



Resolution

OFFICE OF THE
MAYOR
CITY OF SAN LUIS

NO. 729

A RESOLUTION OF THE MAYOR AND CITY COUNCIL OF THE CITY OF SAN LUIS, ARIZONA RATIFYING AND APPROVING THE BOND ISSUE OF THE INDUSTRIAL DEVELOPMENT AUTHORITY OF THE CITY OF YUMA FOR THE GREATER YUMA PORT AUTHORITY IN AN AMOUNT NOT TO EXCEED THREE MILLION DOLLARS FOR THE PURPOSE OF INFRASTRUCTURE AND EQUIPMENT FOR SAN LUIS PORT OF ENTRY II.

WHEREAS, Greater Yuma Port Authority, Inc., an Arizona non-profit corporation and an organization described in Section 501(c)(3) of the Internal Revenue Code of 1986 (“GYPA”) was created as a cooperative regional effort of governmental entities in the Yuma County, Arizona area (the “Area”) for the general purpose of lessening the burdens of government and to erect and maintain public buildings and works by engaging in charitable activities, including such activities as (i) constructing, operating and maintaining an international port of entry along the Arizona-Mexico border in coordination with Federal agencies, (ii) establishing, operating and maintaining a foreign trade zone or expansion zone within the Area, (iii) acquiring land and encouraging business to locate new facilities in economically depressed sections of the Area (iv) providing employment opportunities for low income residents and improving economic conditions in the Area, and (v) improving the flow of transportation in and around the Area;

WHEREAS, the City of San Luis (the “City”) is a member of GYPA, and has appointed authorized representatives (the “Authorized Representatives”) to serve on the Board of Directors of GYPA;

WHEREAS, GYPA, by Resolution duly adopted by the Board of Directors of GYPA at a lawful meeting called and held on April 26, 2007 (the "Project Resolution"), granted approval to the submission of an application for industrial development revenue bond financing to The Industrial Development Authority of the City of Yuma, Arizona (the "Authority") requesting that the Authority issue its Industrial Development Revenue Bonds (Greater Yuma Port Authority Project), Series 2007 (the "Bonds"), in an aggregate principal amount not to exceed \$3,000,000 and loan the proceeds thereof to GYPA to finance or refinance (i) the acquisition, construction, developing and equipping of infrastructure, including but not limited to, installation of electrical lines, water lines, sewer lines and lift stations, conduit for cable and telephone lines where required for the San Luis Port of Entry II, San Luis, and for related safety inspection areas, to be located in the City of San Luis, south of County 25th Street, between Avenues D and E, south to the International Border between the United States and Mexico, specifically in a portion of Sections 15, 22, 23 and 24, Township 11 south Range 24 West, Gila and Salt River Base and Meridian, all located within the City of Yuma, Arizona (the "Project"), and (ii) certain costs and expenses incidental thereto, and

WHEREAS, this Board has had presented to it information regarding the Project, and is informed and advised regarding the Project.

NOW, THEREFORE, BE IT RESOLVED BY THE COUNCIL OF THE CITY OF SAN LUIS as follows:

SECTION I. APPROVAL AND RATIFICATION. The support of the Authorized Representative for the Project Resolution and the transactions contemplated therein is hereby acknowledged and approved, and all actions of Staff and agents of the City, including, without limitation, the Authorized Representative, which are in conformity with the purposes and intent of this Resolution and the Project Resolution, whether heretofore or hereafter taken, shall be and are hereby ratified, confirmed and approved.

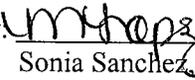
SECTION II. NO OBLIGATION. Nothing contained in this Resolution, the Project Resolution or any other document or instrument, shall be construed as obligating the City or as incurring a charge upon the general credit or taxing power of the City.

PASSED by the City Council of the City of San Luis, this ___ day of May, 2007.

