

\$447,289
Town of Lyons, Colorado
(Acting By and Through its Electric Utility Enterprise)
Electric Utility Revenue Refunding Bonds
Series 2019

CLOSING DOCUMENTS

March 5, 2019

1. Bond Ordinance
2. Paying Agent Agreement
3. Investor Letter
4. Omnibus Certificate
5. Specimen Bond
6. Tax Compliance Certificate with attached Tax Letter of Instructions
7. Internal Revenue Service Form 8038 G, and evidence of filing
8. Certificate of Paying Agent and Registrar
9. Opinion of Town Attorney
10. Opinion of Bond Counsel
11. Defeasance Opinion
12. Delivery Certificate and Cross Receipt
13. Closing Memorandum

CERTIFICATE OF PROCEEDINGS OF TOWN OF LYONS

STATE OF COLORADO]
COUNTY OF BOULDER] ss.
TOWN OF LYONS]

I, Debra Anthony, Town Clerk of the Town of Lyons (the "Town"), in the County of Boulder and State of Colorado, do hereby certify in connection with the issuance of the Town's Electric Utility Revenue Refunding Bonds, Series 2019 (the "Series 2019 Bonds") that:

1. Attached hereto as Exhibit A is a true, correct and complete copy of the Town's Ordinance No. 1049 (the "Ordinance") as approved, passed and adopted by the Board of Trustees of the Town (the "Board") on first reading on January 7, 2019 and second reading on January 22, 2019. The Ordinance is in full force and effect and has not been amended, modified or repealed since its adoption.

2. The Ordinance has been authenticated by the signature of the Mayor and by the Town Clerk and made a part of the official record of the Board.

3. Attached hereto as Exhibit B are proofs of publication that the Ordinance was published in the manner required by law.

4. Public notice of all the Board meetings at which action was taken in connection with the Ordinance was given in the manner and at the times required by law, and such meetings were open at all times to the general public.

5. A quorum was present throughout all meetings of the Board at which action was taken in connection with the Ordinance.

IN WITNESS WHEREOF, I have hereunto set my hand and the seal of the Town of Lyons, this 5th day of March, 2019.

[SEAL]

TOWN OF LYONS

By Anthony
Town Clerk

[Signature Page to Certificate Of Proceedings Of Town of Lyons]

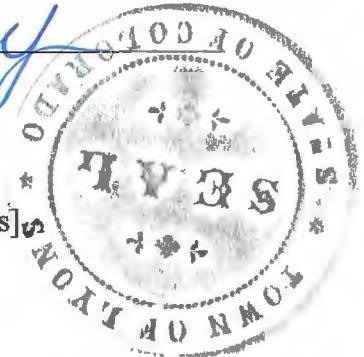


EXHIBIT A
ORDINANCE NO. 1049

ORDINANCE 1049

AN ORDINANCE OF THE TOWN OF LYONS, COLORADO, ACTING BY AND THROUGH ITS ELECTRIC UTILITY ENTERPRISE, AUTHORIZING A FINANCING TO PROVIDE FOR THE REFUNDING OF OUTSTANDING ELECTRIC REVENUE BONDS; PRESCRIBING THE FORM OF THE BONDS; PROVIDING FOR THE PAYMENT OF THE BONDS FROM THE OPERATION OF THE ELECTRIC FACILITIES; PROVIDING OTHER DETAILS AND APPROVING DOCUMENTS IN CONNECTION WITH THE BONDS.

WHEREAS, the Town of Lyons, Colorado is a municipal corporation duly organized and operating as a statutory municipality under Article XX of the Constitution of the State of Colorado (unless otherwise indicated, capitalized terms used in this preamble shall have the meanings set forth in Section 1 of this Ordinance); and

WHEREAS, pursuant to Section 13-2-10 of the Town's Municipal Code, the Town has created and established an Electric Department of the Town, which the Town operates and maintains as a government-owned business and which is designated the Town's Electric Utility Enterprise; and

WHEREAS, the Electric Utility Enterprise has control of the operation and maintenance of the Town's electric system and works for the transmission and distribution of electricity purchased by the Town for distribution and resale to public and private users; and

WHEREAS, as part of its Electric Utility Enterprise, the Town has heretofore determined and undertaken to operate and maintain the Town's Electric Facilities; and

WHEREAS, the financial activities of the Electric Facilities are annually accounted for by the Town in the Town's Electric Fund; and

WHEREAS, pursuant to Resolution 1993-14 adopted by the Town on December 13, 1993, the Town designated its Electric Utility Enterprise as an enterprise within the meaning of Article X, Section 20 of the Colorado Constitution ("TABOR"); and

WHEREAS, the Electric Facilities have been and continue to be operated as an electric utility enterprise; the Electric Facilities are a substantially self-supporting government owned business; and the Electric Utility Enterprise receives under 10% of annual revenues in grants from all Colorado state and local governments combined; and

WHEREAS, the election requirements for the issuance of bonds and other multiple fiscal year obligations under TABOR do not apply to enterprises; and

WHEREAS, the Town Board of Trustees has heretofore determined and hereby reaffirms that the Electric Utility Enterprise is an enterprise within the meaning of TABOR; and

WHEREAS, the Board is acting hereunder as the governing body of the Town's Electric Utility Enterprise; and

WHEREAS, the Town, acting by and through its Electric Utility Enterprise, previously issued its Electric Revenue Bonds, Series 2003, in the aggregate principal amount of \$1,480,000 (the "Series 2003 Bonds"), which Series 2003 Bonds are currently outstanding in the principal amount of \$500,000 and bear interest at a rate of 5.25% per annum; and

WHEREAS, the principal of and interest on the Series 2003 Bonds is payable, at the option of the Town, upon payment of the principal thereof, without redemption premium, and the accrued interest to the date of redemption; and

WHEREAS, after extended discussions and consultation, the Board has determined that by refunding all of the remaining outstanding Series 2003 Bonds, the Board can achieve one or more of the purposes set forth in Section 11-56-104, C.R.S.; and

WHEREAS, the Board does hereby determine that it is in the best interests of the Town, and the residents and taxpayers thereof, that the remaining outstanding Series 2003 Bonds be refunded and that the Bonds be issued and sold; and

WHEREAS, for the purpose of refunding the remaining outstanding Series 2003 Bonds, the Board has determined to issue its Electric Revenue Refunding Bonds, Series 2019, in the aggregate principal amount of \$447,289.36 (the "Series 2019 Bonds" or the "Bonds"); and

WHEREAS, the Bonds will be issued to refinance the remaining outstanding Series 2003 Bonds at a lower interest rate within the meaning of Article X, Section 20 of the Colorado Constitution; and

WHEREAS, the net proceeds derived from the sale of the Bonds, together with other legally available funds of the District, shall be applied to the payment of the principal of and interest on the Refunded Bonds as they become due and payable through and including their date of redemption; and

WHEREAS, the Bonds are being issued as one bond in a denomination equal to the principal amount of the Bonds and will be exempt from registration under §11-59-101 et. seq., C.R.S., the Colorado Municipal Bond Supervision Act; and

WHEREAS, after consideration, the Board has determined that the sale of the Bonds, subject to the terms and conditions set forth herein, to Zions Bancorporation, National Association (the "Purchaser") is in the best interests of the Town; and

WHEREAS, the Bonds will not be payable from any tax, will not constitute a debt or an indebtedness of the Town within the meaning of any constitutional or statutory limitation, and will not be considered or held to be general obligations of the Town; and

WHEREAS, none of the members of the Board have any potential conflicting interests in connection with the authorization, issuance, or sale of the Bonds, or the use of the proceeds thereof; and

WHEREAS, Board desires to authorize the issuance and sale of the Bonds, and to provide for the details and payment of the Bonds;

BE IT ORDAINED BY THE BOARD OF TRUSTEES OF THE TOWN OF LYONS, COLORADO:

Section 1. Definitions. The following terms shall have the following meanings as used in this Ordinance:

“*Bank*” means UMB Bank, n.a., a national banking association duly organized and existing under the laws of the United States of America which has full and complete trust powers and is a qualified institution under Article 10.5 of Title 11, C.R.S., known as the Public Deposit Protection Act.

“*Board*” means the Board of Trustees of the Town acting as the governing body of the Electric Utility Enterprise.

“*Bonds*” means the Electric Revenue Refunding Bonds, Series 2019, dated as of the Dated Date.

“*Bond Account*” means the account established by the provisions hereof to account for the moneys to be applied to the payment of the debt service on the Bonds. The Bond Account shall be a subsidiary account or subaccount of the Electric Fund or other appropriate fund of the Town and separately accounted for by the Town in accordance with the provisions hereof.

“*Bond Counsel*” means (a) as of the date of issuance of the Bonds, Kutak Rock LLP, of Denver, Colorado; and (b) as of any other date, Kutak Rock LLP or such other attorneys selected by the Town with nationally recognized expertise in the issuance of municipal bonds.

“*Business Day*” means any day other than (a) a Saturday or Sunday, or (b) a day on which banking institutions in the State are authorized or obligated by law or executive order to be closed for business.

“*Call Date*” means the date on which the Series 2003 Bonds shall be called for optional redemption, which date shall be the Dated Date of the Bonds.

“*Capital Improvements*” means the acquisition of land, easements, facilities, and equipment (other than ordinary repairs and replacements), and the construction or reconstruction of improvements, betterments, and extensions, including, without limitation, an electric substation and transmission line, for use by or in connection with Electric Facility Activities which, under Generally Accepted Accounting Principles for governmental units as prescribed by the Governmental Accounting Standards Board, are properly chargeable as capital items.

“*Code*” means the Internal Revenue Code of 1986, as amended. Each reference to a section of the Code herein shall be deemed to include the United States Treasury Regulations proposed or in effect thereunder and applicable to the Bonds or the use of proceeds thereof, unless the context clearly requires otherwise.

“Combined Maximum Annual Principal and Interest Requirements” means with regard to any two or more particular issues of bonds or other obligations, the maximum annual payments of principal of and interest on all of said issues, excluding redemption premiums, to become due during any Fiscal Year while such issues are outstanding; provided that such computation shall assume the redemption and payment of bonds or other obligations subject to mandatory redemption, but shall be made without regard to any right of optional redemption which has not been exercised.

“Continuing Disclosure Undertaking” means an undertaking of the Town to facilitate compliance with Securities and Exchange Commission Rule 15c2-12 (17 C.F.R. § 240.15c2-12) in substantially the form presented to the Board.

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

“Dated Date” means the date of delivery for the Bonds.

“Electric Facilities” means any one or more works and improvements of the Town, now owned or hereafter acquired, whether situated within or without the Town boundaries, used in and as part of the acquisition, receipt or distribution of electricity for the beneficial uses and purposes for which electricity has been or may be appropriated, or used in and as part of a fiber optic strand or related network in the provision of fiber optic services, including all present or future improvements, extensions, enlargements, betterments, replacements, or additions thereof or thereto.

“Electric Facility Activities” means the acquisition, receipt and delivery of electricity through the Electric Facilities, and the acquisition and installation of fiber optic strands and all related and ancillary uses thereof, in accordance with the applicable provisions of State law and the Municipal Code.

“Electric Fund” means that special fund currently titled the Electric Utility Enterprise Fund previously established by the Town to account for the financial activities of Electric Facility Activities.

“Electric Utility Enterprise” means the Electric Utility Enterprise which has been established by the Town, and which includes, but is not limited to, Electric Facility Activities.

“Enabling Laws” means the Public Securities Refunding Act and all other laws of the State of Colorado enabling the actions of the Town as contemplated by the provisions of this Ordinance.

“Event of Default” means any of the events specified the Section hereof titled “Events of Default.”

“Federal Securities” means bills, certificates of indebtedness, notes, bonds or similar securities which are direct noncallable 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.

“Fiscal Year” means the 12 months commencing January 1 of any year and ending December 31 of said year.

“Gross Revenue” means (a) all rates, fees, charges and revenues directly or indirectly derived by the Town for the services furnished by, or use of, Electric Facility Activities, or any part thereof, including all income attributable to any future dispositions of property or rights or related contracts, settlements, or judgments held or obtained in connection with Electric Facility Activities or its operations, (b) all gross income and revenue derived by the Town from the operation of any other activity of the Electric Utility Enterprise or from any other Town revenues hereafter pledged by the Board to the payment of the Bonds provided that prior to such pledge the Town receives a written opinion from Bond Counsel to the effect that such pledge does not adversely affect the validity of the Bonds or the exclusion of the interest on the Bonds from gross income for federal income tax purposes, and (c) all gross income and revenue derived from the investment of any of the funds established or reaffirmed herein, except as otherwise provided in this Ordinance; provided however, that there shall be excluded from Gross Revenue (i) moneys borrowed and used for providing Capital Improvements, (ii) any money and securities, and investment income therefrom, in any refunding fund, escrow account, or similar account pledged to the payment of any bonds or other obligations for the purpose of defeasing the same, and (iii) 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 Electric Facility Activities, services rendered thereby or the availability of any such service.

“Interest Payment Date” means each June 1 and December 1, commencing June 1, 2019, or such other dates of each year as established by the Town and the Investor for payment of interest on the Bonds.

“Investor” means Zions Bancorporation, National Association, or its successors.

“Net Revenues” means Gross Revenue after deducting Operation and Maintenance Expenses.

“Operation and Maintenance Expenses” means all reasonable and necessary current expenses of the Town, paid or accrued, for operating, maintaining, and repairing Electric Facilities, including without limitation legal and overhead expenses of the Town directly related to the administration of Electric Facility Activities; provided however, that there shall be excluded from Operation and Maintenance Expenses any allowance or transfers for depreciation, payments in lieu of taxes or franchise fees, legal liabilities not based on contract, expenses incurred in connection with Capital Improvements and payments due in connection with any bonds or other obligations issued to provide Capital Improvements.

“Ordinance” means this ordinance authorizing the issuance of the Bonds, including any amendments or supplements hereto.

“Owner” or “Owners” means, initially, the Purchaser, or, in the event of an authorized transfer thereafter, the Person or Persons in whose name or names the Bond is registered on the registration books maintained by the Paying Agent pursuant hereto.

“Parity Lien Obligations” means any bonds or other obligations permitted to be issued pursuant to the Section hereof titled “Parity Lien Obligations”, with a lien that is equal and on a parity with the lien of the Bonds on the Net Revenues.

“Parity Reserve Amount” means, as of any date on which it is calculated with respect to any issue of Parity Lien Obligations, the least of (a) 10% of the principal amount of said Parity Lien Bonds, (b) the maximum annual debt service in any calendar year on said Parity Lien Bonds or (c) 125% of the average annual debt service on said Parity Lien Bonds; provided, however, that the Parity Reserve Amount may be reduced if, in the opinion of Bond Counsel, the funding or maintenance of it at the level otherwise determined pursuant to this definition will cause the reserve account for such Parity Lien Bonds to exceed the amount permitted by the Code to be invested in higher yielding investments as a reasonably required reserve amount and replacement fund.

“Paying Agent” means the Bank and its successors in interest or assigns approved by the Town, which shall act as paying agent, bond registrar, and authenticating agent for the Bonds.

“Paying Agent and Registrar Agreement” means an agreement between the Town and the Paying Agent concerning the duties and obligations of the Paying Agent with respect to the Bonds.

“Permitted Investments” means any investment lawfully permitted by applicable State law.

“Person” means a corporation, firm, other body corporate, partnership, association or individual and also includes an executor, administrator, trustee, receiver or other representative appointed according to law.

“Principal Payment Date” means December 1, or such other date or dates of each year as established by the Town and the Investor for payment of principal of the Bonds.

“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.

“Public Securities Refunding Act” means Part 1 of Article 56 of Title 11, C.R.S.

“Record Date” means with respect to each Interest Payment Date, (a) if the Interest Payment Date is the first day of the month, the fifteenth day of the month immediately preceding the month (whether or not such day is a Business Day) in which such Interest Payment Date occurs; or (b) if the Interest Payment Date is the fifteenth day of the month, the first day of the month (whether or not such day is a Business Day) in which such Interest Payment Date occurs.

“*Refunding Project*” means the payment and cancellation of the Series 2003 Bonds and any other purpose for which proceeds of the Bonds may be expended under the Enabling Laws, including, but not limited to, the payment of the costs of issuance of the Bonds. Subject to the issuance of the Bonds, the Board does hereby declare its intent to exercise its option to pay and cancel the Series 2003 Bonds on the Call Date.

“*Required Reserve*” means the amount of \$44,728.94, which amount is the least of (a) 10% of the principal amount of the Bonds, (b) the maximum annual debt service in any calendar year on the Bonds or (c) 125% of the average annual debt service on the Bonds.

“*Reserve Account*” means the account established by the provisions hereof to provide additional security for the timely payment of the debt service on the Bonds. The Reserve Account shall be a subsidiary account or subaccount of the Electric Fund or other appropriate fund of the Town and separately accounted for by the Town in accordance with the provisions hereof.

“*Series 2003 Bonds*” means the Town’s Electric Revenue Bonds, Series 2003, originally issued in the aggregate principal amount of \$1,480,000.

“*State*” means the State of Colorado.

“*Tax Letter of Instructions*” means the Tax Letter of Instructions, dated the date on which the Bonds are originally issued and delivered to the Town by Bond Counsel, as such instructions may be superseded or amended in accordance with their terms.

“*Town*” means the Town of Lyons, Colorado.

Section 2. Authorization and Purpose of the Bonds. Pursuant to and in accordance with the Constitution of the State of Colorado and the Enabling Laws, there shall be issued by the Town, acting by and through its Electric Utility Enterprise, the “Electric Revenue Refunding Bonds, Series 2019” for the purpose of financing the Refunding Project.

Section 3. Bond Details.

(a) ***Registered Form, Denominations, Original Dated Date and Numbering.*** The Bonds shall be issued as a single bond in fully registered form, shall be dated as of the Dated Date, and shall be registered in the names of the Persons identified in the registration books maintained by the Paying Agent pursuant hereto. The Bonds shall be issued in a denomination equal to the principal amount thereof.

(b) ***Aggregate Principal Amount of the Bonds; Price of the Bonds.*** The aggregate principal amount of the Bonds shall be \$447,289.36. The Bonds shall be sold to the Investor at the aggregate price of \$447,289.36.

(c) ***Maturity Dates, Principal Amounts and Interest Rates.*** The Bonds shall mature on the Principal Payment Date of the years and in the principal amounts, and shall bear interest at the rates per annum (calculated based on a 360-day year of twelve 30-day months) in accordance with the schedule attached hereto as Appendix A.

(d) ***Accrual and Dates of Payment of Interest.*** Interest on the Bonds shall accrue at the rates set forth in the schedule attached hereto as Appendix A from the later of the Dated Date or the latest Interest Payment Date (or in the case of defaulted interest, the latest date) to which interest has been paid in full and shall be payable on each Interest Payment Date. The net effective interest rate on the Bonds shall be 2.87%.

(e) ***Final Maturity.*** The final maturity of the Bonds shall be on December 1, 2023.

(f) ***Manner and Form of Payment.*** Principal of each Bond shall be payable to the Owner thereof upon presentation and surrender of such Bond at the principal office of the Paying Agent or at such other office of the Paying Agent designated by the Paying Agent for such purpose. Interest on each Bond shall be payable by check or draft of the Paying Agent mailed on each Interest Payment Date to the Owner thereof as of the close of business on the corresponding Record Date; provided that interest payable to any Owner may be paid by any other means agreed to by such Owner and the Paying Agent that does not require the Town to make moneys available to the Paying Agent earlier than otherwise required hereunder or increase the costs borne by the Town hereunder. All payments of the principal of and interest on the Bonds shall be made in lawful money of the United States of America.

Section 4. Redemption of Bonds Prior to Maturity.

(a) ***Optional Redemption.*** The Bonds shall be subject to redemption at the option of the Town, in whole or in part, and if in part in such order of maturities as the Town shall determine and by lot within a maturity on any date upon 30 days' prior written notice to the Owner.

(b) ***Mandatory Sinking Fund Redemption.*** The principal amount of the Bonds is subject to mandatory sinking fund redemption by lot on the Principal Payment Date of the years and in the principal amounts specified in the schedule attached hereto as Appendix A, at a redemption price equal to the principal amount thereof (with no redemption premium), plus accrued interest to the redemption date.

(c) ***Redemption Procedures.*** Notice of any redemption of Bonds shall be given by the Paying Agent in the name of the Town by sending a copy of such notice by first class, postage prepaid mail, not less than thirty days prior to the redemption date, to the Owner of each Bond being redeemed. Such notice shall specify the number or numbers of the Bonds so to be redeemed (if redemption shall be in part) and the redemption date. If any Bond shall have been duly called for redemption and if, on or before the redemption date, there shall have been deposited with the Paying Agent in accordance with this Ordinance funds sufficient to pay the redemption price of such Bond on the redemption date, then such Bond shall become due and payable at such redemption date, and from and after such date interest will cease to accrue thereon. Failure to deliver any redemption notice or any defect in any redemption notice shall not affect the validity of the proceeding for the redemption of Bonds with respect to which

such failure or defect did not occur. Any Bond redeemed prior to its maturity by prior redemption or otherwise shall not be reissued and shall be cancelled.

Section 5. Form of the Bonds. The Bonds shall be in substantially the form set forth in Appendix B hereto, with such changes thereto, not inconsistent herewith, as may be necessary or desirable and approved by the officials of the Town executing the same (whose manual or facsimile signatures thereon shall constitute conclusive evidence of such approval). The Bond shall recite that it is issued under the authority of the Enabling Laws. Although attached as an appendix for the convenience of the reader, Appendix B is an integral part of this Ordinance and is incorporated herein as if set forth in full in the body of this Ordinance.

Section 6. Execution, Authentication and Delivery of the Bonds.

(a) ***Execution.*** The Bonds shall be executed in the name and on behalf of the Town with the manual or facsimile signature of the Mayor, shall bear a manual or facsimile of the seal of the Town and shall be attested by the manual or facsimile signature of the Town Clerk both of whom are hereby authorized and directed to prepare and execute the Bonds in accordance with the requirements hereof. Should any officer whose manual or facsimile signature appears on the Bonds cease to be such officer before delivery of any Bond, such manual or facsimile signature shall nevertheless be valid and sufficient for all purposes.

(b) ***Authentication.*** When the Bonds have been duly executed, the officers of the Town are authorized to, and shall, deliver the Bonds to the Paying Agent for authentication. No Bond shall be secured by or entitled to the benefit of this Ordinance, or shall be valid or obligatory for any purpose, unless the certificate of authentication of the Paying Agent has been manually executed by an authorized signatory of the Paying Agent. The executed certificate of authentication of the Paying Agent upon any Bond shall be conclusive evidence, and the only competent evidence, that such Bond has been properly authenticated hereunder.

(c) ***Delivery.*** Upon the authentication of the Bonds, the Paying Agent shall deliver the same in accordance with the instructions of the Investor upon receipt of the agreed purchase price of the Bonds from the Investor and the issuance of the approving opinion of Bond Counsel.

Section 7. Registration, Transfer and Exchange of the Bonds.

