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(ITEM) From the Milwaukee County Comptroller, requesting authorization to extend the Standby Reimbursement Agreement with U.S. Bank for a period of one year from August 15, 2014, to August 15, 2015, by recommending adoption of the following:

A RESOLUTION

WHEREAS, Midwest Airlines, Inc., (“Midwest”) and Skyway Airlines, Inc., d/b/a Midwest Connect (“Midwest Connect”) (collectively, “Midwest Airlines”) is now doing business as Frontier Airlines (“Frontier”) and Republic Airways; and

WHEREAS, the Standby Reimbursement Agreement is due to expire on August 15, 2014, and must be extended or the outstanding bonds will be called due against the Letters of Credit, with the County becoming responsible for the guaranteed payment under the Letter of Credit; and

WHEREAS, the City of Milwaukee, Wisconsin issued its \$8,300,000 City of Milwaukee, Wisconsin Variable Rate Demand Industrial Development Revenue Bonds, Series 1998 (Midwest Express Airlines, Inc. Project) (the “1998 Bonds”) and its \$7,000,000 City of Milwaukee, Wisconsin Variable Rate Demand Industrial Development Revenue Bonds, Series 2001 (Skyway Airlines Project) (the “2001 Bonds”); and

WHEREAS, at the respective times of issuance of the 1998 Bonds and the 2001 Bonds, U.S. Bank National Association (“U.S. Bank”) issued its irrevocable letters of credit (the “Letters of Credit”) in an amount sufficient during their respective terms to pay the principal of and up to 45 days of interest on the 1998 Bonds and 2001 Bonds from time to time outstanding; and

WHEREAS, the Letters of Credit were issued pursuant to agreements (collectively, as amended, the “Credit Facility”) pursuant to which U.S. Bank has agreed, subject to the terms and conditions contained therein to extend certain credit to Midwest Airlines, including the credit extended through the issuance of the Letters of Credit; and

WHEREAS, in 2003, the County was requested to provide credit assistance to Midwest Airlines in order to provide additional credit capacity to Midwest Airlines by guaranteeing payment of amounts required to be paid by the Letters of Credit; and

WHEREAS, pursuant to Resolution 03-265(a)(a) adopted by the County Board of Supervisors (the “Board”) on July 24, 2003, the Board approved the provision of credit relief to Midwest Airlines with respect to the 1998 and 2001 Bonds; and

43 WHEREAS, the County entered into a Credit Assistance Agreement, Standby
44 Reimbursement Agreement, and other documents to secure the County's credit position;
45 and

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47 WHEREAS, the County agreed to enter into the Standby Reimbursement Agreement
48 with U.S. Bank to provide credit support with respect to Midwest Airlines obligations under
49 the 1998 and 2001 Bond agreements in order that Midwest Airlines could obtain
50 additional credit from lenders; and

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52 WHEREAS, the original Standby Reimbursement Agreement had a termination date
53 of August 15, 2008; and

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55 WHEREAS, an extension of one year was granted for the Standby Reimbursement
56 Agreement and the new termination date was August 15, 2009, for the Standby
57 Reimbursement Agreement; and

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59 WHEREAS, a second extension was granted on August 15, 2010, for a new
60 termination date of August 15, 2012, for the Standby Reimbursement Agreement; and

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62 WHEREAS, a third extension was granted on August 15, 2012, for a new
63 termination date of August 15, 2013, for the Standby Reimbursement Agreement; and

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65 WHEREAS, a fourth extension was granted on August 15, 2013, for a new
66 termination date of August 15, 2014, for the Standby Reimbursement Agreement; and

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68 WHEREAS, an extension requires the approval of the County Executive and County
69 Board and an extension of one year is being requested to the Standby Reimbursement
70 Agreement; now, therefore,

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72 BE IT RESOLVED, that the Milwaukee County Comptroller shall extend the Standby
73 Reimbursement Agreement with U.S. Bank from the current termination date of August 15,
74 2014, for a period of one year, to August 15, 2015; and

75
76 BE IT FURTHER RESOLVED, that the Milwaukee County Comptroller shall execute
77 an application to amend the Standby Reimbursement Agreement similar in format to that
78 attached hereto.

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81 jmj

82 04/03/14

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