

RESOLUTION NO. 2014-912

RESOLUTION OF THE MAYOR AND COMMON COUNCIL OF TOWN OF CAMP VERDE, ARIZONA, APPROVING THE FORM AND AUTHORIZING THE EXECUTION AND DELIVERY OF A SECOND PURCHASE AGREEMENT, A SECOND TRUST AGREEMENT AND OTHER NECESSARY AGREEMENTS, INSTRUMENTS AND DOCUMENTS; APPROVING THE SALE AND EXECUTION AND DELIVERY OF A NOT TO EXCEED \$5,000,000 AGGREGATE PRINCIPAL AMOUNT PLEDGED REVENUE AND REVENUE REFUNDING OBLIGATION, SERIES 2014, EVIDENCING THE INTEREST OF THE OWNER THEREOF IN THE PURCHASE AGREEMENT; DELEGATING AUTHORITY TO THE MAYOR, MANAGER AND FINANCE DIRECTOR OF THE TOWN TO DETERMINE CERTAIN MATTERS AND TERMS WITH RESPECT TO THE FOREGOING; ADOPTING POST-ISSUANCE TAX COMPLIANCE PROCEDURES IN CONNECTION WITH ISSUANCE OF OBLIGATIONS OF THE TOWN; AUTHORIZING THE TAKING OF ALL OTHER ACTIONS NECESSARY TO THE CONSUMMATION OF THE TRANSACTIONS CONTEMPLATED BY THIS RESOLUTION AND DECLARING AN EMERGENCY

WHEREAS, the Mayor and Common Council of the Town of Camp Verde, Arizona (the "Town"), have determined to finance the costs to acquire a library facility and the portion of the offices of the Town Marshall and land subject to the Loan Repayment Agreement, dated as of February 1, 2005, between the Town and the Greater Arizona Development Authority, previously financed but not paid for in full (together, the "Property") by entering into a Second Purchase Agreement, to be dated as of the first day of the month of the dated date of the hereinafter described Obligation established as provided herein (the "Purchase Agreement"), with U.S. Bank National Association, as trustee (the "Trustee"), in its separate capacity as "Seller"; and

WHEREAS, in connection with the Purchase Agreement, the Mayor and Common Council of the Town deemed it necessary and desirable to provide for the sale and execution and delivery of a pledged revenue obligation, provided for by this Resolution (the "Obligation"), evidencing the interest of the owner of the Obligation in payments to be made by the Town to the Trustee pursuant to the Second Trust Agreement, to be dated as of the first day of the month of the dated date of the Obligation (the "Trust Agreement"), between the Trustee and the Town, such payments to be made pursuant to the Purchase Agreement; and

WHEREAS, the Obligation will be secured by amounts received under the Purchase Agreement pursuant to which the Town will pledge Excise Tax Revenues and State Shared Revenues (as such terms are defined in the Purchase Agreement); and

WHEREAS, Stifel, Nicolaus & Company, Incorporated (the "Placement Agent") will submit a proposal to place the Obligation pursuant to a Placement Agent Agreement, to be dated the date of placement of the Obligation (the "Placement Contract"), by and between the Town and the Placement Agent; and

WHEREAS, pursuant to the Internal Revenue Code of 1986, as amended (the "Code"), and the regulations promulgated thereunder (the "Regulations"), issuers of obligations, the interest on which is intended to be excludable from the gross income of the owners thereof for federal income tax purposes ("Tax-Exempt Obligations"), are required to establish policies and procedures to ensure compliance with the applicable provisions of the Code and the Regulations; and

WHEREAS, it is determined that procedures should be adopted in order to ensure that Tax-Exempt Obligations issued by the Town comply with the provisions of the Code and the Regulations (the "Procedures"); and

WHEREAS, there have been presented to the Mayor and Common Council of the Town at the meeting at which this Resolution is being adopted (1) the proposed form of the Purchase Agreement, (2) the proposed form of the Trust Agreement and (3) the proposed form of the Placement Contract and (4) the proposed form of the Procedures; and

WHEREAS, financing the costs of acquisition of the Property pursuant to the Purchase Agreement is in furtherance of the purposes of the Town and in the public interest;

NOW, THEREFORE, BE IT RESOLVED BY THE MAYOR AND COMMON COUNCIL OF THE TOWN OF CAMP VERDE, ARIZONA, THAT:

Section 1. (a) The execution and delivery of the Obligation by the Trustee is approved.