(a) ***Registration.*** The Paying Agent shall maintain registration books in which the ownership, transfer and exchange of Bonds shall be recorded. The person in whose name any Bond shall be registered on such registration books shall be deemed to be the absolute owner thereof for all purposes, whether or not payment on any Bond shall be overdue, and neither the Town nor the Paying Agent shall be affected by any notice or other information to the contrary.

(b) ***Transfer and Exchange.*** The Bonds may be transferred or exchanged, at the principal office of the Paying Agent for a like aggregate principal amount of Bonds of other authorized denominations of the same maturity and interest rate, upon payment by

the transferee of a transfer fee, any tax or governmental charge required to be paid with respect to such transfer or exchange and any cost of printing bonds in connection therewith. Upon surrender for transfer of any Bond, duly endorsed for transfer or accompanied by an assignment duly executed by the Owner or his or her attorney duly authorized in writing, the Town shall execute and the Paying Agent shall authenticate and deliver in the name of the transferee a new Bond.

(c) ***Limitations on Transfer.*** The Town and Paying Agent shall not be required to issue or transfer any Bonds during a period beginning at the close of business on the Record Date and ending at the opening of business on the first Business Day following the ensuing interest payment date. The Paying Agent shall not be required to transfer any Bonds selected or called for redemption.

Section 8. Replacement of Lost, Destroyed or Stolen Bonds. If any Bond shall become lost, apparently destroyed, stolen or wrongfully taken, it may be replaced in the form and tenor of the lost, destroyed, stolen or taken bond and the Town shall execute and the Paying Agent shall authenticate and deliver a replacement Bond upon the Owner furnishing, to the satisfaction of the Paying Agent: (a) proof of ownership (which shall be shown by the registration books of the Paying Agent); (b) proof of loss, destruction or theft; (c) an indemnity to the Town and the Paying Agent with respect to the Bond lost, destroyed or taken; and (d) payment of the cost of preparing and executing the new bond or bonds.

Section 9. Reaffirmation of the Electric Fund; Establishment of Accounts.

(a) ***Reaffirmation of Existing Funds.*** The Town hereby reaffirms the establishment of the Electric Fund.

(b) ***Establishment of Accounts in Electric Fund.*** There are hereby created and established within the Electric Fund, in addition to other accounts which are established in said fund, the Bond Account and the Reserve Account. In accordance with generally accepted accounting principles, for the purpose of accounting for the moneys provided for in this Ordinance the Town Director of Finance may create offsetting revenue and expense accounts not inconsistent with the provisions hereof, all as may be determined by the Town Director of Finance.

(c) ***Investments.*** Proceeds of the Bonds delivered to the Town pursuant to the Section hereof titled "Application of Bond Proceeds," moneys on deposit in the Bond Account and the Reserve Account, and any moneys held by the Paying Agent with respect to the Bonds, shall be invested or deposited in securities or obligations which are Permitted Investments. The investment of moneys shall, however, be subject to the covenants and provisions of the Sections hereof titled "Federal Tax Covenants" and "Reserve Account". Subject to such covenants and provisions, all investment earnings shall be credited to the respective accounts in which such earnings have been generated.

Section 10. Application of Bond Proceeds. Upon payment to the Town of the purchase price of the Bonds in accordance with the terms of this Ordinance, the Bonds shall be delivered to, or as directed by, the Investor and the proceeds received

by the Town from the sale of the Bonds shall be applied as a supplemental appropriation by the Town, together with funds remaining on deposit in the reserve fund for the Series 2003 Bonds, for payment of the costs of issuance of the Bonds and as follows:

(a) ***Payment and Cancellation of Series 2003 Bonds.*** To UMB Bank, n.a. (as successor in interest to The Bank of Cherry Creek, a branch of Western National Bank), as paying agent for the Series 2003 Bonds, the gross amount necessary for the payment and cancellation of the Series 2003 Bonds on the Call Date; and

(b) ***Reserve Account.*** For deposit to the Reserve Account, the amount of \$44,728.94, which amount is equivalent to the Required Reserve.

Section 11. Deposit of Gross Revenues. The Town shall deposit to the Electric Fund all Gross Revenue immediately upon receipt. The Town shall pay from the Electric Fund all Operation and Maintenance Expenses as they become due and payable. After such payments, the Town shall apply the Net Revenues in the following order of priority:

FIRST, to the credit of the Bond Account, the amounts required by the Section hereof titled "Bond Account", and to the credit of any other account established for the payment of the principal of, premium if any, and interest on Parity Lien Obligations, the amounts required by the instruments authorizing or controlling the payment of such Parity Lien Obligations;

SECOND, to the credit of the Reserve Account, the amounts required by the Section hereof entitled "Reserve Account" and any similar reserve account established to prevent a default in the timely payment of Parity Lien Obligations;

THIRD, to the credit of any other fund or account hereafter established for the payment of the principal of, premium, if any, and interest on subordinate lien obligations, including any sinking fund, reserve fund, or similar fund or account established therefor, the amounts required by the ordinance or other enactment authorizing issuance of the subordinate lien obligations; and

FOURTH, to the credit of any other fund or account as may be designated by the Town, to be used for any lawful purpose, any moneys remaining in the Electric Fund after the payments and accumulations set forth in First through Third above.

Section 12. Bond Account.

(a) ***Use of Moneys in Bond Account.*** Moneys deposited in the Bond Account shall be used solely for the purpose of paying the principal of, premium, if any, and interest on the Bonds.

(b) ***Deposits to Bond Account.*** On or before the last day of each month, commencing in the month next succeeding the date of issuance of the Bonds, the Town shall credit to the Bond Account from the Net Revenues, an amount equal to the Pro Rata Portion of the interest and principal to come due on the Bonds on the next succeeding

Interest Payment Date and Principal Payment Date, respectively. All deposits to the Bond Account shall first be allocated to the payment of interest to come due on the Bonds.

Section 13. Reserve Account.

(a) ***Use of Money in Reserve Account.*** Moneys in the Reserve Account shall be used, if necessary, only to prevent a default in the payment of the principal of, premium if any, or interest on the Bonds, and the Reserve Account is hereby pledged to the payment of the Bonds. In the event the amounts credited to the Bond Account are insufficient to pay the principal of, premium if any, or interest on Bonds when due, the Town shall transfer from the Reserve Account to the Bond Account an amount which, when combined with moneys therein, will be sufficient to make such payments when due.

(b) ***Maintenance of Reserve Account.*** The Reserve Account shall be maintained in the amount of the Required Reserve. If at any time the amount of the Reserve Account is less than the Required Reserve, the Town shall deposit to the Reserve Account from Net Revenues, amounts sufficient to bring the amount credited to the Reserve Account to the Required Reserve. Such deposits shall be made as soon as possible after such use, but in accordance with and subject to the limitations of the Section hereof entitled "Deposit of Gross Revenues."

(c) ***Permitted Investments.*** The Required Reserve shall be funded and maintained by any one of or any combination of cash or Permitted Investments. So long as the amount of the Reserve Account is equal to the Required Reserve, all interest income from the investment or reinvestment of moneys credited to the Reserve Account shall be credited to the Bond Account; provided that if the amount of the Reserve Account is less than the Required Reserve, then such interest income shall be credited to the Reserve Account.

Section 14. Pledge and Lien for Payment of Bonds.

(a) ***Pledge of Revenues.*** The Town hereby pledges for the payment of the principal of, premium, if any, and interest on the Bonds at any time outstanding, and grants an irrevocable and first lien for such purpose on Net Revenues and on all moneys on deposit in the Reserve Account; provided however, the first lien on Net Revenues is not exclusive if Parity Lien Obligations are issued. These pledges shall be valid and binding from and after the date of the first delivery of the Bonds, and the moneys, as received by the Town and hereby pledged, shall immediately be subject to the lien of the respective pledges without any physical delivery thereof, any filing, or further act.

(b) ***Superior Liens Prohibited.*** With the exception of any superior liens in existence as of the date hereof, the Town shall not pledge or create any other lien on the revenues and moneys pledged pursuant to the preceding paragraph (a) of this Section hereof that is superior to the pledge thereof or lien thereon pursuant to such paragraph.

(c) ***Subordinate Liens Permitted.*** Nothing herein shall prohibit the Town from issuing subordinate lien obligations and pledging or creating a lien on the revenues and moneys pledged and the lien created pursuant paragraph (a) of this Section that is subordinate to the pledge thereof or lien thereon pursuant to paragraph (a) of this Section; provided that no Event of Default shall have occurred and be continuing.

(d) ***No Prohibition on Additional Security.*** Nothing herein shall prohibit the Town from applying any legally available revenues that are not Net Revenues to the payment of the Bonds (and thereby subjecting the moneys so deposited to the pledge made and lien granted in paragraph (a) of this Section).

(e) ***Bonds Are Special, Limited Obligations of the Town.*** The Owners may not look to any general or other fund of the Town for the payment of the principal of or interest on the Bonds, except the funds and accounts pledged thereto by this Ordinance, and the Bonds shall not constitute a debt or an indebtedness of the Town within the meaning of any constitutional or statutory limitation, nor shall they be considered or held to be general obligations of the Town.

Section 15. Parity Lien Obligations. The Town shall not issue Parity Lien Obligations having a lien which is on a parity with the lien of the Bonds set forth in paragraph (a) of the Section hereof titled “Pledge and Lien for Payment of Bonds” unless all of the following conditions are satisfied:

(a) ***Parity Lien Test.*** A Certified Public Accountant certifies in writing that either:

(i) the proceeds of the proposed Parity Lien Obligations will be used to refund the Bonds, or other Parity Lien Obligations, and the maximum annual principal of and interest due on the proposed Parity Lien Obligations is not greater than the maximum annual principal of and interest due on the Bonds, or other outstanding Parity Lien Obligations, that will be refunded; or

(ii) for any 12 month period during the 18-month period immediately preceding the date of issuance of such Parity Lien Obligations, the Net Revenue is sufficient to pay an amount representing not less than 120% of the maximum amount of principal of and interest due or to become due on outstanding Bonds, any outstanding Parity Lien Obligations and the proposed Parity Lien Obligations during each calendar year following the date of issuance of the proposed Parity Lien Obligations; provided however, in calculating the maximum amount of debt service there shall be subtracted from the final maturity for said bonds any cash or the present value of any investments deposited in a reserve fund or account established pursuant to the authorizing documents which are properly allocable to said bonds. For purposes of such test, if there has been adopted a schedule of increases in rates, fees and charges for services furnished by, or use of, the Electric Facility Activities during the preceding 18-month period, the Net Revenue may be increased for those months in which such increase was not in effect for the 12 month period in which such calculation is made by adding to the

actual revenues for such period an estimated sum equal to 100% of the estimated increase in revenues which would have been realized during said period had such increase been in effect for the entire 12-month period.

(b) ***No Event of Default.*** The Mayor (or other Town official or employee designated in writing by the Mayor) certifies in writing that no Event of Default has occurred and is continuing and that the Town is current in the accumulation of all amounts required to be then accumulated in the Bond Account and the Reserve Account, as required by this Ordinance.

(c) ***Required Parity Reserve Account.*** The ordinance, indenture or other document providing for the issuance of the Parity Lien Obligations must provide for a reserve account, which is established in the amount of the Parity Reserve Amount, and a bond account for the Parity Lien Obligations; such accounts must be established and maintained on substantially the same terms and contain substantially the same provisions as set forth in this Ordinance for the Reserve Account and the Bond Account, respectively.

Section 16. Additional General Covenants. In addition to the other covenants of the Town contained herein, the Town hereby further covenants for the benefit of Owners of the Bonds that:

(a) ***Maintenance of Electric Utility Rates and Coverage.*** The Town will establish, maintain, enforce, and collect rates, fees, and charges for services furnished by, or the use of, Electric Facility Activities to create Net Revenue in an amount equal to not less than 100% of the amount necessary to pay when due the principal of and interest on the Bonds and any Parity Lien Obligations coming due during such calendar year. In the event that the Net Revenue at any time is not sufficient to make such payments, the Town shall promptly increase such rates, fees, and charges to an extent which will ensure the payments and accumulations required by this Ordinance.

(b) ***Efficient Operations.*** The Town will continue to operate and manage Electric Facility Activities in an efficient and economical manner in accordance with all applicable laws, rules, and regulations, and keep and maintain separate accounts of the receipts and expenses thereof in such manner that the Net Revenue may at all times be readily and accurately determined. The Town will promptly charge for service furnished by, or the use of, Electric Facility Activities and shall use all legal means to assure prompt payment thereof.

(c) ***No Free Service.*** Upon the occurrence of an Event of Default and for so long as the Event of Default is continuing, the Town will furnish no free service from Electric Facility Activities, and if the Town shall use the Electric Facilities for its own purposes, it shall pay a fair and reasonable amount for such use.

(d) ***Sale or Alienation of Property.*** The Town will not sell or alienate any of the property constituting any part or all of Electric Facilities in any manner or to any extent as might reduce the security provided for the payment of the Bonds, but the Town

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 operations; provided however, that the proceeds of any such sale of the Electric Facilities shall be included as part of the Gross Revenue.

(e) *Audits.* At least once a year in the time and manner provided by law, the Town will cause an audit to be performed of the records relating to the revenues and expenditures of Electric Facility Activities. Such audit may be made part of and included within the general audit of the Town, and made at the same time as the general audit. In addition, at least once a year in the time and manner provided by law, the Town will cause a budget to be prepared and adopted. Copies of the budget and the audit will be filed and recorded in the places, time, and manner provided by law.

(f) *Insurance.* The Town will carry fire and extended coverage, Worker's compensation, public liability, and such other forms of insurance as would ordinarily be carried by municipal-owned utilities of like kind and having similar properties of equal value, such insurance being in such amounts as will protect against damage to the Electric Facilities, against loss of business income due to physical loss or damage to the Electric Facilities and against liabilities arising from operations of the Electric Facilities, to the extent reasonably necessary to protect the interests of the Town. In the event of any loss or damage to the Electric Facilities, the related insurance proceeds shall be used for restoring, replacing, or repairing the property lost, damaged, or taken, and the remainder thereof, if any, shall be considered as Gross Revenue; provided however, that if the Board determines that the Electric Facility Activities and the security for the Bonds will not be adversely affected thereby, the Board may determine not to restore, replace, or repair the property lost or damaged and all of the condemnation award shall be considered as Gross Revenue.

(g) *Condemnation.* In the event part or all of the Electric Facilities are taken by the exercise of a power of eminent domain, the related condemnation award shall be used for replacing the property taken, and the remainder thereof, if any, shall be considered as Gross Revenue; provided however, that if the Board determines that the Electric Facility Activities and the security for the Bonds will not be adversely affected thereby, the Board may determine not to restore, replace, or repair the property lost, damaged, or taken and all of the condemnation award shall be considered as Gross Revenue.

(h) *Enterprise Status.* The Town has and will continue to maintain Electric Facility Activities as an "enterprise" or as part of the Electric Utility Enterprise within the meaning of TABOR; provided, however, after calendar year 2019 the Town may disqualify Electric Facility Activities as an "enterprise" or part of the Electric Utility 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 that Electric Facility Activities or the Electric Utility Enterprise is disqualified as an enterprise and the enforceability of the covenants made pursuant to this Ordinance are materially, adversely affected, the Town covenants to (i) immediately take all actions

necessary to qualify Electric Facility Activities as an enterprise within the meaning of TABOR and (ii) permit the enforcement of the covenants made herein.

Section 17. Federal Tax Covenants. For purposes of ensuring that the interest on the Bonds is and remains excluded from gross income for federal income tax purposes, the Town hereby covenants that:

(a) ***Prohibited Actions.*** The Town will not use or permit the use of any proceeds of the Bonds or any other funds of the Town from whatever source derived, directly or indirectly, to acquire any securities or obligations and shall not take or permit to be taken any other action or actions, which would cause any Bond to be an “arbitrage bond” within the meaning of Section 148 of the Code, or would otherwise cause the interest on any Bond to be included in gross income for federal income tax purposes.

(b) ***Affirmative Actions.*** The Town will at all times do and perform all acts permitted by law that are necessary in order to assure that interest paid by the Town on the Bonds shall not be included in gross income for federal income tax purposes under the Code or any other valid provision of law. In particular, but without limitation, the Town represents, warrants and covenants to comply with the following rules unless it receives an opinion of Bond Counsel stating that such compliance is not necessary: (i) gross proceeds of the Bonds will not be used in a manner that will cause the Bonds to be considered “private activity bonds” within the meaning of the Code, (ii) the Bonds are not and will not become directly or indirectly “federally guaranteed,” and (iii) the Town will timely file Internal Revenue Form 8038G which shall contain the information required to be filed pursuant to Section 149(e) of the Code.

(c) ***Tax Letter of Instructions.*** The Town will comply with the Tax Letter of Instructions delivered to it on the date of issuance of the Bonds, including but not limited by the provisions of the Tax Letter of Instructions regarding the application and investment of Bond proceeds, the calculations, the deposits, the disbursements, the investments and the retention of records described in the Tax Letter of Instructions; provided that, in the event the Tax Letter of Instructions are superseded or amended by new Tax Letter of Instructions drafted by, and accompanied by an opinion of, Bond Counsel stating that the use of the new Tax Letter of Instructions will not cause the interest on the Bonds to become included in gross income for federal income tax purposes, the Town will thereafter comply with the new Tax Letter of Instructions.

(d) ***Designation of Bonds as Qualified Tax Exempt Obligations.*** The Town hereby designates the Bonds as qualified tax exempt obligations within the meaning of Section 265(b)(3) of the Code. The Town covenants that the aggregate face amount of all tax-exempt governmental obligations defined in Section 141 of the Code or qualified 501(c)(3) bonds defined in Section 145 of the Code issued by the Town, together with governmental entities which derive their issuing authority from the Town or are subject to substantial control by the Town, are not expected to be more than \$10,000,000 during the calendar year in which the Bonds are issued. The Town recognizes that such tax exempt obligations include notes, leases, loans and warrants, as well as bonds. The Town further recognizes that any bank, thrift institution or other financial institution that owns

the Bonds will rely on the Town's designation of the Bonds as qualified tax exempt obligations for the purpose of avoiding the loss of 100% of any otherwise available interest deduction attributable to such institution's tax exempt holdings.

Section 18. Defeasance. Any Bond shall not be deemed to be outstanding hereunder if it shall have been paid and cancelled or if cash or Federal Securities shall have been deposited in trust for the payment thereof (whether upon or prior to the maturity of such Bond, but if such Bond is to be paid prior to maturity, the Town shall have given the Paying Agent irrevocable directions to give notice of redemption as required by this Ordinance, or such notice shall have been given in accordance with this Ordinance). In computing the amount of the deposit described above, the Town may include interest to be earned on the Federal Securities. If less than all the Bonds are to be defeased pursuant to this Section, the Town, in its sole discretion, may select which of the Bonds shall be defeased.

Section 19. Events of Default. With respect to the Bonds, each of the following events constitutes an Event of Default:

(a) ***Nonpayment of Principal or Interest.*** The failure to make any payment of principal of, premium, if any, or interest on the Bonds when due hereunder;

(b) ***Material Covenant Breach.*** A breach by the Town of any material covenant set forth herein relating to the Bonds or failure by the Town to perform any material duty imposed on it hereunder and continuation of such breach or failure for a period of 60 days after receipt by the Town Attorney of the Town of written notice thereof from the Paying Agent or from the Owners of at least 10% in principal amount of the outstanding Bonds;

(c) ***Cross Defaults.*** The occurrence and continuance of an "event of default," as defined in any Ordinance providing for the issuance of Parity Lien Obligations; or

(d) ***Appointment of Receiver.*** An order or decree is entered by a court of competent jurisdiction appointing a receiver for all or any portion of the revenues and moneys pledged for the payment of the Bonds pursuant hereto is entered with the consent or acquiescence of the Town or is entered without the consent or acquiescence of the Town but is not vacated, discharged or stayed within thirty days after it is entered.

Section 20. Remedies for Events of Default.

(a) ***Remedies.*** Upon the occurrence and continuance of any Event of Default, the Owners of not less than 25% in principal amount of the applicable Bonds then outstanding for which the Event of Default has occurred, may proceed against the Town to protect and to enforce the rights of any Owner of the applicable Bonds under this Ordinance by mandamus, injunction or by other suit, action or special proceedings in equity or at law, in any court of competent jurisdiction: (i) for the payment of interest on any installment of principal of any Bond that was not paid when due at the interest rate borne by such bond; (ii) for the appointment of a receiver or an operating trustee; (iii) for the specific performance of any covenant contained herein; (iv) to enjoin any act that may be unlawful or in violation of any right of any Owner of any Bond; (v) to require the

Town to act as if it were the trustee of an express trust; (vi) for any other proper legal or equitable remedy as such Owner may deem most effectual to protect their rights; or (vii) any combination of such remedies or as otherwise may be authorized by any statute or other provision of law; provided, however, that acceleration of any amount not yet due on the Bonds according to their terms shall not be an available remedy. All such proceedings at law or in equity shall be instituted, had and maintained for the equal benefit of all Owners of the applicable Bonds then outstanding. Any receiver or operating trustee appointed in any proceedings to protect the rights of Owners of Bonds hereunder may collect, receive and apply all revenues and moneys pledged for the payment of the Bonds pursuant hereto arising after the appointment of such receiver or operating trustee in the same manner as the Town itself might do.

(b) *Failure to Pursue Remedies Not a Release; Rights Cumulative.* The failure of any Owner of any Bond then outstanding to proceed in any manner herein provided shall not relieve the Town of any liability for failure to perform or carry out its duties hereunder. Each right or privilege of any such Owner or trustee therefor 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. Each Owner of any Bond shall be entitled to all of the privileges, rights and remedies provided or permitted in this Ordinance and as otherwise provided or permitted by law or in equity. Nothing herein affects or impairs the right of any Owner of any Bond to enforce the payment of the debt service due in connection with his or her Bond or the obligation of the Town to pay the debt service of each Bond to the Owner thereof at the time and the place specified herein.

(c) *Obligations of Town and Paying Agent in Connection With Events of Default.* Upon the occurrence and continuation of any of Events of Default: (i) the Town shall take all proper acts to protect and preserve the security for the payment of the Bonds and to insure the payment of debt service on the Bonds promptly when due; and (ii) the Town and the Paying Agent shall give the Owners of the Bonds then outstanding notice by first-class mail of (A) any default in the payment of, premium, if any, or interest on the Bonds immediately after discovery thereof; and (B) any other Event of Default within 30 days after discovery thereof. During the continuation of any Event of Default, except to the extent it may be unlawful to do so, all revenues and moneys pledged for the payment of the Bonds pursuant hereto shall be held for and applied to the debt service on all Bonds on an equitable and prorated basis. If the Town fails or refuses to proceed as provided in this paragraph, the Owners of not less than 25% in principal amount of the Bonds then outstanding, after demand in writing, may proceed to protect and to enforce the rights of the Owners of the Bonds as provided in this paragraph; and to that end any such rights of Owners of Bonds then outstanding shall be subrogated to all rights of the Town under any agreement or contract involving the revenues and moneys pledged for the payment of the Bonds pursuant hereto that was entered into prior to the effective date of this Ordinance or thereafter while any of the Bonds are outstanding. Nothing herein requires the Town to proceed as provided in this paragraph if it determines in good faith and without any abuse of its discretion that such action is likely to affect materially and prejudicially the Owners of the Bonds then outstanding.

