

**RESOLUTION NUMBER 15-008
(SERIES D TAX-EXEMPT)**

RESOLUTION OF THE MAYOR AND COUNCIL OF THE CITY OF SAFFORD, GRAHAM COUNTY, ARIZONA (1) PROVIDING FOR THE SALE AND EXECUTION AND DELIVERY PURSUANT TO A FOURTH EXCISE TAX TRUST AGREEMENT (TAX-EXEMPT SERIES D) OF AN EXCISE TAX REVENUE NEW MONEY OBLIGATION (TAX-EXEMPT), SERIES 2015D, EVIDENCING ALL OF THE INTERESTS OF THE HOLDER THEREOF IN INSTALLMENT PAYMENTS OF THE PURCHASE PRICE TO BE PAID BY THE CITY OF SAFFORD, ARIZONA, PURSUANT TO A FOURTH EXCISE TAX PURCHASE AGREEMENT (TAX-EXEMPT SERIES D); (2) AUTHORIZING THE COMPLETION, EXECUTION AND DELIVERY WITH RESPECT THERETO OF AGREEMENTS NECESSARY OR APPROPRIATE AS PART OF THE REFINANCING AND PAYING RELATED FINANCING COSTS; (3) DELEGATING TO THE MAYOR, THE CITY MANAGER AND THE FINANCE DIRECTOR CERTAIN AUTHORITY WITH RESPECT TO THE PURPOSES HEREOF; (4) AUTHORIZING THE FINANCE DIRECTOR TO EXPEND ALL NECESSARY FUNDS THEREFOR AND (5) DECLARING AN EMERGENCY.

WHEREAS, the Mayor and Council of the City of Safford, Arizona (the “City”), have determined to acquire certain interests in real property known as the “Birdno Property” (hereinafter referred to as the “Project”) by entering into a Fourth Excise Tax Purchase Agreement (Tax-Exempt Series D), to be dated as of the first day of the month of the dated date of the hereinafter described Series 2015D Obligation (hereinafter referred to as the “Purchase Agreement”), in substantially the form presented at the meeting at which this Resolution was adopted, by which the City will agree to purchase a certain portion of the Prior Projects; and

WHEREAS, the acquisition of the Project will be financed through the sale and execution and delivery of all of the interests (hereinafter referred to as the “Series 2015D Obligation”) in the Purchase Agreement pursuant to, and secured by, a Fourth Excise Tax Trust Agreement (Tax-Exempt Series D), to be dated as of the date of the Purchase Agreement (hereinafter referred to as the “Trust Agreement”), from the City to a trustee appointed as provided herein (including any successor appointed and acting in such capacity, hereinafter referred to as the “Trustee”), in substantially the form presented at the meeting at which this Resolution was adopted; and

WHEREAS, the Mayor and Council of the City will receive a proposal from Stifel, Nicolaus & Company, Incorporated, serving in the capacity of and designated as the placement agent (hereinafter referred to as the “Placement Agent”), and not acting as a municipal advisor as defined in the “Registration of Municipal Advisors” rule promulgated by the United States Securities and Exchange Commission, and has determined that the Series 2015D Obligation should

be placed by the Placement Agent and pursuant to the Strategic Alliance of Volume Expenditures (SAVE) Cooperative Response Proposal #C-007-1213; and

WHEREAS, the Placement Agent will submit such proposal to place the Series 2015D Obligation pursuant to a standard form of placement agent agreement, to be dated the date of placement of the 2015 Obligation (hereinafter referred to as the “Placement Contract”), by and between the City and the Placement Agent; and

WHEREAS, there have been presented to the Mayor and Council of the City at the meeting at which this Resolution was considered (i) the proposed form of the Purchase Agreement and (ii) the proposed form of the Trust Agreement; and

WHEREAS, the City has the requisite power and authority to execute and deliver the Purchase Agreement and to cause the sale and execution and delivery of the Series 2015D Obligation, and all acts, conditions and things required by the Constitution and laws of the State of Arizona and the requirements of the City to happen, exist and be performed precedent to and as a condition to the adoption of this Resolution have happened, exist and been performed in the time and manner required to make the Purchase Agreement a valid and binding limited, special obligation of the City;

NOW, THEREFORE, BE IT RESOLVED BY THE MAYOR AND COUNCIL OF THE CITY OF SAFFORD, ARIZONA, as follows:

Section 1. Authorization and Execution and Delivery of Documents and Obligation.

