur for federal income tax purposes; and

WHEREAS, the City desires to take all steps necessary for the amendments to the Bonds and related documents as soon as feasible;

NOW THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF MORGANTOWN, AS FOLLOWS:

Section 1. Authorization and Approval. The making of the proposed amendments to the Financing Documents is hereby authorized and approved. The officers, agents and employees of the City are hereby authorized, empowered and directed to execute any instruments and take any action required to make the amendments and to carry out the purposes described in the Financing Agreements and the preambles hereto.

Section 2. Forms of Documents Approved. The amendments to the Financing Agreements and other documents relating to the Bonds are hereby authorized in such form as may be approved by the Mayor, such approval to be evidenced by the execution by the Mayor of such Financing Agreements. The Mayor is authorized to negotiate and approve the final form and content of the Financing Agreements under such terms and conditions as are acceptable to the Mayor and the Association, with such changes, insertions and omissions as may be approved by the Mayor. The Mayor is hereby authorized, empowered and directed to execute and deliver the appropriate Financing Agreements or amendments thereto relating to the amendment of the Bonds and the Financing Documents on behalf of the City, in the forms and upon those terms and conditions as approved by the Mayor, and such approval shall be conclusively evidenced by the execution of the Financing Agreements by the Mayor or other authorized officer.

Section 3. Bonds to Constitute Limited Obligations. The Bonds shall be secured solely by the pledges effected by the Indenture. The Bonds, together with the interest thereon, are limited obligations of the City, payable solely from the Revenues, as such term is defined in the Indenture, and other sources set forth therein, and the Bonds

shall never constitute an indebtedness of the City within the meaning of any constitutional provision or statutory limitation and shall never constitute nor give rise to a pecuniary liability of the City or a charge against its general credit or taxing power, nor shall the Bonds create any personal liability upon any official or member of the City Council.

Section 4. Authentication of Bonds. The Trustee is hereby requested to authenticate and register the amended Bonds and to deliver them to or upon the order of the Mayor.

Section 5. Indemnification. Subject to the provisions of the Indenture and the Loan Agreement, the Association shall defend, indemnify and hold the City and its officials harmless from and against any and all loss, cost, expense, claim or action arising out of or connected with the adoption of this Resolution and the consummation of the transactions provided for herein and contemplated hereunder.

Section 6. Personal Liability. None of the present or future employees, officers or member of the City Council, or any person executing the Bonds or the Financing Agreements relating thereto, shall be personally liable for the Bonds or any other obligation relating to the issuance of such Bonds or be subject to any personal liability by reason of the issuance of the Bonds.

Section 7. Formal Actions. The City hereby finds and determines that all formal actions relative to the adoption of this Resolution were taken in accordance and in full compliance with the Code.

Section 8. Incidental Actions. The Mayor or other authorized officer of the City are hereby authorized and directed to execute and deliver such other documents, agreements, instruments and certificates and to take such other actions as may be necessary or appropriate in order to effectuate the execution, delivery and receipt, or any thereof, of the Financing Agreements and the amendment of the Bonds, and for carrying out the transactions contemplated therein, all in accordance with the Act, the Code and the foregoing sections hereof. The execution, delivery and due performance of the Financing Agreements are hereby in all respects approved, authorized, ratified and confirmed, including all acts heretofore taken in connection with the reissuance of the Bonds.

Section 9. Expenses and Fees. All expenses incurred by the City in connection with the amendment of the Bonds shall be paid to or reimbursed to the City by the Association.

Section 10. Governing Law. The laws of the State of West Virginia shall govern the construction of this Resolution and the amended Bonds.

Section 11. Severability. If any section, paragraph, clause or provision of this Resolution shall be held invalid, such invalidity shall not affect any of the remaining provisions of this Resolution.

Section 12. Effective Time. This Resolution shall become effective immediately.

Adopted this 5th day of November, 2012.

THE CITY OF MORGANTOWN

By: _____
Mayor

CERTIFICATE

I, the undersigned Clerk of the City of Morgantown, West Virginia, hereby certify that the foregoing is a true, correct and complete copy of the text of a Resolution adopted by the City Council of the City of Morgantown, at a regular meeting held on November 5, 2012, after the giving of the required public notice and at which a quorum was present and acting throughout, and which resolution has not been amended, modified, rescinded, repealed, superseded, annulled, revoked or otherwise altered as of the date hereof.

Dated this ____ day of November, 2012.

[SEAL]

By: _____
Linda Little, Clerk