Section 21. Amendment of Ordinance.

(a) ***Amendments Permitted Without Notice to or Consent of Owners.*** The Town may, without the consent of or notice to the Owners of the Bonds, adopt one or more ordinances amending or supplementing this Ordinance, which ordinances shall thereafter become a part hereof, for any one or more or all of the following purposes:

- (i) to cure any ambiguity or to cure, correct or supplement any defect or inconsistent provision of this Ordinance;
- (ii) to subject to this Ordinance additional revenues, properties or collateral;
- (iii) to facilitate the designation of a substitute securities depository or to terminate the book-entry registration system for the Bonds;
- (iv) to facilitate the issuance of Parity Lien Obligations; and
- (v) to make any other change that does not materially adversely affect the Owners of the Bonds.

(b) ***Amendments Requiring Notice to and Consent of Owners.*** Except for amendments permitted by paragraph (a) of this Section, this Ordinance may only be amended (i) by an ordinance of the Town amending or supplementing this Ordinance (which, after the consents required therefor, shall become a part hereof); and (ii) with the written consent of the Owners of at least 66-2/3% in aggregate principal amount of the Bonds then outstanding; provided that any amendment that makes any of the following changes with respect to any Bond shall not be effective without the written consent of the Owner of such bond: (A) a change in the maturity of such bond; (B) a reduction of the interest rate on such bond; (C) a change in the terms of redemption of such bond; (D) a delay in the payment of principal of, premium, if any, or interest on such bond; (E) the creation of any pledge of or lien upon any revenues or moneys pledged for the payment of such bond hereunder that is superior to the pledge and lien for the payment of such bond hereunder; (F) a relaxation of the conditions to the issuance of Parity Lien Obligations or to the creation of any pledge of or lien upon any revenues or moneys pledged for the payment of such bond hereunder that is equal to or on a parity with the pledge and lien for the payment of such bond hereunder; (G) a reduction of the principal amount or percentage of Bonds whose consent is required for an amendment to this Ordinance; or (H) the establishment of a priority or preference for the payment of any amount due with respect to any other Bond over such bond.

(c) ***Procedure for Notifying and Obtaining Consent of Owners.*** Whenever the consent of an Owner or Owners of Bonds is required under the preceding paragraph (b) of this Section, the Town shall mail a notice to such Owner or Owners at their addresses as set forth in the registration books maintained by the Paying Agent and to the Investor, which notice shall briefly describe the proposed amendment and state that a copy of the amendment is on file in the office of the Town Clerk for inspection. Any consent of any Owner of any Bond obtained with respect to an amendment shall be in

writing and shall be final and not subject to withdrawal, rescission or modification for a period of sixty days after it is delivered to the Town unless another time period is stated for such purpose in the notice mailed pursuant to this paragraph.

Section 22. Findings and Determinations; Limitation of Actions. The Town Board hereby finds, determines and declares that it is in the best interest of the Town and its residents that the Bonds be authorized, sold, issued and delivered at the time, in the manner and for the purposes provided herein.

Section 23. Appointment and Duties of Paying Agent. The Paying Agent is hereby appointed as paying agent, registrar and authenticating agent for the Bonds unless and until the Town removes it as such and appoints a successor Paying Agent, in which event such successor shall automatically succeed to the duties of the Paying Agent hereunder and its predecessor shall immediately turn over all its records regarding the Bonds to such successor. The Paying Agent, by accepting its duties as such, agrees to perform all duties and to take all actions assigned to it hereunder in accordance with the terms hereof. The appointment and acceptance of the duties of Paying Agent hereunder may be affected through the execution of an agreement between the Town and the Paying Agent.

Section 24. Approval of Miscellaneous Documents. The Mayor, the Town Clerk and all other officers of the Town are hereby authorized and directed to execute all documents and certificates necessary or desirable to effectuate the issuance of the Bonds and the transactions contemplated hereby including, but not limited to, the execution of the Paying Agent and Registrar Agreement and the Continuing Disclosure Undertaking in substantially the forms presented to this meeting of the Board. The execution by any member of the Board of any document authorized herein shall be conclusive proof of the approval by the Town of the terms thereof.

Section 25. Ratification of Prior Actions. All actions heretofore taken (not inconsistent with the provisions of this Ordinance) by the Town Board or by the officers and employees of the Town directed toward the issuance of the Bonds for the purposes herein set forth are hereby ratified, approved and confirmed.

Section 26. Events Occurring on Days That Are Not Business Days. Except as otherwise specifically provided herein with respect to a particular payment, event or action, if any payment to be made hereunder or any event or action to occur hereunder which, but for this section, is to be made or is to occur on a day that is not a Business Day shall instead be made or occur on the next succeeding day that is a Business Day.

Section 27. Headings. The headings to the various sections and paragraphs to this Ordinance have been inserted solely for the convenience of the reader, are not a part of this Ordinance, and shall not be used in any manner to interpret this Ordinance.

Section 28. Ordinance Irrepealable. After any of the Bonds have been issued, this Ordinance shall constitute a contract between the Owners and the Town, and shall be and remain irrepealable until the Bonds and the interest accruing thereon shall have been fully paid, satisfied, and discharged, as herein provided.

Section 29. Severability. It is hereby expressly declared that all provisions hereof and their application are intended to be and are severable. In order to implement such intent, if any provision hereof or the application thereof is determined by a court or administrative body to be invalid or unenforceable, in whole or in part, such determination shall not affect, impair or invalidate any other provision hereof or the application of the provision in question to any other situation; and if any provision hereof or the application thereof is determined by a court or administrative body to be valid or enforceable only if its application is limited, its application shall be limited as required to most fully implement its purpose.

Section 30. Repealer. All orders, bylaws, ordinances, and resolutions of the Town, or parts thereof, inconsistent or in conflict with this Ordinance, are hereby repealed to the extent only of such inconsistency or conflict.

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INTRODUCED, READ AND ORDERED PUBLISHED this 7th day of JANUARY, 2019.

PASSED, ADOPTED AND ORDERED PUBLISHED BY REFERENCE this 19th day of JANUARY, 2019.

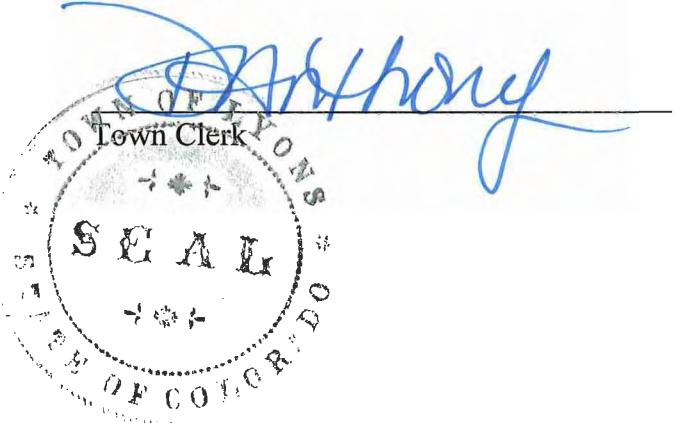
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TOWN OF LYONS

Cew Sle

Mayor

ATTEST:



APPROVED AS TO FORM:

R K

Town Attorney

APPENDIX A

SERIES 2019 BONDS PRICING INFORMATION
(SEE ATTACHED)

Town of Lyons, Colorado

\$447,289 Utility Enterprise Revenue Refunding Bonds
Series 2019

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Town of Lyons, Colorado

\$1,480,000 Utility Enterprise Revenue Bonds, Series 2003

10/15/03 Final Pricing Numbers

Non Rated BQ - Optional Call Date 12/1/14 @ 100

Prior Original Debt Service

Date	Principal	Coupon	Interest	Total P+I	Fiscal Total
10/15/2003	-	-	-	-	-
06/01/2004	-	-	39,662.22	39,662.22	-
12/01/2004	45,000.00	1.750%	31,589.38	76,589.38	116,251.60
06/01/2005	-	-	31,195.63	31,195.63	-
12/01/2005	55,000.00	2.000%	31,195.63	86,195.63	117,391.26
06/01/2006	-	-	30,645.63	30,645.63	-
12/01/2006	55,000.00	2.200%	30,645.63	85,645.63	116,291.26
06/01/2007	-	-	30,040.63	30,040.63	-
12/01/2007	55,000.00	2.625%	30,040.63	85,040.63	115,081.26
06/01/2008	-	-	29,318.75	29,318.75	-
12/01/2008	60,000.00	3.000%	29,318.75	89,318.75	118,637.50
06/01/2009	-	-	28,418.75	28,418.75	-
12/01/2009	60,000.00	3.250%	28,418.75	88,418.75	116,837.50
06/01/2010	-	-	27,443.75	27,443.75	-
12/01/2010	60,000.00	3.500%	27,443.75	87,443.75	114,887.50
06/01/2011	-	-	26,393.75	26,393.75	-
12/01/2011	65,000.00	3.750%	26,393.75	91,393.75	117,787.50
06/01/2012	-	-	25,175.00	25,175.00	-
12/01/2012	65,000.00	4.000%	25,175.00	90,175.00	115,350.00
06/01/2013	-	-	23,875.00	23,875.00	-
12/01/2013	70,000.00	4.250%	23,875.00	93,875.00	117,750.00
06/01/2014	-	-	22,387.50	22,387.50	-
12/01/2014	70,000.00	4.750%	22,387.50	92,387.50	114,775.00
06/01/2015	-	-	20,725.00	20,725.00	-
12/01/2015	75,000.00	4.750%	20,725.00	95,725.00	116,450.00
06/01/2016	-	-	18,943.75	18,943.75	-
12/01/2016	80,000.00	4.750%	18,943.75	98,943.75	117,887.50
06/01/2017	-	-	17,043.75	17,043.75	-
12/01/2017	80,000.00	4.750%	17,043.75	97,043.75	114,087.50
06/01/2018	-	-	15,143.75	15,143.75	-
12/01/2018	85,000.00	4.750%	15,143.75	100,143.75	115,287.50
06/01/2019	-	-	13,125.00	13,125.00	-
12/01/2019	90,000.00	5.250%	13,125.00	103,125.00	116,250.00
06/01/2020	-	-	10,762.50	10,762.50	-
12/01/2020	95,000.00	5.250%	10,762.50	105,762.50	116,525.00
06/01/2021	-	-	8,268.75	8,268.75	-
12/01/2021	100,000.00	5.250%	8,268.75	108,268.75	116,537.50
06/01/2022	-	-	5,643.75	5,643.75	-
12/01/2022	105,000.00	5.250%	5,643.75	110,643.75	116,287.50
06/01/2023	-	-	2,887.50	2,887.50	-
12/01/2023	110,000.00	5.250%	2,887.50	112,887.50	115,775.00
Total	\$1,480,000.00	-	\$846,127.88	\$2,326,127.88	-

Yield Statistics

Base date for Avg. Life & Avg. Coupon Calculation	2/26/2019
Average Life	2.864 Years
Average Coupon	5.2499998%
Weighted Average Maturity (Par Basis)	2.864 Years
Weighted Average Maturity (Original Price Basis)	2.864 Years

Refunding Bond Information

Refunding Dated Date	2/26/2019
Refunding Delivery Date	2/26/2019

Town of Lyons, Colorado

\$1,480,000 Utility Enterprise Revenue Bonds, Series 2003

10/15/03 Final Pricing Numbers

Non Rated BQ - Optional Call Date 12/1/14 @ 100

Debt Service To Maturity And To Call

Date	Refunded Bonds	Refunded Interest	D/S To Call	Principal	Coupon	Interest	Refunded D/S	Fiscal Total
02/26/2019	500,000.00	6,197.92	506,197.92	-	-	-	-	-
06/01/2019	-	-	-	-	-	13,125.00	13,125.00	-
12/01/2019	-	-	-	90,000.00	5.250%	13,125.00	103,125.00	116,250.00
06/01/2020	-	-	-	-	-	10,762.50	10,762.50	-
12/01/2020	-	-	-	95,000.00	5.250%	10,762.50	105,762.50	116,525.00
06/01/2021	-	-	-	-	-	8,268.75	8,268.75	-
12/01/2021	-	-	-	100,000.00	5.250%	8,268.75	108,268.75	116,537.50
06/01/2022	-	-	-	-	-	5,643.75	5,643.75	-
12/01/2022	-	-	-	105,000.00	5.250%	5,643.75	110,643.75	116,287.50
06/01/2023	-	-	-	-	-	2,887.50	2,887.50	-
12/01/2023	-	-	-	110,000.00	5.250%	2,887.50	112,887.50	115,775.00
Total	\$500,000.00	\$6,197.92	\$506,197.92	\$500,000.00	-	\$81,375.00	\$581,375.00	-

Yield Statistics

Base date for Avg. Life & Avg. Coupon Calculation	2/26/2019
Average Life	2.864 Years
Average Coupon	5.2499998%
Weighted Average Maturity (Par Basis)	2.864 Years
Weighted Average Maturity (Original Price Basis)	2.864 Years

Refunding Bond Information

Refunding Dated Date	2/26/2019
Refunding Delivery Date	2/26/2019

Town of Lyons, Colorado

\$447,289 Utility Enterprise Revenue Refunding Bonds
Series 2019

Summary Of Bonds Refunded

Issue	Maturity	Type	of Bond	Coupon	Maturity Value	Call Date	Call Price
Dated 10/15/2003 Delivered 10/15/2003							
Lyons, CO Original	12/01/2019	Term 2	Coupon	5.250%	90,000	02/26/2019	100.000%
Lyons, CO Original	12/01/2020	Term 2	Coupon	5.250%	95,000	02/26/2019	100.000%
Lyons, CO Original	12/01/2021	Term 2	Coupon	5.250%	100,000	02/26/2019	100.000%
Lyons, CO Original	12/01/2022	Term 2	Coupon	5.250%	105,000	02/26/2019	100.000%
Lyons, CO Original	12/01/2023	Term 2	Coupon	5.250%	110,000	02/26/2019	100.000%
Subtotal	-			-	\$500,000	-	-
Total	-			-	\$500,000	-	-

Town of Lyons, Colorado

\$447,289 Utility Enterprise Revenue Refunding Bonds
Series 2019

Debt Service Schedule

Date	Principal	Coupon	Interest	Total P+I	Fiscal Total
02/26/2019	-	-	-	-	-
06/01/2019	-	-	3,387.60	3,387.60	-
12/01/2019	86,826.69	2.870%	6,418.60	93,245.29	96,632.89
06/01/2020	-	-	5,172.64	5,172.64	-
12/01/2020	86,562.61	2.870%	5,172.64	91,735.25	96,907.89
06/01/2021	-	-	3,930.47	3,930.47	-
12/01/2021	89,059.45	2.870%	3,930.47	92,989.92	96,920.39
06/01/2022	-	-	2,652.46	2,652.46	-
12/01/2022	91,365.46	2.870%	2,652.46	94,017.92	96,670.38
06/01/2023	-	-	1,341.37	1,341.37	-
12/01/2023	93,475.15	2.870%	1,341.37	94,816.52	96,157.89
Total	\$447,289.36	-	\$36,000.08	\$483,289.44	-

Yield Statistics

Bond Year Dollars	\$1,254.36
Average Life	2.804 Years
Average Coupon	2.8700007%
Net Interest Cost (NIC)	2.8700007%
True Interest Cost (TIC)	2.8709555%
Bond Yield for Arbitrage Purposes	2.8709555%
All Inclusive Cost (AIC)	4.1690265%

IRS Form 8038

Net Interest Cost	2.8700007%
Weighted Average Maturity	2.804 Years

Town of Lyons, Colorado

\$447,289 Utility Enterprise Revenue Refunding Bonds

Series 2019

Pricing Summary

Maturity	Type of Bond	Coupon	Yield	Maturity Value	Price	Dollar Price
12/01/2023	Term 1 Coupon	2.870%	2.870%	447,289.36	100.000%	447,289.36
Total	-	-	-	\$447,289.36	-	\$447,289.36

Bid Information

Par Amount of Bonds	\$447,289.36
Gross Production	\$447,289.36
Bid (100.000%)	447,289.36
Total Purchase Price	\$447,289.36
Bond Year Dollars	\$1,254.36
Average Life	2.804 Years
Average Coupon	2.8700007%
Net Interest Cost (NIC)	2.8700007%
True Interest Cost (TIC)	2.8709555%

Town of Lyons, Colorado

\$447,289 Utility Enterprise Revenue Refunding Bonds
Series 2019

Sources & Uses

Dated 02/26/2019 | Delivered 02/26/2019

Sources Of Funds

Par Amount of Bonds	\$447,289.36
Transfers from Prior Issue DSR Funds	118,637.50
Total Sources	\$565,926.86

Uses Of Funds

Deposit to Current Refunding Fund	506,197.92
Deposit to Debt Service Reserve Fund (DSRF)	44,728.94
Costs of Issuance	15,000.00
Total Uses	\$565,926.86

Town of Lyons, Colorado

\$447,289 Utility Enterprise Revenue Refunding Bonds

Series 2019

Net Debt Service Schedule

Date	Principal	Coupon	Interest	Total P+I	DSR	Net New D/S	Fiscal Total
02/26/2019	-	-	-	-	-	-	-
06/01/2019	-	-	3,387.60	3,387.60	-	3,387.60	-
12/01/2019	86,826.69	2.870%	6,418.60	93,245.29	-	93,245.29	96,632.89
06/01/2020	-	-	5,172.64	5,172.64	-	5,172.64	-
12/01/2020	86,562.61	2.870%	5,172.64	91,735.25	-	91,735.25	96,907.89
06/01/2021	-	-	3,930.47	3,930.47	-	3,930.47	-
12/01/2021	89,059.45	2.870%	3,930.47	92,989.92	-	92,989.92	96,920.39
06/01/2022	-	-	2,652.46	2,652.46	-	2,652.46	-
12/01/2022	91,365.46	2.870%	2,652.46	94,017.92	-	94,017.92	96,670.38
06/01/2023	-	-	1,341.37	1,341.37	-	1,341.37	-
12/01/2023	93,475.15	2.870%	1,341.37	94,816.52	(44,728.94)	50,087.58	51,428.95
Total	\$447,289.36	-	\$36,000.08	\$483,289.44	(44,728.94)	\$438,560.50	-

Town of Lyons, Colorado

\$447,289 Utility Enterprise Revenue Refunding Bonds

Series 2019

Gross Debt Service Comparison

Date	Principal	Coupon	Interest	New D/S	Old D/S	Savings	Fiscal Total
02/26/2019	-	-	-	-	-	-	-
06/01/2019	-	-	3,387.60	3,387.60	13,125.00	9,737.40	-
12/01/2019	86,826.69	2.870%	6,418.60	93,245.29	103,125.00	9,879.71	19,617.11
06/01/2020	-	-	5,172.64	5,172.64	10,762.50	5,589.86	-
12/01/2020	86,562.61	2.870%	5,172.64	91,735.25	105,762.50	14,027.25	19,617.11
06/01/2021	-	-	3,930.47	3,930.47	8,268.75	4,338.28	-
12/01/2021	89,059.45	2.870%	3,930.47	92,989.92	108,268.75	15,278.83	19,617.11
06/01/2022	-	-	2,652.46	2,652.46	5,643.75	2,991.29	-
12/01/2022	91,365.46	2.870%	2,652.46	94,017.92	110,643.75	16,625.83	19,617.12
06/01/2023	-	-	1,341.37	1,341.37	2,887.50	1,546.13	-
12/01/2023	93,475.15	2.870%	1,341.37	94,816.52	112,887.50	18,070.98	19,617.11
Total	\$447,289.36	-	\$36,000.08	\$483,289.44	\$581,375.00	\$98,085.56	-

PV Analysis Summary (Gross to Gross)

Gross PV Debt Service Savings	91,056.64
Transfers from Prior Issue DSR Fund	(118,637.50)
Amount deposited into new DSR Fund	44,728.94

Net Present Value Benefit	\$17,148.08
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Net PV Benefit / \$500,000 Refunded Principal	3.430%
Net PV Benefit / \$447,289 Refunding Principal	3.834%

Average Annual Cash Flow Savings	19,617.11
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Refunding Bond Information

Refunding Dated Date	2/26/2019
Refunding Delivery Date	2/26/2019

APPENDIX B
FORM OF THE BOND

**UNITED STATES OF AMERICA
STATE OF COLORADO**

No. R-1

\$ _____

**TOWN OF LYONS, COLORADO
ACTING BY AND THROUGH ITS ELECTRIC UTILITY ENTERPRISE
ELECTRIC REVENUE REFUNDING BOND
SERIES 2019**

Interest Rate:

%

Maturity Date:

Original Dated Date:

_____, 2019

REGISTERED OWNER: ** ZIONS BANCORPORATION, NATIONAL ASSOCIATION **

PRINCIPAL SUM: ** _____ DOLLARS **

TOWN OF LYONS, COLORADO, in the State of Colorado, a duly organized and validly existing Town and political subdivision of the State of Colorado, acting by and through its Electric Utility Enterprise (the "Town"), for value received, hereby promises to pay to the order of the registered owner named above or registered assigns, solely from the special funds as hereinafter set forth, on the maturity date stated above, the principal sum stated above, in lawful money of the United States of America, with interest thereon from the original dated date stated above, at the interest rate per annum stated above, payable on June 1 and December 1 of each year, commencing June 1, 2019 the final installment of the principal of and interest on this bond being payable to the registered owner hereof upon presentation and surrender of this bond at UMB Bank, n.a., as Paying Agent (the "Paying Agent"), at such location as identified by the Paying Agent. Prior to the final installment of principal and interest on this bond, this bond is payable by check or draft of the Paying Agent mailed on the Principal Payment Date or the Interest Payment Date to the Owner thereof as of the Record Date to the registered owner hereof as of the close of business on the fifteenth day of the month (whether or not such day is a Business Day) preceding the interest payment date.

This bond is the sole bond of an issue of bonds of the Town designated Electric Revenue Refunding Bonds, Series 2019, issued in the principal amount of \$ _____ (the "Bonds"). The Bonds are being issued by the Town for the purpose of refinancing of an outstanding electric revenue bond, pursuant to and in full conformity with the Constitution and laws of the State of Colorado and an ordinance (the "Ordinance") duly adopted by the Town prior to the issuance hereof.

[The redemption provisions provided in the Ordinance shall be set forth in this place.]

The Paying Agent shall maintain registration books in which the ownership, transfer and exchange of the Bonds shall be recorded. The person in whose name this bond shall be registered on such registration books shall be deemed to be the absolute owner hereof for all purposes, whether or not payment on this bond shall be overdue, and neither the Town nor the Paying Agent shall be affected by any notice or other information to the contrary. This bond may be transferred or exchanged, at the principal operations office of the Paying Agent or at such other location as identified by the Paying Agent, for a like aggregate principal amount of the Bonds of other authorized denominations of the same maturity and interest rate, upon payment by the transferee of a transfer fee, any tax or governmental charge required to be paid with respect to such transfer or exchange and any cost of printing bonds in connection therewith.

The Town pledges for the payment of the principal of, premium, if any, and interest on the Bonds at any time outstanding, and grants an irrevocable and first lien for such purpose on Net Revenues and on all moneys on deposit in the Reserve Account; provided however, the first lien on Net Revenues is not exclusive if Parity Lien Obligations are issued.