(a) For the purpose of providing funds to finance the costs of the acquisition of the Project and the related costs of the sale and execution and delivery of the Series 2015D Obligation, the Series 2015D Obligation shall be sold and executed and delivered. The Series 2015D Obligation shall be dated the date of its initial authentication and delivery and shall be issued in such form and denomination, shall be executed in such manner and shall have such other provisions as set forth in the form of the Trust Agreement, with such additions, deletions and modifications consistent with this Resolution as shall be approved by the officers of the Trustee executing and delivering the same on behalf of the Trustee, the execution and delivery thereof to constitute conclusive evidence of their approval and of such additions, deletions or modifications. The identity of the Trustee, the aggregate principal amount of the Series 2015D Obligation (but not to exceed \$725,000) and the dates the same shall be payable and prepayable, the period over which the Series 2015D Obligation shall become payable (but not later than July 1, 2025), the date on and price at which the Series 2015D Obligation shall be sold (including provisions for any premium or discount) and the entity to which the Series 2015D Obligations shall be sold and the rates of interest the Series 2015D Obligation shall bear (but, except in the case of default or an event of taxability, not greater than two and one-half percent) and the dates the same shall be payable shall be determined by the Mayor, the City Manager or the Finance Director of the City or the designees of any of them (hereinafter referred to as, collectively, the “Authorized Representatives”) to which such authority is hereby delegated.

(b) The Mayor or, in the absence thereof, the Vice Mayor are hereby authorized to execute, and the Clerk is hereby authorized to attest and deliver, respectively, the Purchase

Agreement, the Trust Agreement and the Placement Contract which are hereby approved, with such additions, deletions and modifications as shall be approved by those officers executing and delivering the same on behalf of the City, the execution and delivery thereof to constitute conclusive evidence of their approval, and of such additions, deletions and modifications.

(c) The Trustee is hereby requested to execute and deliver the Series 2015D Obligation, the Purchase Agreement and the Trust Agreement to accomplish the purposes hereof.

(d) The Authorized Representatives are hereby authorized to cause the sale and execution and delivery of the Series 2015D Obligation pursuant to the Placement Contract and are hereby delegated the authority to complete any information missing in, or necessary for the consummation of the transactions contemplated by, the Purchase Agreement, the Trust Agreement and the Placement Contract. The Finance Director is hereby authorized to receive and expend such funds as necessary to accomplish the purposes of this Resolution, including payment of installment payments related to debt service on the Series 2015D Obligation.

Section 2. Severability. All actions of the officers, employees and agents of the City including the Council which conform to the purposes and intent of this Resolution and which further the issuance and sale of the Series 2015D Obligation as contemplated by this Resolution, whether taken before or after adoption of this Resolution, are hereby ratified, confirmed and approved. The proper officers and agents of the City are hereby authorized and directed to do all such acts and things and to execute and deliver all such documents on behalf of the City as may be necessary to carry out the terms and intent of this Resolution.

Section 3. Ratification of Actions. All actions of the officers, employees and agents of the City including the Council conform to the purposes and intent of this Resolution and which further the actions contemplated by this Resolution, whether taken before or after adoption of this Resolution, are hereby ratified, confirmed and approved. The proper officers and agents of the City are hereby authorized and directed to do all such acts and things and to execute and deliver all such documents on behalf of the City as may be necessary to carry out the terms and intent of this Resolution.

Section 4. Emergency. The immediate operation of this Resolution is necessary for the preservation of the public health and welfare, particularly to be able to finance the capital needs of the City on the most advantageous terms presently available, and an emergency is hereby declared to exist, and this Resolution shall be in full force and effect from and after its passage and approval by the Mayor and Council of the City, as required by law, and it is hereby exempt from the referendum provisions of the Constitution and laws of the State of Arizona.

PASSED, ADOPTED, AND APPROVED this 26th day of January, 2015.

Wyn "Chris" Gibbs, Mayor
City of Safford, Arizona

ATTEST:

Georgia Luster, MMC, City Clerk
City of Safford, Arizona

APPROVED AS TO FORM:

William J. Sims, III, City Attorney
City of Safford, Arizona

CERTIFICATION

I hereby certify that the foregoing Resolution Number 15-008 was duly passed and adopted by the Mayor and Council of the City of Safford, Arizona, at a special council meeting held on the 26th day of January, 2015, and the vote was seven (7) ayes and zero (0) nays and that the Mayor and six (6) Councilmembers were present thereat.

Georgia Luster, MMC, City Clerk
City of Safford, Arizona