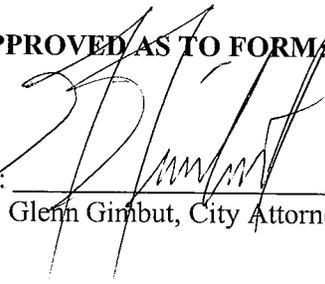
By: 

Juan Carlos Escamilla, Mayor

ATTEST:

By:  Acting City Clerk
Sonia Sanchez, Clerk of the Board

APPROVED AS TO FORM:


By: _____
Glenn Gimbut, City Attorney

**GREATER YUMA PORT AUTHORITY, INC.
BOARD OF DIRECTORS**

RESOLUTION

The Board of Directors of Greater Yuma Port Authority, Inc., an Arizona nonprofit corporation and an organization described in Section 501(c)(3) of the Internal Revenue Code of 1986 (the "Borrower"), hereby adopts the following resolutions, effective as of April 26, 2007.

WHEREAS, it has been determined that it is in the best interests of the Borrower to approve the acquisition, construction, development, and equipping of infrastructure for the San Luis Port of Entry II, San Luis, Arizona (the "Project") on property presently owned by Borrower;

WHEREAS, it has been determined that it is in the best interests of the Borrower to obtain a loan (the "Loan") from a governmental issuer (the "Issuer") through the issuance of industrial development revenue bonds (the "Bonds") in order to finance the acquisition, construction, development, and equipping of infrastructure for the Project on the most favorable terms available;

WHEREAS, the obligations represented by the Loan will be described in that certain Summary Term Sheet, attached hereto as Exhibit A and incorporated herein by this reference, between the Issuer and the Borrower and evidenced by a Note in an amount not to exceed Three Million Dollars (\$3,000,000) and payable to the order of the Issuer;

WHEREAS, the Bonds will be purchased by Wells Fargo Brokerage Services, LLC or its assigns (the "Lender") and the proceeds of the Bonds will be disbursed to the Borrower pursuant to the terms of loan documentation to be entered into between and among the Borrower, Issuer and the Lender;

WHEREAS, the Borrower has paid and expects to continue to pay certain expenditures (the "Reimbursement Expenditures") in connection with the Project prior to the issuance of the Bonds for the purpose of financing costs associated with the Project on a long-term basis; and

WHEREAS, the Borrower reasonably expects that certain of the proceeds of the Bonds will be used to reimburse the Reimbursement Expenditures;

After due consideration, it is hereby:

RESOLVED, authorizing the Borrower to submit an application to a qualified governmental issuer (the "Issuer") for the issuance of up to Three Million Dollars (\$3,000,000.00) in tax exempt industrial development revenue bonds in order for the Issuer to loan the proceeds to the Borrower for the acquisition, construction, development, and equipping of infrastructure for the San Luis Port of Entry II, San Luis, Arizona (the "Project") on property presently owned by Borrower; and,

RESOLVED, that the Borrower enter into any and all agreements necessary to complete the transaction, including, without limitation, a loan agreement, deed of trust, security agreements, as deemed necessary and appropriate by the officers of the Borrower in a form approved by counsel for the Borrower, Byrne, Benesch & Villarreal, P.C.;

RESOLVED, the Borrower hereby declares its official intent to use proceeds of indebtedness to reimburse itself for Reimbursement Expenditures. This declaration is made solely for purposes of establishing compliance with the requirements of Section 1.150-2 of the Treasury Regulations. This declaration does not bind the Borrower to make any expenditure, incur any indebtedness, or proceed with the Project.

BE IT FURTHER RESOLVED that the Chairman, and such other officers as may be necessary are hereby authorized to execute and deliver any and all documents necessary to effect the issuance of the Bonds by the Issuer, the loan of the proceeds of the Bonds to the Borrower, and the sale of the Bonds to Wells Fargo Brokerage Services, LLC.

PASSED, ADOPTED, AND APPROVED on April 26, 2007, during a meeting at which a quorum of the directors of the Borrower were present.

GREATER YUMA PORT AUTHORITY, INC.

Gary Magrino, Chairman

ATTESTED TO BY:

Secretary