This bond is issued pursuant to and in accordance with the Constitution of the State of Colorado and all other laws of the State of Colorado thereunto enabling. Such recital shall conclusively impart full compliance with all provisions and limitations of such laws, and this Bond issued containing such recital shall be incontestable for any cause whatsoever after its delivery for value. This bond, including the interest hereon, is payable solely from and secured solely by the special funds provided in the Ordinance and shall not constitute a debt or an indebtedness of the Town within the meaning of any constitutional or statutory limitation, nor shall this bond be considered or held to be a general obligation of the Town.

THE ORDINANCE CONSTITUTES THE CONTRACT BETWEEN THE REGISTERED OWNER OF THIS BOND AND THE TOWN. THIS BOND IS ONLY EVIDENCE OF SUCH CONTRACT AND, AS SUCH, IS SUBJECT IN ALL RESPECTS TO THE TERMS OF THE ORDINANCE, WHICH SUPERSEDES ANY INCONSISTENT STATEMENT IN THIS BOND.

The Town agrees with the owner of this bond and with each and every person who may become the owner hereof, that it will keep and perform all the covenants and agreements contained in the Ordinance.

The Ordinance may be amended or supplemented from time to time with or without the consent of the registered owners of the Bonds as provided in the Ordinance.

It is hereby certified that all conditions, acts and things required by the constitution and laws of the State of Colorado, and the ordinances of the Town, to exist, to happen and to be performed, precedent to and in the issuance of this bond, exist, have happened and have been performed, and that the Bonds do not exceed any limitations prescribed by said Constitution or laws of the State of Colorado, or the ordinances of the Town.

This bond shall not be entitled to any benefit under the Ordinance, or become valid or obligatory for any purpose, until the Paying Agent shall have signed the certificate of authentication hereon.

IN WITNESS WHEREOF, Town of Lyons, Colorado, acting by and through its Electric Utility Enterprise, has caused this bond to be signed in the name and on behalf of the Town with the manual or facsimile signature of the Mayor, to be sealed with the seal of the Town or a facsimile thereof and to be attested by the manual or facsimile signature of the Town Clerk.

TOWN OF LYONS, COLORADO

By Manual or Facsimile Signature
Mayor

Attest:

By [Manual or Facsimile Signature]
Town Clerk

* * *

CERTIFICATE OF AUTHENTICATION

This is one of the Bonds described in the within mentioned Ordinance.

Date of Authentication:

UMB BANK, N.A., as Paying Agent

By _____
Authorized Representative

CERTIFICATE OF TRANSFER

FOR VALUE RECEIVED, _____, the undersigned, hereby sells, assigns and transfers unto _____ (Tax Identification or Social Security No. _____) the within bond and all rights thereunder, and hereby irrevocably constitutes and appoints _____ attorney to transfer the within bond on the books kept for registration thereof, with full power of substitution in the premises.

Dated: _____

NOTICE: The signature to this assignment must correspond with the name as it appears upon the face of the within bond in every particular, without alteration or enlargement or any change whatever.

Signature Guaranteed:

NOTICE: Signature must be guaranteed by a member firm of the New York Stock Exchange or a commercial bank or trust company.

Transfer Fee May Be Required

EXHIBIT B

PROOFS OF PUBLICATION OF ORDINANCE

AFFIDAVIT OF PUBLICATION

Lyons Recorder

454 Main Street, P.O. Box 1729
Lyons, Colorado, 80540
(303) 823-6625

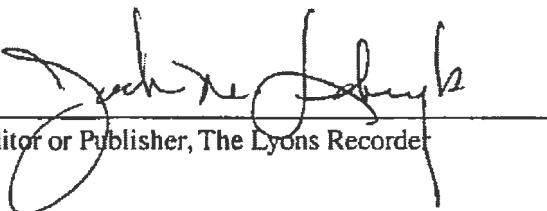
STATE OF COLORADO COUNTY OF BOULDER

I, the undersigned agent make this affidavit of publication. Under oath, I state that the following is true and correct: the **LYONS RECORDER**, is a newspaper published **WEEKLY** in the Town of Lyons, County of Boulder, State of Colorado, and which has general circulation therein and in parts of Boulder County, Larimer County, and Weld County; that the **LYONS RECORDER** has been continuously and uninterruptedly published for a period more than fifty-two (52) weeks next to prior to the first publication of the annexed legal notice of advertisement; that the **LYONS RECORDER** has been admitted to the United States mails as second class matter under the provisions of the Act of March 3, 1879, or any amendments thereof; and that the **LYONS RECORDER** is a weekly newspaper duly qualified for publishing legal notices and advertisements within the meaning of the laws of the State of Colorado; that copies of each number of the **LYONS RECORDER**, in which said notice or advertisement was published, were transmitted by mail to each of the subscribers of said newspaper, according to the accustomed mode of business in this office.

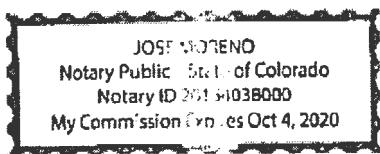
That the annexed legal notice or advertisement was published in the Lyons Recorder on January 31, 2019

Description: Town of Lyons Ordinance 1049

AUTHORIZED SIGNATURE:



Editor or Publisher, The Lyons Recorder



State of Colorado, County of Boulder

Signed before me on this 31 day of January, 2019

By Editor or Publisher: JOSEPH M. LEKWASZCYK

Notary Public: Jose Moreno

My commission expires 10-4-2020

Legal

TOWN OF LYONS, COLORADO

ORDINANCE 1049

AN ORDINANCE OF THE TOWN OF LYONS, COLORADO, ACTING BY AND THROUGH ITS ELECTRIC UTILITY ENTERPRISE, AUTHORIZING A FINANCING TO PROVIDE FOR THE REFUNDING OF OUTSTANDING ELECTRIC REVENUE BONDS; PRESCRIBING THE FORM OF THE BONDS; PROVIDING FOR THE PAYMENT OF THE BONDS FROM THE OPERATION OF THE ELECTRIC FACILITIES; PROVIDING OTHER DETAILS AND APPROVING DOCUMENTS IN CONNECTION WITH THE BONDS.

WHEREAS, the Town of Lyons, Colorado is a municipal corporation duly organized and operating as a statutory municipality under Article XX of the Constitution of the State of Colorado (unless otherwise indicated, capitalized terms used in this preamble shall have the meanings set forth in Section 1 of this Ordinance); and

WHEREAS, pursuant to Section 13-2-19 of the Town's Municipal Code, the Town has created and established an Electric Department of the Town, which the Town operates and maintains as a government-owned business and which is designated the Town's Electric Utility Enterprise; and

WHEREAS, the Electric Utility Enterprise has control of the operation and maintenance of the Town's electric system and works for the transmission and distribution of electricity purchased by the Town for distribution and resale to public and private users; and

WHEREAS, as part of its Electric Utility Enterprise, the Town has heretofore determined and undertaken to operate and maintain the Town's Electric Facilities; and

WHEREAS, the financial activities of the Electric Facilities are annually accounted for by the Town in the Town's Electric Fund; and

WHEREAS, pursuant to Resolution 1993-14 adopted by the Town on December 18, 1993, the Town designated its Electric Utility Enterprise as an enterprise within the meaning of Article X, Section 20 of the Colorado Constitution ("TABOR"); and

WHEREAS, the Electric Facilities have been and continue to be operated as an electric utility enterprise; the Electric Facilities are a substantially self-supporting government owned business and the Electric Utility Enterprise receives under 10% of annual revenues in grants from all Colorado state and local governments combined; and

WHEREAS, the election requirements for the issuance of bonds and other multiple fiscal year obligations under TABOR do not apply to enterprises; and

WHEREAS, the Town Board of Trustees has heretofore determined and hereby reaffirms that the Electric Utility Enterprise is an enterprise within the meaning of TABOR; and

WHEREAS, the Board is acting hereunder as the governing body of the Town's Electric Utility Enterprise; and

WHEREAS, the Town, acting by and through its Electric Utility Enterprise, previously issued its Electric Revenue Bonds, Series 2003, in the aggregate principal amount of \$1,480,000 (the "Series 2003 Bonds"), which Series 2003 Bonds are currently outstanding in the principal amount of \$600,000 and bear interest at a rate of 5.25% per annum; and

WHEREAS, the principal of and interest on the Series 2003 Bonds is payable, at the option of the Town, upon payment of the principal thereof, without redemption premium, and the accrued interest to the date of redemption; and

WHEREAS, after extended discussions and consultation, the Board has determined that by refunding all of the remaining outstanding Series 2003 Bonds, the Board can achieve one or more of the purposes set forth in Section 11-58-104, C.R.S.; and

WHEREAS, the Board does hereby determine that it is in the best interests of the Town, and the residents and taxpayers thereof, that the remaining outstanding Series 2003 Bonds be refunded and that the Bonds be issued and sold; and

WHEREAS, for the purpose of refunding the remaining outstanding Series 2003 Bonds, the Board has determined to issue its Electric Revenue Refunding Bonds, Series 2019, in the aggregate principal amount of \$447,289.36 (the "Series 2019 Bonds" or the "Bonds"); and

WHEREAS, the Bonds will be issued to refinance the remaining outstanding Series 2003 Bonds at a lower interest rate within the meaning of Article X, Section 20 of the Colorado Constitution; and

WHEREAS, the net proceeds derived from the sale of the Bonds, together with other legally available funds of the District, shall be applied to the payment of the principal of and interest on the Refunded Bonds as they become due and payable through and including their date of redemption; and

WHEREAS, the Bonds are being issued as one bond in a denomination equal to the principal amount of the Bonds and will be exempt from registration under §11-58-101 et. seq., C.R.S., the Colorado Municipal Bond Supervision Act; and

WHEREAS, after consideration, the Board has determined that the sale of the Bonds, subject to the terms and conditions set forth herein, to Zions Bancorporation, National Association (the "Purchaser") is in the best interests of the Town; and

WHEREAS, the Bonds will not be payable from any tax, will not constitute a debt or an indebtedness of the Town within the meaning of any constitutional or statutory limitation, and will not be considered or held to be general obligations of the Town; and

WHEREAS, none of the members of the Board have any potential conflicting interests in connection with the authorization, issuance, or sale of the Bonds, or the use of the proceeds thereof; and

WHEREAS, Board desires to authorize the issuance and sale of the Bonds, and to provide for the details and payment of the Bonds;

BE IT ORDAINED BY THE BOARD OF TRUSTEES OF THE TOWN OF LYONS, COLORADO:

Definitions. The following terms shall have the following meanings as used in this Ordinance:

"Bank" means UMB Bank, n.a., a national banking association duly organized and existing under the laws of the United States of America which has full and complete trust powers and is a qualified institution under Article 10.5 of Title 11, C.R.S., known as the Public Deposit Protection Act.

"Board" means the Board of Trustees of the Town acting as the governing body of the Electric Utility Enterprise.

"Bonds" means the Electric Revenue Refunding Bonds, Series 2019, dated as of the Dated Date.

"Bond Account" means the account established by the provisions hereof to account for the money to be applied to the payment of the debt service on the Bonds. The Bond Account shall be a subsidiary account or subaccount of the Electric Fund or other appropriate fund of the Town and separately accounted for by the Town in accordance with the provisions hereof.

"Bond Counsel" means (a) as of the date of issuance of the Bonds, Kutak Rock LLP, of Denver, Colorado; or (b) as of any other date, Kutak Rock LLP or such other attorney selected by the Town with nationally recognized expertise in the issuance of municipal bonds.

"Business Day" means any day other than (a) a Saturday or Sunday, or (b) a day on which banking institutions in the State are authorized or obligated by law or executive order to be closed for business.

"Call Date" means the date on which the Series 2003 Bonds shall be called for optional redemption, which date shall be the Dated Date of the Bonds.

"Capital Improvements" means the acquisition of land, easements, facilities, and equipment (other than ordinary repairs and replacements), and the construction or reconstruction of improvements, betterments, and extensions, including, without limitation, an electric substation and transmission line, for use by or in connection with Electric Facility Activities which, under Generally Accepted Accounting Principles for governmental units as prescribed by the Governmental Accounting Standards Board, are properly chargeable as capital items.

"Code" means the Internal Revenue Code of 1986, as amended. Each reference to a section of the Code herein shall be deemed to include the United States Treasury Regulations proposed or in effect thereunder and applicable to the Bonds or the use of proceeds thereof, unless the context clearly requires otherwise.

"Combined Maximum Annual Principal and Interest Requirements" means with regard to any or more particular issues of bonds or other obligations, the maximum annual payments of principal and interest on all of said issues, excluding redemption premiums, to become due during any Fiscal Year while such issues are

Legal (continued from page 4)

substandings; provided that such computation shall assume the redemption and payment of bonds or other obligations subject to mandatory redemption, but shall be made without regard to any right of option, prepayment or other right to do so.

"Continuing Disclosure Undertaking" means an understanding of the Town to facilitate compliance with Securities and Exchange Commission Rule 162-12 (17 C.F.R. § 240.162-12) in substantially the form presented in the Rule.

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

"Dated Date" means the date of delivery for the Bonds.

"Dedicated Facilities" means any one or more works and improvements of the Town, now owned or hereafter acquired, whether situated within or without the Town boundaries, used in and as part of the acquisition, receipt or distribution of electricity for the beneficial uses and purposes for which electricity is used or consumed, or the use of which is part of a fiber optic services or related network in the provision of fiber optic services, including all present or future improvements, additions, enlargements, betterments, replacements, or additions thereto or therewith permitted by applicable State law.

"Electric Facility Activities" means the acquisition, record and delivery of electricity through the Electric Facilities, and the acquisition and installation of fiber optic strands and all related and ancillary uses thereof, in accordance with the applicable provisions of State law and the Municipal Code.

"Electric Fund" means the special fund currently used the Electric Utility Enterprise Fund previously established by the Town to account for the financial activities of Electric Facility Activities.

"Electric Utility Enterprise Fund" means the Electric Utility Enterprise Fund previously established by the Town, and which includes, but is not limited to, Electric Facility Activities.

"Enabling Laws" means the Public Securities Refunding Act and other laws of the State of Colorado, and the action of the Town as determined by the provisions of this Ordinance.

"Event of Default" means any of the events specified the Section herein titled "Events of Default".

"Federal Securities" means bills, certificates of indebtedness, notes, bonds or other securities which are direct 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.

"Fiscal Year" means this 12 months commencing January 1 of any year and ending December 31 of each year.

"Gross Revenues" means (a) all rates, fees, charges and revenues directly or indirectly derived by the Town from the use of, or the benefit by, the use of, Electric Facility Activities, or any part thereof, including all income attributable to any future contracts, settlements or judgments held by the Town in connection with Electric Facility Activities; (b) all gross revenues from the revenues derived by the Town from the operation of any other facility of the Electric Utility Enterprise or from any other Town revenues hereafter pledged by the Board to the payment of the Bonds; provided that prior to such pledge, the Town receives a written agreement from the holder of such pledge that such pledge does not adversely affect the validity of the Bonds or the exclusion of the interest on the Bonds from gross income for federal income tax purposes; and (c) gross income and revenue derived from the issuance of bonds or other obligations of the Town or otherwise provided for in this Ordinance; provided however, that there shall be excluded from Gross Revenues (i) money borrowed and used for providing Capital improvements, (ii) any money and securities, and investment income earned, in connection with the issuance of the Bonds, or (iii) any other obligations in the payment of which the Bonds or the exclusion of the interest on the Bonds from gross income for federal income tax purposes, and (iv) any money 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 Town, relating to the provision of Capital improvements or for other purposes resulting in the general unavailability thereof, except to the extent any such money shall be received as payments for the use of Electric Facility Activities, services rendered thereby or the availability of such services.

"Holder of Record" means the Town's Electric Revenue Bonds, Series 2003, originally issued in the aggregate amount of \$44,729.34.

"Holder of Record" means the State of Colorado.

"Letter of Instructions" means The Letter of Instructions, dated the date on which the Bonds are originally issued and delivered to the Town by Bond Counsel, as such instructions may be superseded or amended in accordance with their terms.

"Lyons" means the Town of Lyons, Colorado.

"Authorization and Purpose of the Bonds" Pursuant to and in accordance with the Constitution of the State of Colorado and the Enabling Laws, there shall be issued by the Town, during and by and in its Electric Utility Enterprise Fund, "Electric Revenue Bonds, Series 2012" for the purpose of financing the Refunding Project.

"Bond Counsel" means the Town's attorney.

"Bonds" means the Bonds of the Town, which shall be issued as single bonds in fully registered form, shall be dated as of the Dated Date, and shall be registered in the names of the Persons identified in the registration books maintained by the Paying Agent, pursuant thereto. The Bonds shall be issued in denominations equal to the principal amount of the Bonds.

"Bonds" means the Bonds of the Town, including any amendments or supplements thereto.

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Legal (continued from page 8)

PAYING AGENT AND REGISTRAR AGREEMENT

In consideration of the mutual promises and covenants and subject to the terms, conditions, and covenants hereinafter recited, the **TOWN OF LYONS, COLORADO, acting by and through its Electric Utility Enterprise** (the “Town”), hereby appoints **UMB BANK, N.A.** (the “Bank”), and the Bank accepts such appointment, as Paying Agent (the “Paying Agent”) for the Town’s Electric Utility Enterprise Revenue Refunding Bonds, Series 2019, issued in the principal amount of \$447,289 and dated March 5, 2019 (the “Bonds”). The Town also appoints the Bank, and the Bank accepts such appointment, as the authenticating registrar (the “Registrar”) for the Bonds.

Section 1. The Bank hereby accepts all duties and responsibilities required or permitted to be performed by the Registrar and/or Paying Agent as provided in the ordinance authorizing the issuance of the Bonds finally adopted on second reading on January 22, 2019 by the Board of Trustees of the Town (the “Ordinance”), and shall be subject to the provisions and limitations thereof. Such Ordinance is incorporated herein by reference and capitalized terms used but not otherwise defined herein shall have the respective meanings ascribed in the Ordinance.

Section 2. The Bank understands and acknowledges that, by reason of the execution hereof, it has assumed a role of agent with respect to the disbursements of funds received from the Town for the purpose of paying the principal of, premium, if any, and interest due on the Bonds. The Bank shall receive and disburse such funds solely in accordance with the terms and provisions hereof, and shall remit to the Town the funds not necessary for the purpose of making the aforesaid payments on the Bonds after any particular Due Date, as defined in Section 5 hereof.

Section 3. The Bank shall establish the registration books for the Bonds and thereafter maintain such books in accordance with the provisions of the Ordinance. The Town shall be permitted to review the registration books at any time during the regular business hours of the Bank and, upon written request to the Bank, shall be provided a copy of the list of registered owners of the Bonds.

Section 4. The Bank shall make payments of principal, premium, if any, and interest on the Bonds on each date established for payment thereof (the “Due Date”). Prior to a Due Date, the Town shall furnish funds to the Bank in amounts sufficient to pay all amounts due. Such funds shall be used by the Bank solely for the purpose of paying the principal of, premium, if any, and interest on the Bonds in accordance with its terms and the provisions of the Ordinance and the Final Terms Certificate. The Bank shall have no duty to make any payments prior to any Due Date or until funds necessary to cover all payments due on the Due Date have been deposited with it. The Bank shall not be required to advance its own funds for any payments in connection with the Bonds. The Bank shall not be required to invest or to pay interest on any funds of the Town for any period during which such funds are held by the Bank awaiting the presentation of the Bonds for payment.

Section 5. The Bank shall be entitled to payments from the Town of its fees and reasonable expenses for acting as Paying Agent and Registrar in accordance with the fee

schedule attached hereto as Exhibit A, and such fees and expenses shall be paid notwithstanding that the Bonds have been refunded or otherwise refinanced at the time the payment is due.

Section 6. Within one year after the final maturity date of the Bonds, the Bank shall present a final statement and shall return any unclaimed funds to the Town. Any cancelled portion of the Bonds and blank, unused certificates retained by the Bank shall be cancelled in accordance with the customary practices of the Bank and applicable retention laws.

Section 7. The Bank shall have no duty to disseminate or disclose information about the Town or the Bonds pursuant to any statute, rule or regulation of the United States government, any of its agencies, or any statute, rule or regulation enacted by any state or political subdivision.

Section 8. The Bank may resign at any time by giving prior written notice of such resignation to the Town at its last known address, and thereupon such duties as Paying Agent shall cease not sooner than thirty (30) days following the Town's receipt of such notice. The Town shall appoint a successor agent and, upon such successor appointment, the Paying Agent shall deliver to the successor agent all its funds, documents, files and records relating to the Bonds. In the event the Town does not appoint a successor agent within 60 days following the giving of any such notice of removal, the removed Bank may petition any appropriate court having jurisdiction to appoint a successor escrow agent. The successor agent shall notify the Owner of the Bonds of any change in agents as soon as the successor agent is appointed.

Section 9. This Agreement shall terminate upon delivery of the final statement described in Section 7 hereof or upon removal of the Paying Agent as provided in the Ordinance.

Section 10. The terms and conditions of this Agreement may be amended only by written agreement between the Town and the Bank adopted in the same manner as this Agreement. The Town shall file with the Bank certified copies of all future amendments to the Ordinance or other documents pertaining to the Bonds after the date of this Agreement.

Section 11. Any company or national banking association into which the Bank may be merged or converted or with which it may be consolidated or any company or national banking association resulting from any merger, conversion or consolidation to which it shall be a party or any company or national banking association to which the Bank may sell or transfer all or substantially all of its corporate trust business, provided such company shall be eligible, shall be successor to such Bank without the execution of filing of any paper or further act, anything herein to the contrary notwithstanding.

Section 12. The parties hereto agree that the transactions described herein may be conducted and related documents may be stored by electronic means. Copies, telecopies, facsimiles, electronic files, and other reproductions of original executed documents shall be deemed to be authentic and valid counterparts of such original documents for all purposes, including the filing of any claim, action, or suit in the appropriate court of law.

Section 13. This Agreement is executed in Colorado and shall be construed and enforced in accordance with the laws of Colorado.

Section 14. This Agreement shall be dated as of the date of the Bonds set forth above.

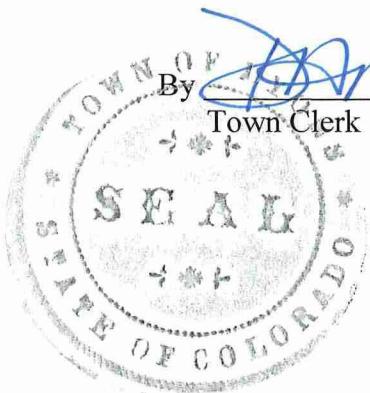
IN WITNESS WHEREOF, the Town and the Paying Agent have hereunto set their hands to the Paying Agent and Registrar Agreement as of the date first written above.

[SEAL]

TOWN OF LYONS, COLORADO

By *Clint Steen*
Mayor

Attest:



By *Anthony*
Town Clerk

UMB BANK, N.A., as Paying Agent

By _____
Authorized Officer

[Signature Page to Paying Agent and Registrar Agreement]

IN WITNESS WHEREOF, the Town and the Paying Agent have hereunto set their hands to the Paying Agent and Registrar Agreement as of the date first written above.

