

**TOWN OF PINETOP-LAKESIDE**

**RESOLUTION NO. 21-1573**

**A RESOLUTION OF THE MAYOR AND TOWN COUNCIL OF THE TOWN OF PINETOP-LAKESIDE, ARIZONA AUTHORIZING THE EXECUTION AND DELIVERY OF A PURCHASE AGREEMENT, A TRUST AGREEMENT, A CONTINUING DISCLOSURE UNDERTAKING AND AN OBLIGATION PURCHASE CONTRACT; APPROVING THE SALE AND EXECUTION AND DELIVERY OF PLEDGED REVENUE OBLIGATIONS, IN ONE OR MORE SERIES, EVIDENCING A PROPORTIONATE INTEREST OF THE OWNERS THEREOF IN SUCH PURCHASE AGREEMENT; APPROVING AN OFFICIAL STATEMENT; ADOPTING POST-ISSUANCE CONTINUING DISCLOSURE COMPLIANCE PROCEDURES IN CONNECTION WITH ISSUANCE OF OBLIGATIONS OF THE TOWN; DELEGATING THE DETERMINATION OF CERTAIN TERMS OF SUCH OBLIGATIONS AND MATTERS RELATED THERETO TO THE MANAGER AND FINANCE DIRECTOR OF THE TOWN AND AUTHORIZING THE TAKING OF ALL OTHER ACTIONS NECESSARY TO THE CONSUMMATION OF THE TRANSACTIONS CONTEMPLATED BY THIS RESOLUTION.**

WHEREAS, the Mayor and Council of the Town of Pinetop-Lakeside, Arizona (the “Town”) have determined (i) to finance the costs of construction of, and improvements to, Town public safety facilities (the “Tax-Exempt Project”), and (ii) to fund all or a portion of the Town’s unfunded liabilities (the “Funding”) with respect to the Arizona Public Safety Personnel Retirement System (“PSPRS”) and in connection therewith acquire the evidence of payment executed and delivered by PSPRS as a result of the Funding (together with the Tax-Exempt Project, the “Projects”); and

WHEREAS, in order to finance the costs of the Projects, the Mayor and Council of the Town hereby deem it necessary and desirable to cause the sale and execution and delivery of pledged revenue obligations, in one or more series, provided for by this Resolution (collectively, the “Obligations”), pursuant to the Second Trust Agreement, to be dated as of the first day of the month of the dated date of the Obligations established as provided herein (the “Trust Agreement”), between The Bank of New York Mellon Trust Company, N.A., as trustee (the “Trustee”), and the Town, such Obligations evidencing proportionate interests of the owners of the Obligations in payments to be made by the Town to the Trustee pursuant to the Second Purchase Agreement, to be dated as of the first day of the month of the dated date of the Obligations established as provided herein (the “Purchase Agreement”), between the Town and the Trustee, in its separate capacity as “Seller”; and

WHEREAS, pursuant to the Purchase Agreement, the pledge of revenues from the Excise Taxes and the State Shared Revenues (each as defined in the Trust Agreement) to the payment of amounts due pursuant to the Purchase Agreement will be a first lien pledge of such amounts of the revenues from the Excise Taxes and the State Shared Revenues; and

**WHEREAS**, pursuant to Rule 15c2-12 adopted by the Securities and Exchange Commission under the Securities Exchange Act of 1934 (the “Rule”), Participating Underwriters (as defined in the Rule) are required to reasonably determine that issuers have entered into written undertakings to make ongoing disclosure in connection with offerings of obligations to investors subject to the Rule, including with respect to the Obligations, to be dated the date of the Obligations (the “Undertaking”); and

**WHEREAS**, the Mayor and Council of the Town have now determined that procedures should be adopted in order to document practices and describe various procedures for preparing and disseminating such ongoing disclosure for the benefit of the holders of obligations of the Town and to assist the Participating Underwriters in complying with the Rule and such written undertakings (the “Procedures”); and

**WHEREAS**, there have been presented to the Mayor and Council of the Town at the meeting of the Mayor and Council of the Town at which this Resolution is being adopted the proposed forms of: (1) the Purchase Agreement; (2) the Trust Agreement; (3) the Undertaking; (4) the Obligation Purchase Contract, to be dated the date of the sale of the Obligations (the “Purchase Contract”), by and between the Town and Piper Sandler & Co., as underwriter (the “Underwriter”), for the purchase of the Obligations; (5) the Preliminary Official Statement, to be dated the date of the dissemination thereof (the “Preliminary Official Statement”), relating to the Obligations, which, as to be revised after the sale of the Obligations, shall constitute the Official Statement, to be dated the date of sale of the Obligations (the “Official Statement”), relating to the Obligations; and (6) the Procedures;

**NOW, THEREFORE, BE IT RESOLVED BY THE MAYOR AND COUNCIL OF THE TOWN OF PINETOP-LAKESIDE, ARIZONA, THAT:**

**Section 1.** (a) The execution and delivery of the Obligations by the Trustee is hereby approved. The Obligations shall be in the denomination of \$5,000 of principal amount due on a specific maturity date or any integral multiples thereof and shall be fully registered without coupons as provided in the Trust Agreement.