(b) The Mayor, the Manager and the Finance Director of the Town are each authorized to determine on behalf of the Town the date the Obligation is to be sold and the identity of the purchaser thereof; the total aggregate principal amount of the Obligation which is to be executed and delivered but not to exceed in total aggregate principal amount \$5,000,000; the date the Obligation is to be dated; the dates on which interest on the Obligation is to be payable and the interest rate the Obligation is to bear; the date the Obligation is to mature but not later than twenty (20) years from the date of the execution and delivery of the Obligation and the provisions for redemption thereof in advance of such date and the terms upon which the Obligation is to be sold (including determinations of price, original issue discount and premium); provided, however, that the foregoing determinations shall not result in the yield on the Obligation, as calculated in accordance with Section 148 of the Code exceeding three percent (3%).

(c) The form and other terms of the Obligation, 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 approved.

Section 2. The Obligation is to be sold pursuant to the Placement Contract and the terms to be determined as provided hereinabove.

Section 3. The form, terms and provisions of the Purchase Agreement, the Trust Agreement and the Placement Contract, in substantially the forms of such documents (including the form of the Obligation and other exhibits thereto) presented at the meeting of the Mayor and Common Council of the Town at which this Resolution is being adopted are approved, with such final provisions, insertions, deletions and changes as determined as provided hereinabove and shall be approved by the Mayor of the Town, any other member of the Council, the execution of each such document being conclusive evidence of such approval, and the Mayor of the Town or any other member of the Council or the Clerk of the Town, where applicable, are authorized and directed, for and on behalf of the Town, to execute and deliver and attest or approve the Purchase Agreement, the Trust Agreement and the Placement Contract and to take all action to carry out and comply with the terms of such documents.

Section 4. The Trustee (including in its capacity as Seller) is requested to take any and all action necessary in connection with the execution and delivery of the Purchase Agreement and the Trust Agreement and the sale and execution and delivery of the Obligation and is further authorized and directed to take such action as may be reasonable for the administration of the trusts so held by it.

Section 5. The covenants and agreements contained in the Purchase Agreement as to the pledge of and the lien on Excise Tax Revenues and State Shared Revenues and the restriction on the issuance of further parity obligations secured by Excise Tax Revenues and State Shared Revenues are approved and confirmed.

Section 6. The Procedures are hereby adopted to establish policies and procedures in connection with Tax-Exempt Obligations issued by the Town to ensure all applicable post-issuance requirements of the Code and the Regulations needed to preserve the status of such Tax-Exempt Obligations are met. 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 7. The Mayor, the Manager, the Finance Director and other officers of the Town, on behalf of the Town, are authorized and directed, without further order of the Mayor and Common Council of the Town, to do all such acts and things and to execute and deliver all such certificates, proceedings, agreements and other documents 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, and the consummation of the transactions contemplated by and as may be necessary to carry out the terms and intent of, 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 Obligation as contemplated by this Resolution, whether heretofore or hereafter taken, are 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. The immediate operation of the provisions of this Resolution is necessary for the preservation of the public peace, health and safety, particularly to immediately sell the Obligation to secure the best, available economic terms therefor, and an emergency is hereby declared to exist, and this Resolution will be in full force and effect from and after its passage by the Mayor and Common Council of the Town and it is hereby excepted from the referendum provisions of the Constitution and laws of the State of Arizona. After the Obligation is delivered by the Trustee and upon receipt of payment therefor, this Resolution shall be and remain irrevocable until the Obligation and the interest and premium, if any, thereon shall have been fully paid, cancelled and discharged.

PASSED AND ADOPTED by the Common Council and approved by the Mayor
of the Town of Camp Verde, Arizona, this 17th day of September, 2014.



Mayor

ATTEST:



Town Clerk 9-24-14

APPROVED AS TO FORM:



Town Attorney

CERTIFICATION

I hereby certify that the foregoing Resolution No. 2014-912 was duly passed and adopted by the Mayor and Common Council of the Town of Camp Verde, Arizona, at a regular meeting held on the 17th day of September, 2014, and the vote was 7 ayes and 0 nays.



Town Clerk