[SEAL]

TOWN OF LYONS, COLORADO

By _____
Mayor

Attest:

By _____
Town Clerk

UMB BANK, N.A., as Paying Agent

By _____
Authorized Officer



EXHIBIT A
to
PAYING AGENT AND REGISTRAR AGREEMENT
(Attach Bank Fee Schedule)



Town of Lyons, Colorado
Utility Enterprise Electric Revenue Refunding Bonds
Series 2019

FEES AND EXPENSES

Fees for services are as follows:

Commitment Fee (One-Time)

Review Documents, Establish Accounts &	
Authenticate Certificates	\$400.00

Administrative Fee (Annual)

Administration/Paying Agent and Registrar	\$400.00
---	----------

In connection with the initial review of documents, UMB will not require reimbursement for any legal fees that it may incur through the use of in-house counsel. If opinion(s) of Paying Agent's counsel are required, outside counsel may be retained by UMB and the cost of such counsel will be charged as additional expense. Administration fees and other fees and expenses will be billed annually in advance.

The fees, charges and expenses specified herein are for the typical and customary services as Paying Agent. Fees for additional or extraordinary services not now part of the customary services provided, such as special services during defaults, additional government reporting requirements, or document amendments will be charged at the then current rates for such services. Extraordinary expenses, such as legal fees and travel expenses, shall be invoiced to the client based upon the actual out of pocket cost to the Paying Agent. UMB reserves the right to renegotiate its current fee schedule to correspond with changing economic conditions, inflation, and changing requirements relating to the day to day service delivery.

INVESTOR LETTER

March 5, 2019

Town of Lyons, Colorado
Lyons, Colorado

Kutak Rock LLP
Denver, Colorado

\$447,289
Town of Lyons, Colorado
(Acting By and Through its Electric Utility Enterprise)
Electric Utility Revenue Refunding Bonds
Series 2019

Ladies and Gentlemen:

We understand that the Town of Lyons, Colorado, acting by and through its Electric Utility Enterprise (the “Town”) proposes to issue its “Electric Utility Revenue Refunding Bond, Series 2019” (the “Bond”), and we propose to purchase such Bond as described below. The Bond and terms and conditions thereof are more fully described in Ordinance No. 1049 (the “Bond Ordinance”) as approved, passed and adopted by the Board of Trustees of the Town (the “Board”) on first reading on January 7, 2019 and second reading on January 22, 2019. Unless otherwise indicated, capitalized terms used herein have the same meanings as set forth in the Bond Ordinance. In connection with the issuance of the Bond, we hereby certify as follows:

1. As of the date hereof, subject to the terms and conditions hereof and the provisions of the Bond Ordinance, we purchased the Bond and are currently the sole registered owner thereof.

2. We are an “accredited investor” as defined in Regulation D under the Securities Act of 1933 (the “1933 Act”).

3. We have sufficient knowledge and experience in financial and business matters, including purchase and ownership of municipal and other obligations of a nature similar to the Bond, to be able to evaluate the risks and merits of the investment represented by the purchase of the Bond. We understand that no credit rating has been sought or obtained with respect to the Bond.

4. We have acquired the Bond for our own account or for the account of institutions which meet the representations set forth herein, and not with a view to, or for sale in connection with, any distribution of the Bond or any part thereof. We have not offered to sell, solicited offers to buy, or agreed to sell the Bond or any part thereof, and we have no present intention of reselling or otherwise disposing of the Bond.

5. As a sophisticated investor, we have made our own credit inquiry and analysis with respect to the Town and the Bond, and have made an independent credit decision based upon such inquiry and analysis. The Town has furnished to us all the information which we as a reasonable investor have requested of the Town as a result of our having attached significance thereto in making our investment decision with respect to the Bond, and we have had the opportunity to ask questions of and receive answers from knowledgeable individuals concerning the Town and the Bond. We are able and willing to bear the economic risk of the purchase and ownership of the Bond.

6. We understand that the Bond has not been registered with any federal or state securities agency or commission.

7. We acknowledge that the Bond is transferable only by notation on the registration books maintained by the Bond registrar, and are freely transferable provided that:

- (a) the transferring holder thereof shall first have complied with all applicable state and federal securities laws and regulations;
- (b) the transferring holder thereof can transfer the Bond only to:
 - (i) a transferee who executes and delivers to the Town a letter of the transferee substantially to the effect of this letter; or
 - (ii) a transferee who qualifies as an “accredited investor” within the meaning of Section 2(15) of the 1933 Act; or
 - (iii) a securitization Special Purpose Vehicle (“SPV”), the interests in which SPV are sold to institutional investors only; and
- (c) the transferring holder thereof will not prepare or furnish, or cause to be prepared or furnished, any disclosure regarding the Town’s finances without the prior review and written consent of the Town, in the Town’s sole discretion.

[Signature appears on following page]

Dated as of the date first written above.

Zions Bancorporation, N.A.

By 
Vice President

[Signature page to Investor Letter]

\$447,289
Town of Lyons, Colorado
(Acting By and Through its Electric Utility Enterprise)
Electric Utility Revenue Refunding Bonds
Series 2019

OMNIBUS CERTIFICATE OF TOWN

A. The undersigned, each for herself or himself, hereby certifies that (capitalized terms used herein and not defined shall have the meanings provided in the hereinafter defined Ordinance):

1. They are, respectively, the duly elected, or appointed, qualified and acting Mayor, Town Administrator, Town Clerk and Finance Director of the Town of Lyons, Colorado (the "Town").

2. The Town is a municipal corporation duly organized and operating as a statutory municipality under the Constitution and statutes of the State of Colorado, its full corporate name being "Town of Lyons."

3. At all times during the proceedings relating to the adoption of Ordinance No. 1049 (the "Bond Ordinance") on first reading on January 7, 2019 and on second reading on January 22, 2019 authorizing issuance and sale by the Town of \$447,289 aggregate principal amount of the Town of Lyons, Colorado, Electric Utility Revenue Refunding Bonds, Series 2019 (the "Series 2019 Bonds"), to and including the date of this certificate, the following were the duly elected, or appointed, qualified and acting members of the Board of Trustees and officers of the Town authorized to take all actions in connection with the Series 2019 Bonds contemplated by the Bond Ordinance, and such officers as have signed below are authorized to act on behalf of the Town in all matters relating to the Series 2019 Bonds:

Mayor:	Connie Sullivan
Board Members:	Barney Dreistadt, Mayor Pro Tem Juli Waugh Mike Karavas Wendy Miller Mark Browning Jocelyn Farrell
Town Clerk:	Debra Anthony
Finance Director	Ana Canada
Town Attorney:	Brandon Dittman, Esq.

4. The Town has duly and regularly established its Electric Utility Enterprise pursuant to Resolution 1993-14 adopted by the Town on December 13, 1993 (the "Enterprise Resolution") and Section 7-2-1 of the Town's Municipal Code. A copy of the Enterprise Resolution is attached hereto as Exhibit A and a copy of Title 7 of the Town's Municipal Code is

attached hereto as Exhibit B. The Electric Utility Enterprise received less than 10% of its annual revenue in grants from all Colorado state and local governments combined in calendar year 2018 and will (as budgeted) receive less than 10% of its annual revenue in grants from all Colorado state and local governments combined in calendar year 2019. The Electric Utility Enterprise is an “enterprise” within the meaning of Article X, Section 20 of the Colorado Constitution.

5. The Bond Ordinance was duly adopted by the affirmative vote of a majority of the members of the Board of Trustees, the governing body of the Town, in full conformance with all applicable laws, rules, and regulations and the Town’s Municipal Code. The Bond Ordinance has not been amended, modified, supplemented or rescinded, in whole or in part, since the date it was adopted and is in full force and effect as of the date hereof.

6. No meeting of the Board of Trustees concerning the Bonds occurred without compliance with the open meeting provisions of the Colorado Sunshine Act of 1972, being found at Part 4 of Article 6 of Title 24, Colorado Revised Statutes, as amended.

7. To the best of our knowledge, there are no potential conflicting interests of the Board of Trustees regarding the authorization, issuance or sale of the Bonds, or the use of the proceeds thereof.

8. The Town has authorized by all necessary action the execution, delivery, receipt and due performance of the Bond Ordinance, the Paying Agent Agreement and any and all other agreements, certificates and documents as may be required to be executed, delivered and received by the Town to carry out, give effect to and consummate the transactions contemplated by the Bond Ordinance (collectively, the “Bond Documents”).

9. To the best of our knowledge, the adoption of the Bond Ordinance and the execution of the other Bond Documents and performance of the Town’s obligations thereunder, do not conflict with or constitute a breach of or default under, any ordinance, resolution, indenture, commitment, agreement, or other instrument to which the Town is a party or by which the Town is bound or under any existing law, rule, regulation, ordinance, judgment, order, or decree to which the Town is subject.

10. There is no action, suit, proceeding, inquiry or investigation at law or in equity before or by any court, public board or body pending or, to the best of the Town’s knowledge, threatened, against or affecting the Town, wherein an unfavorable decision, ruling or finding would have a material adverse effect on the financial condition of the Town, the security for the Bonds, the Town’s ability to comply with its obligations under the Bond Documents, the transactions contemplated by the Bond Documents, the validity and enforceability of the Bond Documents or the Bonds, the imposition and collection of rates and charges for the Electric Facility Activities, the collection of Gross Income, or in any manner questioning the authority or proceedings for the issuance of the Bonds.

11. No authority or proceedings for the issuance of the Bonds has or have been repealed, revoked, amended, or rescinded, by implication or otherwise, none of the Bonds have heretofore been issued under or pursuant to such proceedings, and to the best of our knowledge,

belief, and information, no circumstances exists to hinder or prevent the Town from issuing the Bonds.

12. Facsimile signature certificates containing the manual signatures of the Mayor and the Town Clerk, and an impression of the official seal of the Town, were filed with the Secretary of the State of Colorado, as required by law, and copies of such certificates are attached hereto as Exhibit C. The facsimile signatures of the Mayor and the Town Clerk appearing upon the Bonds are the facsimile signatures of such officers, respectively. The facsimile signatures were duly affixed with the knowledge and consent of the undersigned officials whose facsimile signatures they purport to be and the same are hereby adopted. The seal which appears on each of the Bonds is a facsimile of the duly adopted official corporate seal of the Town, a manual impression of which is impressed on this certificate.

13. The Town has not issued, authorized, or executed any bond, note, contract, debenture, or other obligation which is currently outstanding and which is secured by a lien upon the Net Revenue on a parity with the Bonds.

14. To the best of our knowledge no circumstances exist which prevent the Town from issuing the Bonds.

IN WITNESS WHEREOF, we have hereunto set our hands and the official seal of the Town as of this 5th day of March, 2019.

[SEAL]

By Auri Shier
Mayor

By Howard Timmons
Town Administrator

By Anthony
Town Clerk

By Ann Cook
Finance Director



[Signature Page to Omnibus Certificate]

UNITED STATES OF AMERICA
STATE OF COLORADO

No. R-1 \$447,289.36

**TOWN OF LYONS, COLORADO
ACTING BY AND THROUGH ITS ELECTRIC UTILITY ENTERPRISE
ELECTRIC REVENUE REFUNDING BOND
SERIES 2019**

Interest Rate:	Maturity Date:	Original Dated Date:
2.870%	December 1, 2023	March 5, 2019

REGISTERED OWNER: **ZIONS BANCORPORATION, NATIONAL ASSOCIATION **

PRINCIPAL SUM: **FOUR HUNDRED FORTY-SEVEN THOUSAND TWO HUNDRED EIGHTY-NINE DOLLARS AND THIRTY-SIX CENTS**

TOWN OF LYONS, COLORADO, in the State of Colorado, a duly organized and validly existing Town and political subdivision of the State of Colorado, acting by and through its Electric Utility Enterprise (the "Town"), for value received, hereby promises to pay to the order of the registered owner named above or registered assignee, solely from the special funds as hereinafter set forth, on the maturity date stated above, the principal sum stated above, in lawful money of the United States of America, with interest thereon from the original dated date stated above, at the interest rate per annum stated above, payable on June 1 and December 1 of each year, commencing June 1, 2019 the final installment of the principal of and interest on this bond being payable to the registered owner hereon upon presentation and surrender of this bond at UMB Bank, n.a., as Paying Agent (the "Paying Agent"), at such location as identified by the Paying Agent. Prior to the final installment of principal and interest on this bond, this bond is payable by check or draft of the Paying Agent mailed on the Principal Payment Date or the Interest Payment Date to the registered owner hereof at the close of business on the fifteenth day of the month (whether or not such day is a Business Day) preceding the interest payment date.

This bond is the sole bond of an issue of bonds of the Town designated Electric Revenue Refunding Bonds, Series 2019, issued in the principal amount of \$447,289.36 (the "Bonds"). The Bonds are being issued by the Town for the purpose of refinancing an outstanding electric revenue bond, pursuant to and in full conformity with the Constitution and laws of the State of Colorado and an ordinance (the "Ordinance") duly adopted by the Town prior to the issuance hereof.

The Bonds shall be subject to redemption at the option of the Town, in whole or in part, and if in part in such order of maturities as the Town shall determine and by lot within a maturity on any date upon 30 days' prior written notice to the Owner.

The principal amount of this bond is subject to mandatory sinking fund redemption by lot on the principal payment date of the years and in the principal amounts specified in the table below, at a redemption price equal to the principal amount thereof (with no redemption premium), plus accrued interest to the redemption date:

December 1 of the Year	Principal Amount
2019	\$87,079.75
2020	86,502.01
2021	88,997.11
2022	91,301.32
2023 ¹	93,409.17

¹ Maturity Date.

The Paying Agent shall maintain registration books in which the ownership, transfer and exchange of the Bonds shall be recorded. The person in whose name this bond shall be registered on such registration books shall be deemed to be the absolute owner hereof for all purposes, whether or not payment on this bond shall be overdue, and neither the Town nor the Paying Agent shall be affected by any notice or other information to the contrary. This bond may be transferred or exchanged, at the principal operations office of the Paying Agent or at such other location as identified by the Paying Agent, for a like aggregate principal amount of the Bonds of other authorized denominations of the same maturity and interest rate, upon payment by the transferee of a transfer fee, any tax or governmental charge required to be paid with respect to such transfer or exchange and any cost of printing bonds in connection therewith.

The Town pledges for the payment of the principal of, premium, if any, and interest on the Bonds at any time outstanding, and grants a revocable and first lien for such purpose on Net Revenues and on all moneys on deposit in the Reserve Account; provided however, the first lien on Net Revenues is not exclusive if Party Lien Obligations are issued.

This bond is issued pursuant to and in accordance with the Constitution of the State of Colorado and all other laws of the State of Colorado thereunto enabling. Such recital shall conclusively establish compliance with all provisions and limitations of such laws, and this Bond issued containing such recital shall be incontestable for any cause whatsoever after its delivery for value. This bond, including the interest hereon, is payable solely from and secured solely by the special funds provided in the Ordinance and shall not constitute a debt or an indebtedness of the Town within the meaning of any constitutional or statutory limitation, nor shall this bond be considered or held to be a general obligation of the Town.

THE ORDINANCE CONSTITUTES THE CONTRACT BETWEEN THE REGISTERED OWNER OF THIS BOND AND THE TOWN. THIS BOND IS ONLY EVIDENCE OF SUCH CONTRACT AND, AS SUCH, IS SUBJECT IN ALL RESPECTS TO THE TERMS OF THE ORDINANCE, WHICH SUPERSEDES ANY INCONSISTENT STATEMENT IN THIS BOND.

The Town agrees with the owner of this bond and with each and every person who may become the owner hereof, that it will keep and perform all the covenants and agreements contained in the Ordinance.

The Ordinance may be amended or supplemented from time to time with or without the consent of the registered owners of the Bonds as provided in the Ordinance.

It is hereby certified that all conditions, acts and things required by the constitution and laws of the State of Colorado, and the ordinances of the Town, to exist, to happen and to be performed, precedent to and in the issuance of this bond, exist, have happened and have been performed, and that the Bonds do not exceed any limitations prescribed by said Constitution or laws of the State of Colorado, or the ordinances of the Town.

This bond shall not be entitled to any benefit under the Ordinance, or become valid or obligatory for any purpose, until the Paying Agent shall have signed the certificate of authentication hereon.

IN WITNESS WHEREOF, Town of Lyons, Colorado, acting by and through its Electric Utility Enterprise, has caused this bond to be signed in the name and on behalf of the Town with the manual or facsimile signature of the Mayor, to be sealed with the seal of the Town or a facsimile thereof and to be attested by the manual or facsimile signature of the Town Clerk.

[SEAL]

TOWN OF LYONS, COLORADO

By Curtis Sten
Mayor

Attest:

By Anthony
Town Clerk

Specimen

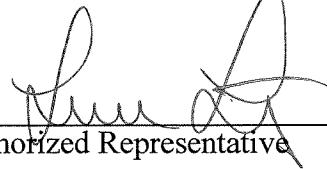
CERTIFICATE OF AUTHENTICATION

This is one of the Bonds described in the within mentioned Ordinance.

Date of Authentication: March 5, 2019.

UMB BANK, N.A., as Paying Agent

By



Authorized Representative

Specimen

CERTIFICATE OF TRANSFER

FOR VALUE RECEIVED, _____, the undersigned, hereby sells, assigns and transfers unto _____ (Tax Identification or Social Security No. _____) the within bond and all rights thereunder, and hereby irrevocably constitutes and appoints _____ attorney to transfer the within bond on the books kept for registration thereof, with full power of substitution in the premises.

Dated: _____

NOTICE: The signature to this assignment must correspond with the name as it appears upon the face of the within bond in every particular, without alteration or enlargement or any change whatever.

Signature Guaranteed:

NOTICE: Signature must be guaranteed by a member firm on the New York Stock Exchange or a commercial bank or trust company.

Transfer Fee May Be Required

Specimen

TAX COMPLIANCE CERTIFICATE

\$447,289.36

Town of Lyons, Colorado
Acting By and Through its Electric Utility Enterprise
Electric Revenue Refunding Bonds
Series 2019

1. In General.

1.1. The undersigned is an authorized officer of Town of Lyons, Colorado, acting by and through its Electric Utility Enterprise (the “Town”), and hereby certifies to the statements contained in this Tax Compliance Certificate (this “Tax Compliance Certificate”). This Tax Compliance Certificate is executed and delivered by the undersigned this March 5, 2019.

1.2. This Tax Compliance Certificate is executed for the purpose of setting forth the facts, estimates and expectations of the Town as to the captioned Electric Revenue Refunding Bonds, Series 2019 (the “Bonds”). The Town’s reasonable expectation that the Bonds are not “arbitrage bonds” is based on Section 148 of the Internal Revenue Code of 1986, as amended, and the Treasury Regulations (the “Regulations”).

1.3. The factual representations contained in this Tax Compliance Certificate are true and correct and, to the best of the knowledge, information and belief of the undersigned, the expectations contained in this Tax Compliance Certificate are reasonable.

1.4. The undersigned is an officer of the Town to whom the governing board of the Town has delegated the responsibility of issuing and delivering the Bonds or executing and delivering this Tax Compliance Certificate. The Bonds have been validly issued pursuant to Ordinance No. 1049 adopted by the Town’s Board of Trustees, acting as the governing body of the Town’s Electric Utility Enterprise, on January 22, 2019 (the “Ordinance”). The terms used but not defined herein have the same meanings as defined in the Ordinance.

1.5. Kutak Rock LLP, as bond counsel (“Bond Counsel”), is permitted to rely, after due inquiry, on the contents of any certification, document or instructions provided pursuant to this Tax Compliance Certificate and will not be responsible or liable in any way for the accuracy of their contents or the failure of the Town to deliver any required information.

2. Purposes of the Bonds.

2.1. The Town is issuing the Bonds to provide funds to (a) accomplish the “Project,” consisting of refunding, on a current refunding basis, all of the Town’s currently outstanding Electric Revenue Bonds, Series 2003 (the “Series 2003 Bonds”), (b) fund a deposit to the Reserve Account and (c) pay costs of issuance of the Bonds. The improvements refinanced with proceeds of the Bonds as part of the Project are referred to herein as the “Financed Property” and are further described in Section 2.5 below.

2.2. The proceeds of the Bonds to be used to finance the purposes described in Section 2.1 above, together with any investment income thereon and the Remaining Fund Moneys

described in Section 2.5 below, do not exceed the amount necessary, based on all the facts and circumstances known to the Town on this date, to provide financing for such purposes.

2.3. The Town does not expect that the plan of financing relating to the Bonds will result in the creation of any replacement proceeds within the meaning of Section 1.148-1(c) of the Regulations other than amounts, if any, to be deposited in a bona fide debt service fund or reasonably required reserve or replacement fund. The weighted average maturity of the Bonds does not exceed 120 percent of the combined average economic life of the Financed Property. The Purchaser has provided to the Town certain calculations relating to the Bonds. Such calculations, attached hereto as an exhibit, include a calculation of the weighted average maturity and yield of the Bonds and remaining weighted average maturity of the Series 2003 Bonds being refunded by the Bonds.

2.4. The Bonds constitute a current refunding of the Series 2003 Bonds, which will be entirely paid and cancelled on the date hereof. There are significant governmental purposes for the use of proceeds of the Bonds to accomplish the refunding described in this paragraph.

2.5. The Town issued the Series 2003 Bonds on October 29, 2003, in an original aggregate principal amount of \$1,480,000 and used all of the proceeds of the Series 2003 Bonds to (a) pay the costs of designing, acquiring and constructing an electric substation, transmission line and related facilities (collectively, the "Financed Property") and (b) pay costs of issuance of the Series 2003 Bonds. All of the proceeds of the Series 2003 Bonds were allocated to costs of new money capital projects. At the time of issuance of the Series 2003 Bonds, the Town deposited other legally available moneys of the Town in the amount of \$118,657.50 (which moneys did not comprise proceeds of any tax-exempt bonds) into a reserve account for the Series 2003 Bonds (the "Series 2003 Reserve Account"). Except for the \$118,637.50 of gross proceeds of the Series 2003 Bonds on deposit in the Series 2003 Reserve Fund (referred to herein as the "Remaining Fund Moneys"), there are no other unspent gross proceeds of the Series 2003 Bonds.

2.6. On the date of issuance of the Series 2003 Bonds, the Town reasonably expected that at least 85 percent of the sale proceeds of the Series 2003 Bonds would be allocated to capital expenditures within three years of such date of issuance. Such sale proceeds were in fact allocated to expenditures incurred to finance such capital projects within three years of such date of issuance. In addition, not more than 50 percent of the proceeds of the Series 2003 Bonds was invested in investments having a substantially guaranteed yield for four years or more.

2.7. The Bonds are the first obligations issued to refund the Series 2003 Bonds. None of the Series 2003 Bonds have been heretofore refunded or refinanced.

2.8. The Town covenants to retain all of the transcripts and other records (to the extent that such transcripts and records are currently within the possession of the Town) relating to the Series 2003 Bonds for a period of not less than four years following the later of the redemption of the Bonds or any obligations issued or executed and delivered to refund the Bonds.

