

RESOLUTION NO. 5732

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CHANDLER, ARIZONA, APPROVING THE FORM AND AUTHORIZING THE EXECUTION AND DELIVERY OF A SERIES 2023 PURCHASE AGREEMENT, A SERIES 2023 TRUST AGREEMENT, A CONTINUING DISCLOSURE UNDERTAKING, AN OBLIGATION PURCHASE AGREEMENT AND OTHER NECESSARY AGREEMENTS, INSTRUMENTS AND DOCUMENTS; APPROVING THE SALE AND EXECUTION AND DELIVERY OF EXCISE TAX REVENUE OBLIGATIONS, SERIES 2023, EVIDENCING A PROPORTIONATE INTEREST OF THE OWNERS THEREOF IN THE PURCHASE AGREEMENT; DELEGATING AUTHORITY TO THE MAYOR AND THE DEPUTY CITY MANAGER/CHIEF FINANCIAL OFFICER OF THE CITY TO DETERMINE CERTAIN MATTERS AND TERMS WITH RESPECT TO THE FOREGOING; 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 Council (the “City Council”) of the City of Chandler, Arizona (the “City”), have determined to finance the construction, expansion and improvement of the water and wastewater systems of the City (the “Project”), by entering into a Series 2023 Purchase Agreement, to be dated as of the first day of the month of the dated date of the hereinafter described Obligations established as provided herein (the “Purchase Agreement”), with U.S. Bank Trust Company, National Association, a national banking association authorized to exercise corporate trust powers in the State of Arizona, as trustee (the “Trustee”); and

WHEREAS, in connection with the Purchase Agreement, the City Council has deemed it necessary and desirable to provide for the sale and execution and delivery of excise tax revenue obligations, as provided for by this resolution (the “Obligations”), evidencing proportionate interests of the owners of the Obligations in payments to be made by the City to the Trustee pursuant to the Series 2023 Trust Agreement, to be dated as of the first day of the month of the dated date of the Obligations (the “Trust Agreement”), between the Trustee and the City, such payments to be made pursuant to the Purchase Agreement; and

WHEREAS, the payments represented by the Obligations will be secured by amounts received under the Purchase Agreement pursuant to which the City will pledge revenues from Excise Taxes (as such term is defined in the Trust Agreement); and

WHEREAS, Piper Sandler & Co. will serve as the City’s financial advisor (the “Financial Advisor”) with respect to the issuance of the Obligations; and

WHEREAS, the City Council (i) may solicit sealed proposals for the purchase of the Obligations pursuant to a Notice Inviting Proposals For Purchase Of Obligations (the “Notice”), and (ii) may receive proposals from underwriting firms to serve in the capacity of the underwriter of the Obligations (the “Underwriter”), and the City Council hereby authorizes the Authorized

Representatives (as defined herein), with the advice of the Financial Advisor, to determine whether the Obligations will be sold pursuant to the Notice or sold by the Underwriter, in each case in accordance with the provisions of this resolution; and

WHEREAS, there have been presented to the City Council at the meeting at which this resolution is being adopted the proposed forms of: (1) the Purchase Agreement; (2) the Trust Agreement; (3) a Continuing Disclosure Undertaking, to be dated the date of delivery of the Obligations (the "Undertaking"), from the City necessary for purposes of Rule 15c2-12 adopted by the Securities and Exchange Commission under the Securities Exchange Act of 1934, as amended (the "Rule"); and (4) 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

WHEREAS, financing the costs of the Project pursuant to the Purchase Agreement is in furtherance of the purposes of the City and is in the public interest;

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Chandler, Arizona, as follows:

Section 1. Authorization and Terms.

(a) The execution and delivery of the Obligations by the Trustee is approved.

