



# *Resolution*

OFFICE OF THE  
MAYOR  
CITY OF SAN LUIS

RESOLUTION NO. 1022

RESOLUTION (1) PROVIDING FOR THE SALE AND EXECUTION AND DELIVERY PURSUANT TO A SERIES 2013 TRUST AGREEMENT OF UTILITY SYSTEM REVENUE OBLIGATIONS, SERIES 2013, EVIDENCING PROPORTIONATE INTERESTS OF THE OWNERS THEREOF IN INSTALLMENT PAYMENTS OF THE PURCHASE PRICE TO BE PAID BY THE CITY OF SAN LUIS, ARIZONA, PURSUANT TO A SERIES 2013 PURCHASE AGREEMENT TO REFINANCE EXISTING AND FINANCE NEW IMPROVEMENTS AND OTHER COMPONENTS OF THE WASTEWATER COLLECTION AND TREATMENT AND WATER PRODUCTION AND DISTRIBUTION SYSTEM OF THE CITY; (2) AUTHORIZING THE COMPLETION, EXECUTION AND DELIVERY WITH RESPECT THERETO OF AGREEMENTS NECESSARY OR APPROPRIATE AS PART OF FINANCING CERTAIN SYSTEM COMPONENTS OF THE WATER AND SEWER SYSTEM OF THE CITY 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, it is necessary and in the best interests of the City of San Luis, Arizona (hereinafter referred to as the "City") that obligations be incurred and sold and the proceeds thereof used to finance improvements and other components (hereinafter referred to as the "Projects") for the complete works of the entire combined water production and distribution and sewer collection and treatment system of the City; and

WHEREAS, therefore, the Mayor and Council of the City (hereinafter referred to as the "Council") have determined to cause the execution and delivery of a Series 2013 Purchase Agreement, to be dated as of the first day of the month of the dated date of the hereinafter described Series 2013 Obligations (hereinafter referred to as the "Series 2013 Purchase Agreement"), in substantially the form presented at the meeting at which this Resolution was adopted, by which the City will agree to purchase the Projects; and

WHEREAS, the acquisition of the Projects will be financed through the sale and execution and delivery of certain proportionate interests (hereinafter referred to as the “Series 2013 Obligations”) in the Series 2013 Purchase Agreement pursuant to, and secured by, a Series 2013 Trust Agreement, to be dated as of the date of the Series 2013 Purchase Agreement (hereinafter referred to as the “Series 2013 Trust Agreement”), from the City to a trustee to be determined 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 Council has determined to cause the placement of the Series 2013 Obligations by Stifel, Nicolaus & Company, Incorporated (hereinafter referred to as the “Placement Agent”) as provided in a Placement Agent Agreement, to be dated the date of the sale of the Series 2013 Obligations (hereinafter referred to as the “Placement Agency Agreement”), between the City and the Placement Agent, in substantially the form presented at the meeting at which this Resolution was adopted; and

WHEREAS, the City has the requisite power and authority to execute and deliver the Series 2013 Purchase Agreement and to cause the sale and execution and delivery of the Series 2013 Obligations, 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 Series 2013 Purchase Agreement a valid and binding limited, special obligation of the City;

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

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

(a) For the purpose of providing funds to finance the Projects and the related costs of the sale and execution and delivery of the Series 2013 Obligations, the Series 2013 Obligations shall be sold and executed and delivered. The Series 2013 Obligations shall be dated the date of their initial authentication and delivery, shall be issued in such form and denominations, shall be payable as to interest and principal on such dates, shall be executed in such manner and shall have such other provisions, including, without limitation, provisions with respect to redemption prior to maturity, as set forth in the form of the Series 2013 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 2013 Obligations, the period over which the Series 2013 Obligations shall mature (including provisions for prepayment), the date on and price at which the Series 2013 Obligations shall be sold (including provisions for any discount and the amount of the fee of the Placement Agent) and the rates of interest the Series 2013 Obligations shall bear 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 Series 2013 Purchase Agreement, the Series 2013 Trust Agreement and the Placement Agent Agreement 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 2013 Obligations, the Series 2013 Purchase Agreement and the Series 2013 Trust Agreement.