2.9. The Town is not aware of any breach of any representation or covenant made in connection with the Series 2003 Bonds. In particular, the Town represents that it is in compliance with all representations and covenants it made regarding the expenditure of proceeds of the Series 2003 Bonds that were made in connection with the issuance thereof, including without

limitation all such representations and covenants in the Tax Compliance Certificate executed and delivered by the Town relating to the Series 2003 Bonds designed to satisfy the tax requirements of the Code in order for interest on the Series 2003 Bonds to be excludable from gross income for federal income tax purposes.

3. Source and Disbursement of Funds.

3.1. The Town will issue and sell the Bonds to Zions Bancorporation, National Association (the "Purchaser") at an issue price equal to \$447,289.36 (the "Issue Price"), consisting of the aggregate par amount of the Bonds without original issue discount or original issue premium. The Issue Price constitutes the sale proceeds of the Bonds.

3.2. The Town reasonably expects to need and fully expend the sale proceeds of the Bonds, the Remaining Fund Moneys and \$656.25 of other available moneys of the Town (the "Other Moneys") as follows, notwithstanding any direct tracing or wire transactions:

- (a) \$15,000.00 of the sale proceeds of the Bonds will be used to pay costs of issuance of the Bonds;
- (b) \$44,728.94 (consisting of \$44,728.93 of sale proceeds of the Bonds and the balance from the Remaining Fund Moneys) will be deposited to the Reserve Account and used for the purposes of the Reserve Account; and
- (c) \$506,854.17 (consisting of \$387,560.43 of sale proceeds of the Bonds, \$118,637.49 of Remaining Fund Moneys and \$656.25 of Other Moneys) will be used to refund and redeem the Series 2003 Bonds on the date hereof.

4. Limitations on Investment of Gross Proceeds.

4.1. ***General Yield Restriction and Rebate Requirements.*** Except as provided in the paragraphs below, any amounts constituting gross proceeds of the Bonds may not be invested in investments bearing a yield in excess of the yield of the Bonds and are, to the extent required by the Code and Regulations, subject to the rebate requirement described in the section entitled "Rebate Requirement" below.

4.2. ***Gross Proceeds Allocable to Minor Portion.*** A minor portion of the gross proceeds of the Bonds may be invested without yield restriction in an amount not exceeding the lesser of (a) \$100,000 or (b) five percent of the sale proceeds of the Bonds.

4.3. ***Gross Proceeds Allocable to Costs of Issuance.*** The portion of the sale proceeds of the Bonds allocated to expenditures to pay costs of issuance of the Bonds will be spent within a one-year period beginning on the date hereof. Such sale proceeds may be invested for a period of one year from the date hereof without regard to investment yield limitation, and thereafter at a yield not in excess of the yield of the Bonds. Investment proceeds earned from the investment of such sale proceeds may be invested without regard to investment yield limitation for a period of one year from the date of receipt thereof, and thereafter at a yield not in excess of the yield of the Bonds. Any such investment proceeds will be deposited to the Bond Account for the payment of debt service on the Bonds.

4.4. ***Gross Proceeds Allocable to Bond Account.*** The Bond Account is established to achieve a proper matching of revenues with principal and interest payments on the Bonds within each bond year. Accordingly, the Town will treat as a “bona fide debt service fund” (as such term is used in the Code and in the Regulations) the amounts accounted for as part of the Bond Account that are to be expended to pay the principal of and interest on the Bonds as the same become due and which will be depleted at least once each bond year (except for a reasonable carryover amount not to exceed the greater of (a) the earnings on the Bond Account for the immediately preceding bond year, or (b) one twelfth of the principal and interest payments on the Bond for the immediately preceding bond year).

4.5. ***Gross Proceeds Relating to Reserve Account.*** The Ordinance creates the Reserve Account and requires such account to be funded as of the date hereof in an amount equal to the Required Reserve, as further described in the Ordinance. The Reserve Account is created for the payment of debt service on the Bonds in the event that other moneys are not sufficient to make such payments. In the judgment of the Town, based on representations of the Purchaser in the Certificate of the Purchaser attached hereto as Exhibit A (the “Certificate of the Purchaser”), the establishment of the Reserve Account for the Bonds in the amount of the Required Reserve is reasonably required. The total of the amounts deposited in the Reserve Account may be invested without regard to investment yield limitation to the extent that such amounts do not exceed the least of (a) ten percent of the stated principal amount of the Bonds, (b) the maximum annual debt service on the Bonds and (c) 125 percent of average annual debt service on the Bonds. The Town covenants that amounts in excess of such investment limits will not be invested at a Yield in excess of the Bond yield. In measuring whether such unrestricted investment limits have been reached, any discount on the purchase of investments bearing a yield in excess of the Bond yield must be accounted for ratably each bond year as additional amounts invested at the yield of such investment.

4.6. ***No Other Replacement Proceeds.*** Except for any establishment of the funds and accounts described above, neither the Town, a related person (as defined in Section 147 of the Code), nor any other substantial beneficiary of the Bonds has created or established and none of the foregoing parties are expected to create or establish any other fund or account to pay debt service on the Bonds, or a debt service reserve fund or any other similar fund with respect to the Bonds, or a negative pledge or right of set-off in any funds, accounts or assets of the Town. Further, there are no other funds that are reasonably expected to be used to pay debt service on the Bonds and for which there is a reasonable assurance that amounts on deposit therein or the investment income earned thereon will be available to pay debt service on the Bonds if the applicable obligor encounters financial difficulties. The Town will not create or establish, and will not allow to be created or established, any such fund, account, negative pledge or right of set-off unless the Town obtains an opinion of Bond Counsel to the effect that the creation or establishment of such fund, account, negative pledge or right of set-off will not adversely affect the excludability of interest on the Bonds from gross income for federal income tax purposes.

5. **Price and Yield of the Bonds.**

5.1. The Issue Price of the Bonds is equal to \$447,289.36 (consisting of the aggregate par amount of the Bonds), based on the representations of the Purchaser in the Certificate of the Purchaser. The Issue Price of the Bonds has been calculated as the price paid by the Purchaser for the Bonds. The Purchaser has represented in the Certificate of the Purchaser that the Purchaser is not acting as an Underwriter (as defined in such certificate) with respect to the Bonds.

5.2. As used in this Tax Compliance Certificate, the term "yield" refers to the discount rate which, when used in computing the present worth of all payments of principal and interest to be paid on an obligation, produces an amount equal to the issue price of the obligation. The calculations of yield are to be made on the basis of semiannual compounding using a 360-day year and upon the assumption that payments are made on the last day of each semiannual interest payment period (unless a different reasonable standard financial convention is explicitly adopted in accordance with Section 1.148-4(a) of the Regulations). For purposes of computing yield, the purchase price of any obligation is equal to the fair market value as of the date of a binding contract to acquire such obligation. The yield of the Bonds is 2.8709 percent as confirmed by the Purchaser and shown on Exhibit B hereto.

6. **Rebate Requirement.**

6.1. The Town represents that it will annually determine the amount, if any, required to be rebated to the United States of America under Section 148(f) of the Code. The Town further represents that it will, not later than 60 days after the final maturity of the Bonds, pay to the United States of America 100 percent of the amount required to be rebated under Section 148(f) of the Code. Each payment required to be paid to the United States of America is required to be filed with the Internal Revenue Service at such address and in such manner as the Internal Revenue Service may determine from time to time.

6.2. The Town certifies and represents that: (a) the Town is a governmental unit with general taxing powers, as defined in Section 1.148-8 of the Regulations, subject to statutory and constitutional limitations; (b) the Bonds do not constitute "private activity bonds"; (c) at least 95 percent of the net proceeds of the Series 2003 Bonds was used for local governmental activities of the Town (or of a governmental unit the jurisdiction of which is entirely within the jurisdiction of the Town) that are owned by the Town; (d) the Series 2003 Bonds were exempt from arbitrage rebate under the "small-issuer exception" of Section 148(f)(4)(D) of the Code; (e) the weighted average maturity of the Bonds will not exceed the remaining weighted average maturity of the Series 2003 Bonds; and (f) the Bonds do not mature more than 30 years after the issuance date of the Series 2003 Bonds. In addition, the Town reasonably expects (a) that no unspent proceeds of the Bonds will be invested at a yield in excess of the yield on the Bonds and (b) that the average annual debt service on the Bonds will be less than \$2,500,000. As a result of the certifications and expectations set forth in this subsection, the Town reasonably expects to comply with the rebate requirement under Section 148 of the Code applicable to the Bonds without any action following the date of issuance of the Bonds. However, if for any reasons the certifications, representations and expectations set forth in this Tax Compliance Certificate are not met or if the Town establishes any sinking fund or defeasance escrow for the Bonds, the Town will comply with the rebate requirement applicable to the Bonds after consulting with Bond Counsel.

7. **Miscellaneous.**

7.1. ***Security and Source of Payment for the Bonds.*** The Bonds constitute special, limited obligations payable solely from the Net Revenues described and defined in the Ordinance, generally consisting of income and revenues from the Town's operation and use of the Town's electric utility system, as more fully described in the Ordinance.

7.2. ***No Other Issues.*** The Town represents that it has not sold and covenants that it will not sell any other obligations of the Town, the interest on which is intended to be excludable from gross income for federal income tax purposes (including, without limitation, any notes, bonds, lease obligations, loans or installment purchase obligations) during the 31-day period beginning 15 days prior to the first date on which the Purchaser agreed in writing to purchase the Bonds (which was the date hereof), which are being sold pursuant to the same plan of financing as the Bonds and which are payable from the same source of funds from which the Bonds are payable.

7.3. ***Fair Market Value of Expenditures; Bona Fide Transactions.*** The Town will not allocate proceeds of the Bonds to expenditures in amounts that are in excess of the fair market value of services or improvements for which such expenditures are incurred. The Town will not enter into any agreements or conduct any transactions relating to the Bonds unless such agreements or transactions result from bona fide, arm's-length negotiations.

7.4. ***No Change in Ownership of the Financed Property.*** The Town certifies that it (or another governmental entity) has owned and used the Financed Property at all times beginning on the placed in service dates of the Financed Property through the date hereof. The Town intends and expects that it will own and operate the Financed Property at all times during the term of the Bonds. The Town does not know of any reason why the Financed Property will not be so owned and used in the absence of (a) supervening circumstances not now anticipated by it, (b) adverse circumstance beyond its control or (c) obsolescence of such insubstantial parts or portions thereof as may occur as a result of normal use thereof. The Town will not change the use, ownership or nature of any portion of the proceeds of the Bonds or the Financed Property so long as the Bonds are outstanding unless, in the written opinion of Bond Counsel, such change will not result in the inclusion of interest on the Bonds in gross income for federal income tax purposes, except that the Town may without an opinion sell or otherwise dispose of minor parts or portions of the Financed Property as may be necessary due to normal wear, tear or obsolescence.

7.5. ***Representations as to Limits on the Use of Proceeds.*** To ensure that interest on the Bonds is excludable from gross income for federal income tax purposes, the Town hereby covenants, represents and acknowledges, as applicable, as follows:

(a) The Town will not take or permit to be taken any action which would cause the Bonds to be deemed private activity bond under the Code. The Bonds will be considered "private activity bonds" if (i) more than ten percent of the proceeds of the Bonds or the Financed Property is used directly or indirectly in the business of a nongovernmental person (referred to herein as the "private business use" test) and (ii) more than ten percent of the debt service on the Bonds is directly or indirectly (A) secured by any interest in property used in a private business use or (B) derived from payments made with respect to property used in a private business use. No more than five percent of any such private business use or any such private security for or private payment of the Bonds may be disproportionate or unrelated to the Financed Property. The Bonds will also be considered "private activity bonds" if more than the lesser of \$5,000,000 or five percent of the proceeds of the Bonds is loaned to nongovernmental persons.

(b) The Town will not permit payment of the principal of or the interest on more than the lesser of (1) \$15,000,000 or (2) ten percent of the Bonds (under the terms of such obligations or any underlying arrangement) (i) to be directly or indirectly secured by any

interest in property used or to be used for a private business use (or by any interest in payments in respect of such property), or (ii) to be derived from payments (whether or not to the Town) in respect of property (or borrowed money) used or to be used for a private business use. In the event that proceeds of the Bonds or the Financed Property are to be used for any private business use that is not related (or is disproportionate) to any governmental use of such proceeds or Financed Property (and to payments, property and borrowed money with respect to any such private business use), the preceding covenant will apply but not more than the lesser of (1) five percent (rather than ten percent) or (2) \$15,000,000 of the Bonds may be so secured. This requirement is referred to herein as the “private payment test.”

(c) The Bonds are not and will not become directly or indirectly federally guaranteed. Unless otherwise excepted under Section 149(b) of the Code, the Bonds will be considered to be “federally guaranteed” if (i) the payment of principal or interest with respect to the Bonds is guaranteed (in whole or in part) by the United States of America (or any agency or instrumentality thereof), (ii) five percent or more of the proceeds of the Bonds is (A) used in making loans the payment of principal or interest with respect to which is guaranteed (in whole or in part) by the United States of America (or any agency or instrumentality thereof) or (B) invested (directly or indirectly) in federally insured deposits or accounts, or (iii) the payment of principal or interest on the Bonds is otherwise indirectly guaranteed (in whole or in part) by the United States of America (or any agency or instrumentality thereof).

(d) The Town will not allow the Financed Property to be used in the trade or business of any person that is not a state or local governmental person unless it obtains an opinion of Bond Counsel that such use would not adversely affect the tax status of interest on the Bonds.

7.6. ***Output Facilities.*** The Financed Property includes transmission lines, a substation and related electric utility facilities that are owned entirely by the Town. The Town uses the output of such property in the Town’s electric utility system. The Town acknowledges that arrangements for the purchase of output by a non-governmental from an output facility (such as the transmission lines, substation and related electric utility facilities described in this Section) may cause obligations such as the Bonds to meet the private business tests described above unless (among other exceptions) (a) the annual payments under such arrangement do not exceed one percent of the average annual debt service on all outstanding tax-exempt obligations issued or executed and delivered to finance or refinance the facility or (b) the term of the arrangement, including all renewal options, is not longer than three years, the arrangement is either a negotiated, arm’s-length arrangement that provides for compensation at fair market value, or is based on generally applicable and uniformly applied rates, and the facility is not financed for a principal purpose of providing that facility for use by that nongovernmental person. The Town represents that it does not currently have any such arrangements or that any such arrangements satisfy one or more of the exceptions described in the preceding sentence. The Town agrees to consult with Bond Counsel in the event the Town intends to enter into any such arrangements with respect to the Financed Property.

7.7. ***Representations for Purposes of IRS Form 8038-G.*** Section 149(e) of the Code requires as a condition to qualification of interest on the Bonds for tax exemption for federal income tax purposes that the Town provide to the Secretary of the Treasury certain information with respect

to the Bonds and the application of the proceeds derived therefrom. The Town represents, for the benefit of Bond Counsel and the registered owners of the Bonds, that it has reviewed the Internal Revenue Form 8038-G (including any schedules attached thereto) prepared by Bond Counsel and that the information contained therein is true, complete and correct to the best knowledge of the Town as of the date hereof. THE TOWN HAS PROVIDED TO BOND COUNSEL, AND HAS CONFIRMED AND VERIFIED WITH RESPECT TO THE BONDS, THE TOWN'S FEDERAL EMPLOYER IDENTIFICATION NUMBER IDENTIFIED ON THE INTERNAL REVENUE FORM 8038-G. The Town hereby directs Bond Counsel to file the Internal Revenue Form 8038-G with the Internal Revenue Service once the Bonds have been issued and once such form has been signed by a representative of the Town.

7.8. ***Additional Tax Covenants.*** To ensure that interest on the Bonds is and remains excludable from the gross income for federal income tax purposes, the Town represents and covenants to comply with, and make all filings required by, all effective rules, rulings or regulations promulgated by the Department of the Treasury or the Internal Revenue Service with respect to obligations described in Section 103 of the Code, such as the Bonds.

7.9. ***Post-Issuance Compliance Policy.*** The Town has attached as Exhibit C hereto its post-issuance compliance policy. The Town agrees to comply with such policy in connection with the Bonds and any other tax-advantaged bonds, notes, leases, loans or similar types of obligations heretofore or hereafter issued, reissued or executed and delivered by it.

8. ***Qualified Tax-Exempt Obligation.*** In Section 17 of the Ordinance, the Town heretofore designated the Bonds as "qualified tax-exempt obligations" for purposes of Section 265(b)(3) of the Code. The Town confirms such designation of the Bonds as "qualified tax-exempt obligations" and covenants that the aggregate face amount of all tax-exempt obligations issued or executed and delivered by the Town, together with governmental entities which derive their issuing authority from Town or are subject to substantial control by the Town, will not be more than \$10,000,000 during the current calendar year. The Town recognizes that such tax-exempt obligations include notes, leases, loans and warrants, as well as bonds.

[Signature page follows]

IN WITNESS WHEREOF, the undersigned has set her hand to this Tax Compliance Certificate as of the date first written above.

TOWN OF LYONS, COLORADO

By 
Connie Sullivan, Mayor

[Signature Page to Tax Compliance Certificate]

EXHIBIT A
TO TAX COMPLIANCE CERTIFICATE
CERTIFICATE OF THE PURCHASER

March 5, 2019

The undersigned, on behalf of Zions Bancorporation, National Association (the "Purchaser"), hereby certifies as set forth below in connection with the issuance on the date hereof by the Town of Lyons, Colorado, acting by and through its Electric Utility Enterprise (the "Town") of its Electric Revenue Refunding Bonds, Series 2019 (the "Bonds").

1. Purchase of the Bonds. On the date of this Certificate of the Purchaser, the Purchaser is purchasing the Bonds for the amount of \$447,289.36 (the "Purchase Price"). The Purchaser is not acting as an Underwriter with respect to the Bonds. The Purchaser has no present intention to sell, reoffer, or otherwise dispose of the Bonds (or any portion of the Bonds or any interest in the Bonds). The Purchaser has not contracted with any person pursuant to a written agreement to have such person participate in the initial sale of the Bonds, and the Purchaser has not agreed with the Town pursuant to a written agreement to sell the Bonds to persons other than the Purchaser or a related party to the Purchaser. The Purchase Price and the terms of the Bonds were negotiated without regard to any interest rate exchange agreement related to the Bonds. The Purchase Price consists of the aggregate par amount of the Bonds.

2. Reserve Account. The Purchaser would not have purchased the Bonds without the establishment of the Reserve Account at the level of funding described in Section 4.5 of the Tax Compliance Certificate to which this Certificate of the Purchaser is attached as Exhibit A.

3. Yield and Average Maturity of the Bonds. The yield of the Bonds is 2.8709 percent. Such yield was derived by determining the discount rate which, when used in computing the present value of all payments of principal and interest and qualified guarantee fees, if any, to be paid on the Bonds produces an amount equal to the Purchase Price, using a day count convention that assumes that each year consists of twelve months having 30 days each. The weighted average maturity of the Bonds is 2.778 years. The remaining weighted average maturity of the bonds refunded by the Bonds is 2.839 years, as calculated in the same manner as for the Bonds.

4. Defined Terms.

(a) "Public" means any person (including an individual, trust, estate, partnership, association, company, or corporation) other than an Underwriter or a related party to an Underwriter. The term "related party" for purposes of this certificate generally means any two or more persons who have greater than 50 percent common ownership, directly or indirectly.

(b) "Underwriter" means (i) any person that agrees pursuant to a written contract with the Town (or with the lead underwriter to form an underwriting syndicate) to participate in the initial sale of the Bonds to the Public, and (ii) any person that agrees pursuant to a written contract directly or indirectly with a person described in clause (i) of this paragraph to participate in the initial sale of the Bonds to the Public (including a member of a selling group or a party to a retail distribution agreement participating in the initial sale of the Bonds to the Public).

The representations set forth in this Certificate of the Purchaser are limited to factual matters only. Nothing in this Certificate of the Purchaser represents the Purchaser's interpretation of any laws, including specifically Sections 103 and 148 of the Internal Revenue Code of 1986, as amended, and the Treasury Regulations thereunder. The undersigned understands that the foregoing information will be relied on by the Town with respect to certain of the representations set forth in the Tax Compliance Certificate to which this Certificate of the Purchaser is attached and with respect to compliance with the federal income tax rules affecting the Bonds, and by Kutak Rock LLP in connection with rendering its opinion that the interest on the Bonds is excluded from gross income for federal income tax purposes, the preparation of the Internal Revenue Service Form 8038-G, and other federal income tax advice that it may give to the Town from time to time relating to the Bonds.

IN WITNESS WHEREOF, the undersigned, on behalf of the Purchaser, has set his or her hand as of the date first written above.