(b) The Manager and the Finance Director of the Town or the designees of either of them (collectively, the “Authorized Representatives”) are hereby authorized to determine on behalf of the Town: (1) the series name and designation of each series of the Obligations; (2) whether the interest on each series of the Obligations will be excluded from gross income for federal income tax purposes; (3) the aggregate principal amount of the Obligations which are to be issued (but not to exceed \$10,000,000 in aggregate principal amount for all series of the Obligations); (4) the date the Obligations are to be sold to the Underwriter; (5) the date the Obligations are to be dated; (6) the dates on which interest on the Obligations is to be payable and the interest rates per annum the Obligations are to bear; (7) whether either series of the Obligations can be designated as “qualified tax-exempt obligations” for purposes of section 265(b) of the Internal Revenue Code of 1986, as amended; (8) the dates the Obligations are to mature (but not later than July 1, 2051), the principal amounts to mature on such dates and the provisions for

redemption thereof in advance of such dates; (9) the terms upon which the Obligations are to be sold to the Underwriter (including determinations of price, original issue discount and premium and underwriting compensation); and (10) the provisions pursuant to which the Obligations are to be credit enhanced (including determinations with respect to bond insurance, if any, for the Obligations).

(c) The forms and other terms of the Obligations, including the provisions for the signatures, authentication, payment, registration, transfer, exchange, redemption and number shall be as set forth in the Trust Agreement and are hereby approved.

(d) The Procedures are hereby adopted to establish policies and procedures related to the purposes set forth in the Recitals hereto. The right to use discretion as necessary and appropriate to make exceptions or request additional provisions with respect to the Procedures as may be determined is hereby reserved. The right to change the Procedures from time to time, without notice, is also reserved.

**Section 2.** The Obligations are to be sold to the Underwriter pursuant to the terms of the Purchase Contract, as such terms are to be determined as provided hereinabove.

**Section 3.** The forms, terms and provisions of the Purchase Agreement, the Trust Agreement, the Purchase Contract and the Undertaking, in substantially the forms of such documents (including the Obligations and other exhibits thereto) presented at the meeting of the Mayor and Council of the Town at which this Resolution is being adopted are hereby approved, with such final provisions, insertions, deletions and changes as shall be approved by the Mayor or, in the absence thereof, Vice Mayor, and in the case of the Purchase Contract, the Authorized Representatives, the execution of each such document being conclusive evidence of such approval, and the Mayor or, in the absence thereof, Vice Mayor, and in the case of the Purchase Contract, the Authorized Representatives, and the Clerk are hereby authorized and directed, for and on behalf of the Town, to execute and deliver and attest, where applicable, or approve the Purchase Agreement, the Trust Agreement, the Purchase Contract and the Undertaking and to take all action to carry out and comply with the terms of such documents.

**Section 4.** The form and use by the Underwriter of the Preliminary Official Statement are hereby approved, and the use by the Underwriter of the Official Statement in connection with the sale of the Obligations is hereby approved. The Mayor or, in the absence thereof, Vice Mayor of the Town is hereby authorized and directed, for and on behalf of the Town, to cause the preparation of and to execute the Official Statement.

**Section 5.** The Mayor and Council of the Town hereby request that the Trustee (including in its capacity as Seller) take any and all action necessary in connection with the execution and delivery of the Purchase Agreement, the Trust Agreement, the Purchase Contract and the Undertaking and the sale and execution and delivery of the Obligations and further authorizes and

directs the Trustee to enter into such agreements as may be reasonable for the administration of the trusts so held by it.

**Section 6.** The covenants and agreements contained the Purchase Agreement as to the pledge of and the lien on the revenues from the Excise Taxes and the State Shared Revenues and the restriction on the issuance of further parity obligations secured by the revenues from the Excise Taxes and the State Shared Revenues are approved and confirmed.

**Section 7.** The Authorized Representatives and the other officers of the Town, on behalf of the Town, are each hereby authorized and directed, without further order of the Mayor and Council of the Town, to execute and deliver such certificates, proceedings and agreements as may be necessary or convenient to be executed and delivered on behalf of the Town, to evidence compliance with, or further the purposes of, all the terms and conditions of this Resolution and the consummation of the transactions contemplated by this Resolution.

**Section 8.** All actions of the officers and agents of the Town which conform to the purposes and intent of this Resolution and which further the sale and execution and delivery of the Obligations as contemplated by this Resolution whether heretofore or hereafter taken are hereby ratified, confirmed and approved.

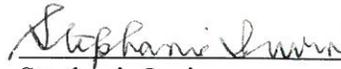
**Section 9.** If any section, paragraph, clause or phrase of this Resolution shall for any reason be held to be invalid or unenforceable, the invalidity or unenforceability of such section, paragraph, clause or phrase shall not affect any of the remaining provisions of this Resolution. All orders, resolutions and ordinances or parts thereof inconsistent herewith are hereby waived to the extent only of such inconsistency. This waiver shall not be construed as reviving any order, resolution or ordinance or any part thereof.

**Section 10.** After any of the Obligations are delivered by the Trustee to the Underwriter and upon receipt of payment therefor, this Resolution shall be and remain irrevocable until the Obligations and the interest and premium, if any, thereon shall have been fully paid, cancelled and discharged.

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**PASSED AND ADOPTED** by the Mayor and Town Council of the Town of Pinetop-Lakeside, Arizona this 4<sup>th</sup> day of March 2021.

TOWN OF PINETOP-LAKESIDE



Stephanie Irwin  
Mayor

ATTEST:

APPROVED AS TO FORM:



Jill Akins, MMC  
Town Clerk



William J. Sims, III  
Town Attorney