(d) The Authorized Representatives are hereby authorized to cause the sale and execution and delivery of the Series 2013 Obligations and are hereby delegated the authority to complete any information missing in, or necessary for the consummation of the transactions contemplated by, the Series 2013 Purchase Agreement, the Series 2013 Trust Agreement and the Placement Agency Agreement. The Authorized Representatives are authorized to select, and execute and deliver contracts with, appropriate professionals (including special counsel) to provide various professional services with respect to the sale and execution and delivery of the Series 2013 Obligations as well as to provide for such other matters (including credit enhancement providers if deemed advantageous by them) as are necessary in order to accomplish the purposes of this Resolution. The Authorized Representatives are hereby further authorized to execute and deliver any instruments or documents necessary in connection with the purchase of any such credit enhancement, including those making provision for the repayment of amounts advanced for credit enhancement thereunder. The fees, costs and expenses with respect to the foregoing shall be paid from proceeds of the sale of the Series 2013 Obligations or any other legally available moneys. 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 2013 Obligations.

Section 2. Acceptance of Proposal. Subject to the direction delegated by Section 1 hereof, the proposal of the purchaser determined pursuant to the Placement Agency Agreement may be accepted. The Series 2013 Obligations shall be prepared and executed and delivered following the adoption of this Resolution and shall thereupon be delivered to such purchaser upon payment therefor in accordance with the terms of the Trust Agreement.

Section 3. Severability. If any section, paragraph, subdivision, sentence, clause or phrase of this Resolution is for any reason held to be illegal or unenforceable, such decision will not affect the validity of the remaining portions of this Resolution. This Council hereby declares that it would have adopted this Resolution and each and every other section, paragraph, subdivision, sentence, clause or phrase hereof and authorized the issuance of the Series 2013 Obligations pursuant hereto irrespective of the fact that any one or more sections, paragraphs, subdivisions, sentences, clauses or phrases of this Resolution may be held illegal, invalid or unenforceable.

Section 4. Ratification of Actions. 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 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 5. 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 Council of the City as required by law, and it is hereby exempt from the referendum provisions of the Charter of the City and the Constitution and laws of the State of Arizona.

PASSED AND ADOPTED by the Mayor and Common Council of the City of San Luis, Arizona, this 23rd day of October, 2013.



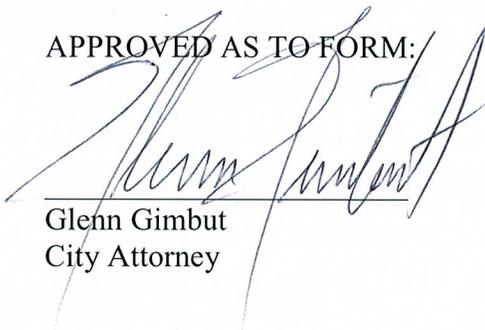
Gerardo Sanchez, Mayor

ATTEST:



Sonia Cuello, City Clerk

APPROVED AS TO FORM:



Glenn Gimbut  
City Attorney

PASSED, ADOPTED, AND APPROVED this 23rd day of October, 2013.



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Mayor, City of San Luis, Arizona

ATTEST:



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City Clerk, City of San Luis, Arizona

APPROVED AS TO FORM:



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City Attorney, City of San Luis, Arizona

CERTIFICATION

I hereby certify that the foregoing Resolution No. 1022 was duly passed and adopted by the Mayor and Council of the City of San Luis, Arizona, at a regular meeting held on the 23rd day of October, 2013, and the vote was 6 ayes and 0 nays and that the Mayor and 5 Councilmembers were present thereat.

  
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City Clerk, City of San Luis, Arizona