ZIONS BANCORPORATION, NATIONAL
ASSOCIATION

By *Patricia Allen*
Name _____
Title _____

EXHIBIT B
TO TAX COMPLIANCE CERTIFICATE

BOND CALCULATIONS

[Attached]

Town of Lyons, Colorado

\$447,289 Utility Enterprise Electric Revenue Refunding Bonds, 2019

Dated March 5, 2019

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Town of Lyons, Colorado

\$1,480,000 Utility Enterprise Electric Revenue Bonds, Series 2003

10/15/03 Final Pricing Numbers

Non Rated BQ - Optional Call Date 12/1/14 @ 100

Prior Original Debt Service

Date	Principal	Coupon	Interest	Total P+I	Fiscal Total
10/15/2003	-	-	-	-	-
06/01/2004	-	-	39,662.22	39,662.22	-
12/01/2004	45,000.00	1.750%	31,589.38	76,589.38	116,251.60
06/01/2005	-	-	31,195.63	31,195.63	-
12/01/2005	55,000.00	2.000%	31,195.63	86,195.63	117,391.26
06/01/2006	-	-	30,645.63	30,645.63	-
12/01/2006	55,000.00	2.200%	30,645.63	85,645.63	116,291.26
06/01/2007	-	-	30,040.63	30,040.63	-
12/01/2007	55,000.00	2.625%	30,040.63	85,040.63	115,081.26
06/01/2008	-	-	29,318.75	29,318.75	-
12/01/2008	60,000.00	3.000%	29,318.75	89,318.75	118,637.50
06/01/2009	-	-	28,418.75	28,418.75	-
12/01/2009	60,000.00	3.250%	28,418.75	88,418.75	116,837.50
06/01/2010	-	-	27,443.75	27,443.75	-
12/01/2010	60,000.00	3.500%	27,443.75	87,443.75	114,887.50
06/01/2011	-	-	26,393.75	26,393.75	-
12/01/2011	65,000.00	3.750%	26,393.75	91,393.75	117,787.50
06/01/2012	-	-	25,175.00	25,175.00	-
12/01/2012	65,000.00	4.000%	25,175.00	90,175.00	115,350.00
06/01/2013	-	-	23,875.00	23,875.00	-
12/01/2013	70,000.00	4.250%	23,875.00	93,875.00	117,750.00
06/01/2014	-	-	22,387.50	22,387.50	-
12/01/2014	70,000.00	4.750%	22,387.50	92,387.50	114,775.00
06/01/2015	-	-	20,725.00	20,725.00	-
12/01/2015	75,000.00	4.750%	20,725.00	95,725.00	116,450.00
06/01/2016	-	-	18,943.75	18,943.75	-
12/01/2016	80,000.00	4.750%	18,943.75	98,943.75	117,887.50
06/01/2017	-	-	17,043.75	17,043.75	-
12/01/2017	80,000.00	4.750%	17,043.75	97,043.75	114,087.50
06/01/2018	-	-	15,143.75	15,143.75	-
12/01/2018	85,000.00	4.750%	15,143.75	100,143.75	115,287.50
06/01/2019	-	-	13,125.00	13,125.00	-
12/01/2019	90,000.00	5.250%	13,125.00	103,125.00	116,250.00
06/01/2020	-	-	10,762.50	10,762.50	-
12/01/2020	95,000.00	5.250%	10,762.50	105,762.50	116,525.00
06/01/2021	-	-	8,268.75	8,268.75	-
12/01/2021	100,000.00	5.250%	8,268.75	108,268.75	116,537.50
06/01/2022	-	-	5,643.75	5,643.75	-
12/01/2022	105,000.00	5.250%	5,643.75	110,643.75	116,287.50
06/01/2023	-	-	2,887.50	2,887.50	-
12/01/2023	110,000.00	5.250%	2,887.50	112,887.50	115,775.00
Total	\$1,480,000.00	-	\$846,127.88	\$2,326,127.88	-

Yield Statistics

Base date for Avg. Life & Avg. Coupon Calculation	3/05/2019
Average Life	2.839 Years
Average Coupon	5.2499998%
Weighted Average Maturity (Par Basis)	2.839 Years
Weighted Average Maturity (Original Price Basis)	2.839 Years

Refunding Bond Information

Refunding Dated Date	3/05/2019
Refunding Delivery Date	3/05/2019

Town of Lyons, Colorado

\$1,480,000 Utility Enterprise Electric Revenue Bonds, Series 2003

10/15/03 Final Pricing Numbers

Non Rated BQ - Optional Call Date 12/1/14 @ 100

Debt Service To Maturity And To Call

Date	Refunded Bonds	Refunded Interest	D/S To Call	Principal	Coupon	Interest	Refunded D/S	Fiscal Total
03/05/2019	500,000.00	6,854.17	506,854.17	-	-	-	-	-
06/01/2019	-	-	-	-	-	13,125.00	13,125.00	-
12/01/2019	-	-	-	90,000.00	5.250%	13,125.00	103,125.00	116,250.00
06/01/2020	-	-	-	-	-	10,762.50	10,762.50	-
12/01/2020	-	-	-	95,000.00	5.250%	10,762.50	105,762.50	116,525.00
06/01/2021	-	-	-	-	-	8,268.75	8,268.75	-
12/01/2021	-	-	-	100,000.00	5.250%	8,268.75	108,268.75	116,537.50
06/01/2022	-	-	-	-	-	5,643.75	5,643.75	-
12/01/2022	-	-	-	105,000.00	5.250%	5,643.75	110,643.75	116,287.50
06/01/2023	-	-	-	-	-	2,887.50	2,887.50	-
12/01/2023	-	-	-	110,000.00	5.250%	2,887.50	112,887.50	115,775.00
Total	\$500,000.00	\$6,854.17	\$506,854.17	\$500,000.00		\$81,375.00	\$581,375.00	

Yield Statistics

Base date for Avg. Life & Avg. Coupon Calculation	3/05/2019
Average Life	2.839 Years
Average Coupon	5.2499998%
Weighted Average Maturity (Par Basis)	2.839 Years
Weighted Average Maturity (Original Price Basis)	2.839 Years

Refunding Bond Information

Refunding Dated Date	3/05/2019
Refunding Delivery Date	3/05/2019

Town of Lyons, Colorado

\$447,289 Utility Enterprise Electric Revenue Refunding Bonds, 2019

Dated March 5, 2019

Summary Of Bonds Refunded

Issue	Maturity	Type	of Bond	Coupon	Maturity Value	Call Date	Call Price
Dated 10/15/2003 Delivered 10/15/2003							
Lyons Series 2003	12/01/2019	Term 2	Coupon	5.250%	90,000	03/05/2019	100.000%
Lyons Series 2003	12/01/2020	Term 2	Coupon	5.250%	95,000	03/05/2019	100.000%
Lyons Series 2003	12/01/2021	Term 2	Coupon	5.250%	100,000	03/05/2019	100.000%
Lyons Series 2003	12/01/2022	Term 2	Coupon	5.250%	105,000	03/05/2019	100.000%
Lyons Series 2003	12/01/2023	Term 2	Coupon	5.250%	110,000	03/05/2019	100.000%
Subtotal	-			-	\$500,000	-	-
Total	-			-	\$500,000	-	-

Town of Lyons, Colorado

\$447,289 Utility Enterprise Electric Revenue Refunding Bonds, 2019

Dated March 5, 2019

Debt Service Schedule

Date	Principal	Coupon	Interest	Total P+I	Fiscal Total
03/05/2019	-	-	-	-	-
06/01/2019	-	-	3,066.67	3,066.67	-
12/01/2019	87,079.75	2.870%	6,418.60	93,498.35	96,565.02
06/01/2020	-	-	5,169.01	5,169.01	-
12/01/2020	86,502.01	2.870%	5,169.01	91,671.02	96,840.03
06/01/2021	-	-	3,927.70	3,927.70	-
12/01/2021	88,997.11	2.870%	3,927.70	92,924.81	96,852.51
06/01/2022	-	-	2,650.60	2,650.60	-
12/01/2022	91,301.32	2.870%	2,650.60	93,951.92	96,602.52
06/01/2023	-	-	1,340.42	1,340.42	-
12/01/2023	93,409.17	2.870%	1,340.42	94,749.59	96,090.01
Total	\$447,289.36	-	\$35,660.73	\$482,950.09	-

Yield Statistics

Bond Year Dollars	\$1,242.53
Average Life	2.778 Years
Average Coupon	2.8700003%
Net Interest Cost (NIC)	2.8700003%
True Interest Cost (TIC)	2.8709655%
Bond Yield for Arbitrage Purposes	2.8709655%
All Inclusive Cost (AIC)	4.1811968%

IRS Form 8038

Net Interest Cost	2.8700003%
Weighted Average Maturity	2.778 Years

Town of Lyons, Colorado

\$447,289 Utility Enterprise Electric Revenue Refunding Bonds, 2019

Dated March 5, 2019

Pricing Summary

Maturity	Type of Bond	Coupon	Yield	Maturity Value	Price	Dollar Price
12/01/2023	Term 1 Coupon	2.870%	2.870%	447,289.36	100.000%	447,289.36
Total	-	-	-	\$447,289.36	-	\$447,289.36

Bid Information

Par Amount of Bonds	\$447,289.36
Gross Production	\$447,289.36
Bid (100.000%)	447,289.36
Total Purchase Price	\$447,289.36
Bond Year Dollars	\$1,242.53
Average Life	2.778 Years
Average Coupon	2.8700003%
Net Interest Cost (NIC)	2.8700003%
True Interest Cost (TIC)	2.8709655%

Town of Lyons, Colorado

\$447,289 Utility Enterprise Electric Revenue Refunding Bonds, 2019

Dated March 5, 2019

Sources & Uses

Dated 03/05/2019 | Delivered 03/05/2019

Sources Of Funds

Par Amount of Bonds	\$447,289.36
Transfers from Prior Issue DSR Funds	118,637.50
Planned Issuer Equity contribution	656.25
Total Sources	\$566,583.11

Uses Of Funds

Deposit to Current Refunding Fund	506,854.17
Deposit to Debt Service Reserve Fund (DSRF)	44,728.94
Costs of Issuance	15,000.00
Total Uses	\$566,583.11

Town of Lyons, Colorado

\$447,289 Utility Enterprise Electric Revenue Refunding Bonds, 2019

Dated March 5, 2019

Net Debt Service Schedule

Date	Principal	Coupon	Interest	Total P+I	DSR	Net New D/S	Fiscal Total
03/05/2019	-	-	-	-	-	-	-
06/01/2019	-	-	3,066.67	3,066.67	-	3,066.67	-
12/01/2019	87,079.75	2.870%	6,418.60	93,498.35	-	93,498.35	96,565.02
06/01/2020	-	-	5,169.01	5,169.01	-	5,169.01	-
12/01/2020	86,502.01	2.870%	5,169.01	91,671.02	-	91,671.02	96,840.03
06/01/2021	-	-	3,927.70	3,927.70	-	3,927.70	-
12/01/2021	88,997.11	2.870%	3,927.70	92,924.81	-	92,924.81	96,852.51
06/01/2022	-	-	2,650.60	2,650.60	-	2,650.60	-
12/01/2022	91,301.32	2.870%	2,650.60	93,951.92	-	93,951.92	96,602.52
06/01/2023	-	-	1,340.42	1,340.42	-	1,340.42	-
12/01/2023	93,409.17	2.870%	1,340.42	94,749.59	(44,728.94)	50,020.65	51,361.07
Total	\$447,289.36	-	\$35,660.73	\$482,950.09	(44,728.94)	\$438,221.15	-

Town of Lyons, Colorado

\$447,289 Utility Enterprise Electric Revenue Refunding Bonds, 2019

Dated March 5, 2019

Gross Debt Service Comparison

Date	Principal	Coupon	Interest	New D/S	Old D/S	Savings	Fiscal Total
03/05/2019	-	-	-	-	-	-	-
06/01/2019	-	-	3,066.67	3,066.67	13,125.00	10,058.33	-
12/01/2019	87,079.75	2.870%	6,418.60	93,498.35	103,125.00	9,626.65	19,684.98
06/01/2020	-	-	5,169.01	5,169.01	10,762.50	5,593.49	-
12/01/2020	86,502.01	2.870%	5,169.01	91,671.02	105,762.50	14,091.48	19,684.97
06/01/2021	-	-	3,927.70	3,927.70	8,268.75	4,341.05	-
12/01/2021	88,997.11	2.870%	3,927.70	92,924.81	108,268.75	15,343.94	19,684.99
06/01/2022	-	-	2,650.60	2,650.60	5,643.75	2,993.15	-
12/01/2022	91,301.32	2.870%	2,650.60	93,951.92	110,643.75	16,691.83	19,684.98
06/01/2023	-	-	1,340.42	1,340.42	2,887.50	1,547.08	-
12/01/2023	93,409.17	2.870%	1,340.42	94,749.59	112,887.50	18,137.91	19,684.99
Total	\$447,289.36	-	\$35,660.73	\$482,950.09	\$581,375.00	\$98,424.91	-

PV Analysis Summary (Gross to Gross)

Gross PV Debt Service Savings	91,440.28
Total Cash contribution	(656.25)
Transfers from Prior Issue DSR Fund	(118,637.50)
Amount deposited into new DSR Fund	44,728.94
Net Present Value Benefit	\$16,875.47
Net PV Benefit / \$500,000 Refunded Principal	3.375%
Net PV Benefit / \$447,289 Refunding Principal	3.773%
Average Annual Cash Flow Savings	19,684.98

Refunding Bond Information

Refunding Dated Date	3/05/2019
Refunding Delivery Date	3/05/2019

EXHIBIT C
TO TAX COMPLIANCE CERTIFICATE

POST-ISSUANCE COMPLIANCE AND REMEDIAL ACTION PROCEDURES

Adopted March 5, 2019

The Town of Lyons, Colorado (the “Town”) hereby adopts the procedures described herein (the “Procedures”) as its written procedures for post-issuance tax compliance and remedial action applicable to tax-advantaged bonds, notes, leases, certificates of participation or similar (collectively, “Obligations”) heretofore and hereafter issued or executed and delivered by it or on its behalf. These Procedures are intended to supplement any previous post-issuance tax compliance and remedial action procedures that may have been adopted by the Town and any procedures evidenced in writing by any tax document for any Obligations heretofore or hereafter issued, entered into or executed and delivered by it or on its behalf, the related information returns filed in connection with any Obligations and the instructions to such information returns.

1. **Responsible Person.** The Town has assigned to the Finance Director of the Town (the “Responsible Person”) the responsibility for ensuring post-issuance tax and remedial action compliance with the requirements of any tax and financing documents for Obligations. This responsibility is included in the job description for the Responsible Person, and such person has or will review any prior post-issuance tax compliance and remedial action procedures, these Procedures, any tax documents for any Obligations heretofore or hereafter issued, entered into or executed and delivered by it or on its behalf, the related information returns, if any, filed in connection with any Obligations (such as IRS Forms 8038, 8038-G, 8038-TC or 8038-CP) and the instructions to such information returns, and consult with bond counsel and other professionals as needed.

2. **Succession Planning.** The Town will ensure that, when the current Responsible Person leaves such person’s current position at the Town, the responsibility for financing and tax covenant compliance will be explained in detail to his or her successor, such successor will be provided compliance training (as further described in the following section).

3. **Training.** Compliance training for the Responsible Person should include, among other things, annual meetings with bond counsel to discuss monitoring compliance with applicable tax laws and attendance at post-issuance tax compliance trainings organized by bond counsel or the Internal Revenue Service or entities such as the Government Finance Officers Association or similar organizations.

4. **Procedures for Timely Expenditure of Proceeds.** The Town understands that at least 85 percent of the net sale proceeds of new money Obligations must be spent to carry out the projects financed with the proceeds of the Obligations within three years of the date such Obligations are originally issued, entered into or executed and delivered. The Town will treat as “sale proceeds” any amounts actually or constructively received by the Town from issuance or execution and delivery of the Obligations, including amounts used to pay accrued interest other than pre-issuance accrued interest. “Net sale proceeds” means the sale proceeds less any amounts deposited into reasonably required reserve or replacement or rental payment reserve funds. The

Town has established or will establish reasonable accounting procedures for tracking and reporting to the Responsible Person the expenditure of net sale proceeds.

5. Compliance with Arbitrage Yield Restriction and Rebate Requirements. The Responsible Person will create a system to ensure that for all applicable Obligations, not less than six months prior to each five-year anniversary of the closing date for Obligations, the Town will retain an arbitrage rebate consultant to prepare a report determining the yield of the Obligations under the Internal Revenue Code of 1986, as amended (the "Code"), and whether there is any amount owed to the Internal Revenue Service under Section 148 of the Code.

6. Ongoing Procedures. The Responsible Person will review any prior procedures, these Procedures, tax and financing documents relating to Obligations, information returns for obligations and related instructions to such information returns, and the status and use of the obligation-financed or refinanced property *on at least an annual basis and at the following intervals*: (a) six months prior to each five-year anniversary of the issue or execution and delivery date of the Obligations; (b) within 30 days of the date the Obligations are finally retired, defeased, refunded or terminated; (c) when any rebate payment is made; (d) when property financed or refinanced with proceeds of Obligations is placed in service; (e) if the Town determines that property planned to be financed or refinanced with proceeds of Obligations will not be completed; and (f) if any of the representations, statements, circumstances or expectations of the Town that are set forth in the tax or financing documents for Obligations are no longer true, have changed or have not come to pass as described in such documents. This review will be made for the purposes of identifying any possible violation of federal tax requirements related to Obligations and to ensure the timely correction of those violations pursuant to the remedial action provisions outlined below or through the Voluntary Closing Agreement Program. If any possible violation is identified, the Responsible Person will notify the Town and the Town's counsel or the Town's bond counsel so that any existing or expected violation can be corrected.

7. Additional Policies and Procedures. The Town acknowledges that certain types of Obligations, such as tax credit obligations, may have special rules regarding the timely expenditure of proceeds, arbitrage yield restriction and rebate requirements and remediation requirements, all of which will be described in the tax certificates for the Obligations. Such rules are incorporated herein (except to the extent that these Procedures have been revised to incorporate any of such rules), and the Town agrees to follow such rules with respect to Obligations, if applicable.

8. Recordkeeping. The Responsible Person will develop and implement a system for maintaining records relating to these Procedures. Such records must be kept and maintained for the life of the related Obligations, and any Obligations that refund or refinance such obligations, plus at least four years (or such longer period as may be required in related tax documents for such obligations). These records may be maintained on paper, by electronic media or by any combination thereof.

9. Procedures to Comply with Remediation Requirements. The Responsible Person will establish and maintain a system for tracking and monitoring the use of the property financed or refinanced with the proceeds of Obligations to ensure that the use of all of such property will not violate the private business tests or the private loan financing test under Section 141 of the Code. If, after the issuance or execution and delivery of Obligations, the use of the property financed or refinanced with the proceeds of Obligations changes so that the private business tests or the private

loan financing test would be met, or if another violation of these procedures occurs which requires correction, the Town will, in connection with consulting bond counsel, undertake a closing agreement through the Voluntary Closing Agreement Program of the Internal Revenue Service or take one of the remedial actions described in the next section, if available.

10. Remedial Action Procedures. If a deliberate action is taken with respect to the Obligations and the property financed or refinanced by the Obligations (the "Financed Property") subsequent to the issuance or execution and delivery of the Obligations which action is not in compliance with the tax requirements of the Code or Regulations (a "Deliberate Action"), then the Responsible Person should consult with bond counsel regarding permissible remedial actions that may be taken to remediate the effect of any such Deliberate Action upon the federal tax status of the Obligations.

* * *

Form 8038-G

(Rev. September 2018)
Department of the Treasury
Internal Revenue Service

Information Return for Tax-Exempt Governmental Bonds

► Under Internal Revenue Code section 149(e)

► See separate instructions.

Caution: If the issue price is under \$100,000, use Form 8038-GC.
► Go to www.irs.gov/F8038G for instructions and the latest information.

OMB No. 1545-0720

Part I Reporting Authority		If Amended Return, check here ► <input type="checkbox"/>	
1 Issuer's name <i>Town of Lyons, Colorado</i>	2 Issuer's employer identification number (EIN) <i>84-6000690</i>		
3a Name of person (other than issuer) with whom IRS may communicate about return		3b Telephone number of other person shown on 3a	
4 Number and street (or P.O. box if mail is not delivered to street address) <i>432 5th Avenue, P.O. Box 49</i>	Room/suite	5 Report number (For IRS Use Only)	3 <input type="checkbox"/>
6 City, town, or post office, state, and ZIP code <i>Lyons, Colorado 80540</i>		7 Date of issue <i>03/05/2019</i>	
8 Name of issue <i>Electric Revenue Refunding Bonds, Series 2019</i>		9 CUSIP number <i>None</i>	
10a Name and title of officer or other employee of the issuer whom the IRS may call for more information (see instructions) <i>Connie Sullivan, Mayor</i>		10b Telephone number of officer or other employee shown on 10a <i>(303) 823-6622</i>	

Part II Type of Issue (enter the issue price). See instructions and attach schedule.			
11 Education	11		
12 Health and hospital	12		
13 Transportation	13		
14 Public safety	14		
15 Environment (including sewage bonds)	15		
16 Housing	16		
17 Utilities	17	\$ 447,289	36
18 Other. Describe ►	18		
19 If obligations are TANs or RANs, check only box 19a		► <input type="checkbox"/>	
If obligations are BANs, check only box 19b		► <input type="checkbox"/>	
20 If obligations are in the form of a lease or installment sale, check box		► <input type="checkbox"/>	

Part III Description of Bonds. Complete for the entire issue for which this form is being filed.				
	(a) Final maturity date	(b) Issue price	(c) Stated redemption price at maturity	(d) Weighted average maturity
21	12/01/2023	\$ 447,289.36	\$ 447,289.36	2.778 years
				(e) Yield
				2.8709 %

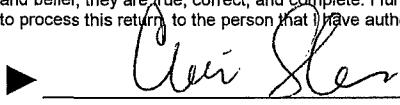
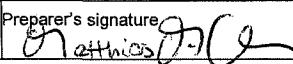
Part IV Uses of Proceeds of Bond Issue (including underwriters' discount)				
22 Proceeds used for accrued interest	22	\$ 0	00	
23 Issue price of entire issue (enter amount from line 21, column (b)).....	23	\$ 447,289	36	
24 Proceeds used for bond issuance costs (including underwriters' discount)	24	\$ 15,000	00	
25 Proceeds used for credit enhancement.....	25	\$ 0	00	
26 Proceeds allocated to reasonably required reserve or replacement fund	26	\$ 44,728	93	
27 Proceeds used to refund prior tax-exempt bonds. Complete Part V.	27	\$ 387,560	43	
28 Proceeds used to refund prior taxable bonds. Complete Part V.	28	\$ 0	00	
29 Total (add lines 24 through 28)	29	\$ 447,289	36	
30 Nonrefunding proceeds of the issue (subtract line 29 from line 23 and enter amount here).....	30	\$ 0	00	

Part V Description of Refunded Bonds. Complete this part only for refunding bonds.				
31 Enter the remaining weighted average maturity of the tax-exempt bonds to be refunded		►	2.839 years	
32 Enter the remaining weighted average maturity of the taxable bonds to be refunded		►	N/A	
33 Enter the last date on which the refunded tax-exempt bonds will be called (MM/DD/YYYY).....		►	03/05/2019	
34 Enter the date(s) the refunded bonds were issued ► (MM/DD/YYYY)				10/29/2003

For Paperwork Reduction Act Notice, see separate instructions.

Cat. No. 63773S

Form 8038-G (Rev. 9-2018)

Part VI Miscellaneous				
35	Enter the amount of the state volume cap allocated to the issue under section 141(b)(5)	35	\$ 0	00
36a	Enter the amount of gross proceeds invested or to be invested in a guaranteed investment contract (GIC) (see instructions)	36a	\$ 0	00
b	Enter the final maturity date of the GIC ► (MM/DD/YYYY) _____	37	\$ 0	00
c	Enter the name of the GIC provider ► _____			
37	Pooled financings: Enter the amount of the proceeds of this issue that are to be used to make loans to other governmental units.....			
38a	If this issue is a loan made from the proceeds of another tax-exempt issue, check box ► <input type="checkbox"/> and enter the following information:			
b	Enter the date of the master pool obligation ► (MM/DD/YYYY) _____			
c	Enter the EIN of the issuer of the master pool obligation ► _____			
d	Enter the name of the issuer of the master pool obligation ► _____			
39	If the issuer has designated the issue under section 265(b)(3)(B)(i)(III) (small issuer exception), check box	► <input checked="" type="checkbox"/>		
40	If the issuer has elected to pay a penalty in lieu of arbitrage rebate, check box	► <input type="checkbox"/>		
41a	If the issuer has identified a hedge, check here ► <input type="checkbox"/> and enter the following information:			
b	Name of hedge provider ► _____			
c	Type of hedge ► _____			
d	Term of hedge ► _____			
42	If the issuer has superintegrated the hedge, check box	► <input type="checkbox"/>		
43	If the issuer has established written procedures to ensure that all nonqualified bonds on this issue are remediated according to the requirements under the Code and Regulations (see instructions), check box	► <input checked="" type="checkbox"/>		
44	If the issuer has established written procedures to monitor the requirements of section 148, check box	► <input checked="" type="checkbox"/>		
45a	If some portion of the proceeds was used to reimburse expenditures, check here ► <input type="checkbox"/> and enter the amount of reimbursement.....► <u>\$ 0.00</u>			
b	Enter the date the official intent was adopted ► (MM/DD/YYYY) _____			
Signature and Consent	<p>Under penalties of perjury, I declare that I have examined this return and accompanying schedules and statements, and to the best of my knowledge and belief, they are true, correct, and complete. I further declare that I consent to the IRS's disclosure of the issuer's return information, as necessary to process this return, to the person that I have authorized above.</p> <p>►  03/05/2019 ► Connie Sullivan, Mayor</p> <p>Signature of issuer's authorized representative Date Type or print name and title</p>			
Paid Preparer Use Only	Print/Type preparer's name Matthias M. Edrich, Esq.	Preparer's signature 	Date 03/05/2019	Check if self-employed <input type="checkbox"/> PTIN P01622055
	Firm's name ► Kutak Rock LLP	Firm's EIN ► 47-0597598		
	Firm's address ► 1801 California Street, Suite 3000, Denver, Colorado 80202	Phone no.: (303) 297-2400		

KUTAKROCK

Kutak Rock LLP
1801 California Street, Suite 3000, Denver, CO 80202-2652
office 303.297.2400

MARIO T. TRIMBLE
303.297.2400
mario.trimble@kutakrock.com

March 29, 2019

VIA CERTIFIED MAIL
RETURN RECEIPT REQUESTED
(Receipt Number 7018 1830 0000 2058 3291)

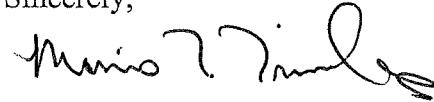
Department of Treasury
Internal Revenue Service Center
Ogden, UT 84201

\$447,289
Town of Lyons, Colorado
Acting by and through its Electric Utility Enterprise
Electric Revenue Refunding Bonds, Series 2019

Ladies and Gentlemen:

I have enclosed the original Form 8038-G for the above captioned financing, which is required to be filed with your office pursuant to the Internal Revenue Code of 1986, as amended. Please file the original Form 8038-G. Thank you for your attention to this matter.

Sincerely,



Mario T. Trimble

Enclosure



SENDER: COMPLETE THIS SECTION		COMPLETE THIS SECTION ON DELIVERY	
<ul style="list-style-type: none"> <input type="checkbox"/> Complete items 1, 2, and 3. <input type="checkbox"/> Print your name and address on the reverse so that we can return the card to you. <input type="checkbox"/> Attach this card to the back of the mailpiece, or on the front if space permits. 		<p>A. Signature X</p> <p>B. Received by (Printed Name) _____</p> <p>C. Date of Delivery</p> <p>D. Is delivery address different from item 1? <input type="checkbox"/> Yes If YES, enter delivery address below: <input type="checkbox"/> No</p> <p>APR 04 2019 C131 IRS-OSC OGDEN, UT</p>	
<p>1. Article Addressed to: Department of Treasury Internal Revenue Service Center Ogden, UT 84201</p> <p>9590 9402 3146 7166 7940 71</p> <p>2. Article Number (Transfer from service label) 7018 1830 0000 2058 3291</p> <p>over 4500</p>		<p>3. Service Type</p> <p><input type="checkbox"/> Adult Signature <input type="checkbox"/> Adult Signature Restricted Delivery <input type="checkbox"/> Certified Mail® <input type="checkbox"/> Certified Mail Restricted Delivery <input type="checkbox"/> Collect on Delivery <input type="checkbox"/> Collect on Delivery Restricted Delivery <input type="checkbox"/> Mail <input type="checkbox"/> Mail Restricted Delivery</p> <p><input type="checkbox"/> Priority Mail Express® <input type="checkbox"/> Registered Mail™ <input type="checkbox"/> Registered Mail Restricted Delivery <input type="checkbox"/> Return Receipt for Merchandise <input type="checkbox"/> Signature Confirmation™ <input type="checkbox"/> Signature Confirmation Restricted Delivery</p>	

PS Form 3811, July 2015 PSN 7530-02-000-9053

Domestic Return Receipt

CERTIFICATE OF PAYING AGENT AND REGISTRAR

\$447,289

Town of Lyons, Colorado
(Acting By and Through its Electric Utility Enterprise)
Electric Utility Revenue Refunding Bonds
Series 2019

The undersigned signatory of UMB Bank, n.a., in Denver, Colorado (the "Bank"), in connection with the issuance by the Town of Lyons (the "Town"), of the above-captioned bonds (the "Bonds"), hereby certifies as follows:

1. The Bank has an office in Denver, Colorado.

2. The Bank has full authority under the laws of the United States of America and its corporate documents to act as Registrar and Paying Agent under the Paying Agent and Registrar Agreement, dated as of March 5, 2019, by and between the Bank and the Town, and the Bank has accepted and does hereby accept the duties established under each of the foregoing agreements.

3. On or before the date hereof, the Bank executed the certificate of authentication appearing on each of the Bonds by the signature of an authorized signatory of the Bank. The individuals whose signatures appear on the certificates of authentication are duly authorized to subscribe such signatures on the Bonds and to act as authorized signatories of the Bank.

4. The undersigned officer of the Bank is duly authorized by all applicable laws, rules, regulations, and corporate documents to make the representations contained herein.

IN WITNESS WHEREOF, I have hereunto subscribed my name on behalf of UMB Bank, n.a., in Denver, Colorado, this 5th day of March, 2019.

UMB BANK, n.a.

By _____
Authorized Signatory

KISSINGER & FELLMAN, P.C.

RICHARD P. KISSINGER
KENNETH S. FELLMAN
JONATHAN M. ABRAMSON
BOBBY G. RILEY

ATTORNEYS AT LAW
PTARMIGAN PLACE, SUITE 900
3773 CHERRY CREEK NORTH DRIVE
DENVER, COLORADO 80209
TELEPHONE: (303) 320-6100
FAX: (303) 327-8601
www.kandf.com

JORDAN C. LUBECK
BRANDON M. DITTMAN
GABRIELLE A. DALEY
PAUL D. GODEC, SPECIAL COUNSEL

March 5, 2019

Zions Bancorporation, N.A.
2000 S. Colorado Blvd., Suite 2-1200
Denver, Colorado 80222

Kutak Rock LLP
1801 California Street, Suite 3000
Denver, Colorado 80202

\$447,289
Town of Lyons, Colorado
(Acting By and Through its Electric Utility Enterprise)
Electric Utility Revenue Refunding Bonds
Series 2019

Ladies and Gentlemen:

I have acted as general legal counsel to the Town of Lyons, Colorado, in Boulder County, Colorado (the “Town”) acting by and through its Electric Utility Enterprise, in connection with the issuance of its Electric Utility Revenue Refunding Bonds, Series 2019 (the “Bonds”). As Town Attorney of the Town, I am authorized to render this opinion in connection with the issuance of the Bonds. This opinion is only intended for use in connection with the issuance of the Bonds and shall not be used or relied upon by any organization or individual for any other purpose.

In my capacity as Town Attorney of the Town and in connection with the issuance of the Bonds, I have general familiarity with the legal affairs of the Town, and have also examined the following:

(a) Specimen form of the Bond;

(b) the ordinance Town Council of the Town (the “Board”) finally adopted on January 22, 2019 (the “Authorizing Ordinance”), authorizing the execution and delivery of the Principal Documents (as defined below) to which it is a party and other matters related thereto; and

(c) all other documents executed and delivered by the Town in connection with the issuance of the Bonds, including but not limited to the Tax Compliance Certificate and the Internal Revenue Service Form 8038-G to be executed and delivered in connection with the issuance of the Bonds (all resolutions, documents, agreements and instruments referred to herein, collectively, are referred to herein as the “Principal Documents”).

Based on the foregoing examination, and upon the examination of such other documents, records, Bonds and proceedings as I have deemed relevant, I am of the following opinions:

1. The Town is a political subdivision of the State of Colorado duly organized and now existing under the laws of the State of Colorado.

2. The Authorizing Ordinance has been duly adopted by the Board and, as of the date hereof, the Board has not taken any action to rescind or modify that action.

3. Assuming the legal validity and completeness of the documents prepared by Bond Counsel (but not assuming any matters regarding the procedural requirements for the Town's authorization and execution of such documents), the Town has complied with the procedural requirements necessary to authorize, adopt and execute the Authorizing Ordinance; has complied with the procedural requirements necessary to authorize and execute the other Principal Documents to which the Town is a party.

4. The Principal Documents to which the Town is a party have been duly authorized and executed by the Town and, assuming the legal validity and completeness of the documents prepared by Bond Counsel (but not assuming any matters regarding procedural requirements for the Town's authorization and execution of such documents), represent valid and legally binding agreements of the Town enforceable in accordance with their terms.

5. To the best of my knowledge, the issuance, execution and delivery by the Town of the Bonds, the execution and delivery by the Town of the other Principal Documents to which it is a party and the performance by the Town of its obligations with respect thereto will not result in a violation of any applicable judgment, order or decree and will not conflict with, result in a breach of, or constitute a default under, any agreement or instrument to which the Town is a party or by which the Town is bound.

6. To the best of my knowledge, there is no action, suit, proceeding, inquiry or investigation at law or in equity before or by any court, public board or body pending or threatened against the Town, wherein an unfavorable decision, ruling or finding would: (a) materially adversely affect the Town's performance of its obligations under the Principal Documents, or the validity and enforceability of the Bonds; or (b) adversely affect the operations (financial or otherwise) of the Town so as to adversely affect the performance of its obligations under the Principal Documents.

My opinions regarding the obligations of the Town with respect to the Principal Documents may be limited by the provisions of bankruptcy, insolvency, reorganization, moratorium or similar laws relating to or affecting the enforcement of creditors' rights generally, or by principles of equity now or hereafter in effect, by the exercise by the State of Colorado and its governmental bodies of the police power inherent in the sovereignty of the State of Colorado and by the exercise by the United States of America of the powers delegated to it by the Constitution of the United States of America.

Very truly yours,
KISSINGER & FELLMAN, P.C.



Brandon M. Dittman
brandon@kandf.com

March 5, 2019

Town of Lyons
Acting by and through its
Electric Utility Enterprise
Lyons, Colorado

Zions Bancorporation, N.A.
Salt Lake City, Utah

\$447,289
Town of Lyons, Colorado
Acting by and through its Electric Utility Enterprise
Electric Revenue Refunding Bonds, Series 2019

Ladies and Gentlemen:

We have been engaged by the Town of Lyons, Colorado, acting by and through its Electric Utility Enterprise (the “Town”), as bond counsel in connection with the issuance of its Electric Revenue Refunding Bonds, Series 2019, dated March 5, 2019, in the aggregate principal amount of \$447,289 (the “Bonds”). The Bonds shall be delivered in the form of a single physical bond.

The Bonds mature on the dates, are subject to redemption, bear interest at the rates, and are transferable and payable in the manner and subject to the conditions and limitations provided in the ordinance authorizing the issuance of the Bonds finally adopted on January 22, 2019, by the Town Board of Trustees (the “Bond Ordinance”). Capitalized terms used but not defined herein shall have the meanings assigned to them in the Bond Ordinance.

We have examined the Constitution and laws of the State of Colorado; the Internal Revenue Code of 1986, as amended (the “Code”), and the regulations, rulings and judicial decisions relevant to the opinion set forth in paragraph (c) below; and such certified proceedings, certificates, documents, opinions and other papers as we deem necessary to render this opinion. As to questions of fact material to our opinion, including the status and qualification of the Electric Utility Enterprise, we have relied upon the representations of the Town contained in the Bond Ordinance, the opinion of general counsel to the Town and the certified proceedings and other certifications of public officials furnished to us without undertaking to verify the same by independent investigation.

Based upon the foregoing, we are of the opinion, under existing law and as of the date hereof, that:

1. The Bonds in the principal amount stated above are valid and binding special revenue obligations of the Town, acting by and through its Electric Utility Enterprise, legally

Town of Lyons
Zions Bancorporation, N.A.
March 5, 2019
Page 2

enforceable in accordance with their terms, and the Bond Ordinance has been duly authorized, is in full force and effect, and is valid and enforceable in accordance with its terms.

2. The principal of, premium if any, and interest on the Bonds are payable only out of the Net Revenues, all as more particularly set forth in the Bond Ordinance. The Bonds constitute an irrevocable and first lien on Net Revenues and on all moneys on deposit in the Reserve Account; provided however, the first lien on Net Revenues is not exclusive if Parity Lien Obligations are issued in the future.

3. Under the laws, regulations, rulings and judicial decisions existing on the date hereof, interest on the Bonds is excludable from gross income for federal income tax purposes and is not a specific item of tax preference for purposes of the federal alternative minimum tax. Also, because the Town has properly designated the Bonds as "qualified tax-exempt obligations" under section 265(b)(3) of the Code, in the case of certain banks, thrift institutions or other financial institutions owning the Bonds, a deduction is allowed for 80% of that portion of such institutions' interest expense allocable to interest on such Bonds. The opinions set forth in the preceding sentences assume the accuracy of certain representations and compliance by the Town with certain covenants designed to satisfy the requirements of the Code that must be met subsequent to the issuance of the Bonds. Failure to comply with such covenants could cause the interest on the Bonds to be included in gross income for federal income tax purposes, retroactive to the date of issuance of the Bonds. The Town has covenanted in the Bond Ordinance and in the Tax Compliance Certificate executed and delivered in connection with the issuance of the Bonds to comply with such requirements. We express no opinion with respect to any deduction for federal tax law purposes of interest on indebtedness incurred or continued by a holder of the Bonds or a related person to purchase or carry the Bonds, and we express no other opinion regarding other federal tax consequences arising with respect to the Bonds. We note, however, that interest on the Bonds is taken into account in determining adjusted current earnings for purposes of the alternative minimum tax imposed on corporations (as defined for federal income tax purposes) for taxable years beginning before January 1, 2018.

4. Under existing State of Colorado statutes the Bonds and the income therefrom are exempt from State of Colorado taxation, except inheritance, estate and transfer taxes. We express no opinion regarding other tax consequences arising with respect to the Bonds under the laws of the State of Colorado or any other state or jurisdiction.

5. The Bonds are exempt from registration under the Securities Act of 1933, as amended.

The rights of the holders of the Bonds and the enforceability of the Bonds and the Bond Ordinance may be limited by bankruptcy, insolvency, reorganization, moratorium and other similar laws affecting creditors' rights generally and by equitable principles, whether considered at law or in equity, by the exercise by the State of Colorado and its governmental bodies of the

KUTAKROCK

Town of Lyons
Zions Bancorporation, N.A.
March 5, 2019
Page 2

police power inherent in the sovereignty of the State of Colorado and by the exercise by the United States of America of the powers delegated to it by the Constitution of the United States of America.

We express no opinion herein as to any matter not specifically set forth above. In particular, but without limitation, we express no opinion herein as to the accuracy, adequacy or completeness of the Official Statement relating to the Bonds.

This opinion is given as of the date hereof, and we assume no obligation to update, revise or supplement this opinion to reflect any facts or circumstances that may hereafter come to our attention or any changes in law that may hereafter occur.

This opinion may be relied upon solely by the addressees hereto in connection with the issuance of the Bonds. This opinion may not be relied upon for any other purpose or by any person other than the addressees.

Respectfully submitted,

Kutak Rock LLP

March 5, 2019

Town of Lyons
Acting by and through its
Electric Utility Enterprise
Lyons, Colorado

Zions Bancorporation, N.A.
Salt Lake City, Utah

\$447,289
Town of Lyons, Colorado
Acting by and through its Electric Utility Enterprise
Electric Revenue Refunding Bonds, Series 2019

Ladies and Gentlemen:

We have acted as bond counsel to the Town of Lyons, Colorado, acting by and through its Electric Utility Enterprise (the “Town”), in connection with the issuance of its Electric Revenue Refunding Bonds, Series 2019, dated March 5, 2019, in the aggregate principal amount of \$447,289 (the “Bonds”). A portion of the proceeds of the Bonds is being deposited with UMB Bank, n.a. (the “Refunded Bonds Paying Agent”) for the purpose of providing funds to refund all of the Town’s outstanding Electric Utility Revenue Bonds, Series 2003 (the “Refunded Bonds”).

In our capacity as bond counsel, we have examined (a) an executed copy of the ordinance authorizing the issuance of the Refunded Bonds finally adopted on October 20, 2003, by the Town Board of Trustees (the “2003 Ordinance”), pursuant to which the Refunded Bonds were issued and (b) an executed copy of the ordinance authorizing the issuance of the Bonds finally adopted on January 22, 2019, by the Town Board of Trustees (the “Bond Ordinance”). Pursuant to the Bond Ordinance, there is to be deposited with the Refunded Bonds Paying Agent the cash in the amount of \$506,854.17, which amount is to be immediately applied by the Refunded Bonds Paying Agent to fully pay the principal of and interest on the Refunded Bonds, as provided in the Bond Ordinance.

We have not independently verified the sufficiency of such cash deposit or any factual matters in connection with or apart from our examination of documents referred to above and, accordingly, we do not express any view or belief as to matters that might have been disclosed by independent verification. In addition, we have assumed the genuineness of all signatures, the authenticity of all documents submitted to us as originals and the conformity to original documents of all documents submitted to us as certified or photostatic copies and, as to questions

KUTAKROCK

Town of Lyons, Colorado
UMB Bank, n.a.
March 5, 2019
Page 2

of fact material to this letter, we have relied upon the certified proceedings and other certifications of public officials furnished to us without undertaking to verify the same by independent investigation.

Based upon such examination, and assuming the binding effect of the Town's direction to the Refunded Bonds Paying Agent to redeem the Refunded Bonds upon the Refunded Bonds Paying Agent and the application of the deposit amounts in accordance with the provisions of the Bond Ordinance, we are of the opinion that provision has been made for the payment of the Refunded Bonds within the meaning of the 2003 Ordinance, and the Refunded Bonds are legally defeased and no longer deemed to be outstanding for purposes of such 2003 Ordinance.

This opinion is for the sole benefit of the above-named addressees for the sole purpose of the transaction specifically described herein. It may not be relied upon by any other person or entity, may not be used by such addressees for any other purpose whatsoever, and may not be quoted by such addressees or delivered to any other person or entity without our express prior written consent. This opinion is being delivered to the addressees other than the Town by us in our capacity as bond counsel to the Town. The delivery of this opinion to the addressees other than the Town does not create, and we expressly disclaim, any attorney-client relationship between us and such addressees. We express no opinion other than that set forth above or with respect to any transaction or event other than that set forth above or with respect to any transaction or event that may occur after the date hereof.

Very truly yours,

Kutak Rock LLP

DELIVERY CERTIFICATE AND CROSS RECEIPT

\$447,289
Town of Lyons
(Acting By and Through its Electric Utility Enterprise)
Electric Utility Revenue Refunding Bonds
Series 2019

The undersigned hereby certify that we are, respectively, duly qualified and acting officers of UMB Bank, n.a., Denver, Colorado (the "Bank"), the Town of Lyons, Colorado (the "Town") and Zions Bancorporation, N.A., as purchaser (the "Purchaser"), respectively, and in connection with the issuance by the Town of its Electric Utility Revenue Refunding Bonds, Series 2019, dated March 5, 2019, in the aggregate principal amount of \$447,289 (the "Bonds") we hereby certify as follows (capitalized terms used herein and not defined shall have the meanings ascribed thereto by Ordinance No. 1049 authorizing the issuance of the Bonds (the "Bond Ordinance") as finally passed, signed and approved by the Board of Trustees of the Town on January 22, 2019):

1. The Purchaser acknowledges and confirms that the Bonds in the principal amount of \$447,289 were delivered to the Purchaser as a single physical Bond in registered form, numbered 1.

2. The Town acknowledges receipt of the full purchase price of the Bonds from the Purchaser, as follows:

Principal Amount	<u>\$447,289.00</u>
Total	<u>447,289.00</u>

3. The Town will apply the purchase price of the Bonds, along with \$118,637.50 of moneys currently held in a reserve fund for the Town's Series 2003 Bonds (the "Remaining Fund Moneys") and \$656.25 of otherwise legally available moneys of the Town (the "Town Contribution"), as follows: (i) \$15,000.00 of the sale proceeds of the Bonds will be used to pay costs of issuance of the Bonds, (ii) \$44,728.94 (consisting of \$44,728.93 of sale proceeds of the Bonds and the balance from the Town Contribution) will be deposited to the Reserve Account and used for the purposes of the Reserve Account, and (iii) \$506,854.17 (consisting of \$387,560.43 of sale proceeds of the Bonds, \$118,637.50 of Remaining Fund Moneys and \$656.24 of the Town Contribution) will be transferred to the Bank and applied to the redemption of the Series 2003 Bonds on the date hereof.

4. Pursuant to the Paying Agent and Registrar Agreement dated as of March 5, 2019, the Bank has assumed the duties of Paying Agent and Registrar with respect to the Bonds.

5. The undersigned are duly authorized by all applicable laws, rules, regulations, and corporate documents to make the representations contained herein.

SIGNED as of March 5, 2019.

Town of Lyons

By: 
Mayor

Zions Bancorporation, N.A.

By: _____
Vice President

UMB Bank, n.a.

By: _____
Authorized Officer

[Signature Page to Delivery Certificate and Cross Receipt]

SIGNED as of March 5, 2019.

Town of Lyons

By: _____
Mayor

Zions Bancorporation, N.A.

By: 
Vice President

UMB Bank, n.a.

By: _____
Authorized Officer

[Signature Page to Delivery Certificate and Cross Receipt]

SIGNED as of March 5, 2019.

Town of Lyons

By: _____
Mayor

Zions Bancorporation, N.A.

By: _____
Vice President

UMB Bank, n.a.

By: _____
Authorized Officer

[Signature Page to Delivery Certificate and Cross Receipt]

\$447,289.36

**Town of Lyons, Colorado Electric Utility Enterprise
Electric Revenue Refunding Bonds, 2019**

Closing Memo

1. Time and Date of Closing: 9am MT Tuesday, March 5, 2019

2. Sources and Uses:

Sources Of Funds	
Par Amount of Bonds	\$447,289.36
Transfers from Prior Issue DSR Funds	118,637.50
Planned Issuer Equity contribution	656.25
Total Sources	\$566,583.11
Uses Of Funds	
Deposit to Current Refunding Fund	506,854.17
Deposit to Debt Service Reserve Fund (DSRF)	44,728.94
Costs of Issuance	15,000.00
Total Uses	\$566,583.11

3. On the morning of closing, COLOTRUST will transfer a portion of encumbered electric utility debt service reserve fund monies to the Town in the amount of **\$73,908.56**.

Note that this dollar amount is equal to the difference in the 2003 Reserve Requirement (\$118,637.50) less the 2019 Reserve Requirement (\$44,728.94).

4. On the morning of closing, the Town of Lyons will initiate a wire transfer in the amount of **\$59,564.81** to UMB Bank, N.A. at the wiring instructions below:

Wire Instructions

Bank: UMB Bank, N.A.
 ABA #: 101000695
 Acct #: 9800006823
 Acct Name: Trust
 Ref: Town of Lyons – LY19
 Attn: Kelsey Hurd



5. On the morning of closing, Zions Bancorporation will initiate a wire transfer to fund the Bonds in the amount of **\$447,289.36** to UMB Bank, N.A. (the Paying Agent) at the wiring instructions below:

Wire Instructions

Bank: UMB Bank, N.A.
ABA #: 101000695
Acct #: 9800006823
Acct Name: Trust
Ref: Town of Lyons – LY19
Attn: Kelsey Hurd

Costs of issuance related to the Bonds will be paid directly by the Town.