(b) The Mayor and any member of the City Council, the City Manager, the Deputy City Manager/Chief Financial Officer of the City or the designees of any of them (collectively, the "Authorized Representatives") are each hereby authorized and directed to determine on behalf of the City: (1) the dated date of the Obligations and whether the Obligations will be sold in one or more series; (2) the total aggregate principal amount of the Obligations which are to be executed and delivered but not to exceed the aggregate principal amount of \$75,000,000; (3) whether all or any portion of the Obligations will be sold on a taxable basis; (4) the dates on which interest on the Obligations is to be payable and the interest rates per annum the Obligations are to bear; (5) the dates the Obligations are to mature (but not later than July 1, 2043), the principal amounts to mature on such dates and the provisions for redemption thereof in advance of such dates; (6) whether the Obligations will be sold pursuant to the Notice or sold by the Underwriter, the entity to serve as Underwriter, if applicable, and the sales date, sales price and other sales terms of the Obligations (including for underwriter's compensation, original issue discount and original issue premium); and (7) the provision for credit enhancement, if any, for the Obligations; provided, however, that such determinations must result in a yield for federal income tax purposes with respect to the Obligations of not to exceed six percent (6.00%). The interest rates per annum each maturity of the Obligations are to bear and the dates for payment of such interest (the "interest payment dates") and the sales price at which the Obligations are to be sold shall be determined as prescribed (i) in the Notice if the Obligations are sold pursuant to the Notice, and (ii) in the hereinafter defined

Purchase Contract if the Obligations are sold by the Underwriter.

(c) The Authorized Representatives are further authorized to determine on behalf of the City whether the purchase of an insurance policy securing payment of the Obligations would be advantageous to the City or the terms of the financing represented by the Obligations. The Authorized Representatives are authorized to negotiate with and secure, with proceeds of the Obligations or otherwise, such an insurance policy, from one or more institutions, the claims-paying ability of which are then assigned one of the two highest rating categories by a nationally recognized credit rating agency. The Authorized Representatives are authorized to execute and deliver any instruments or documents necessary in connection with the purchase of any such insurance policy, including those making provision for the repayment of amounts advanced by the institutions issuing such insurance policy.

(d) The form 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 approved.

Section 2. Acceptance of Proposals.

(a) Subject to the discretion delegated by Section 1(b) hereof, the Authorized Representatives are hereby authorized to prepare and finalize matters in the Notice including by making modifications, completions or changes of, or supplements to, the Notice and to determine how the Notice is to be disseminated, and the Obligations are hereby ordered to be offered for public sale by the City on the date and at the hour to be set forth in the Notice. The proposal of the purchaser of the Obligations pursuant to the Notice which results in the lowest true interest cost to the City with respect to the Obligations and, in all respects, complies with the terms of the Notice and this resolution, shall be accepted. Such acceptance shall be evidenced by the award pursuant to the Notice.

(b) Subject to the discretion delegated by Section 1(b) hereof, the Authorized Representatives are hereby authorized to accept a proposal of the Underwriter for the purchase of the Obligations which satisfies the terms and conditions of this resolution on behalf of the Council, and the Obligations are hereby ordered to be sold to the Underwriter in accordance with the terms of an Obligation Purchase Agreement, to be dated the date of the sale of the Bonds (the "Purchase Contract"), in form and substance reasonably satisfactory to the Authorized Representatives, the Financial Advisor and Special Counsel. The Authorized Representatives are hereby authorized to execute and deliver the Purchase Contract, for and on behalf of the Council, in a form satisfactory to the Authorized Representatives, the Financial Advisor and Greenberg Traurig, LLP, special counsel to the City with respect to the execution and delivery of the Obligations ("Special Counsel"), and such execution and delivery by the Authorized Representatives shall indicate the approval thereof on behalf of the City Council by the Authorized Representatives.

(c) The Authorized Representatives are hereby requested to cause the Obligations to be delivered to the purchaser of the Obligations pursuant to the Notice upon receipt of payment therefor and satisfaction of the other conditions for delivery thereof in accordance with the terms of the sale provided in the Notice. The Authorized Representatives are hereby requested to cause the Obligations to be delivered to the Underwriter upon receipt of payment therefor and satisfaction of the other conditions for delivery thereof in accordance with the terms of the sale provided in the Purchase Contract.

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

Section 4. Official Statement.

(a) The preparation, distribution and use of the Preliminary Official Statement relating to the Obligations in substantially the form presented to the City Council at the meeting at which this resolution was adopted is in all respects hereby ratified, confirmed and approved, and the Authorized Representatives are hereby authorized to certify or otherwise represent that the Preliminary Official Statement, in original or revised form, is a “deemed final” official statement (except for permitted omissions) of the City as of a particular date for purposes of the Rule.

(b) The Authorized Representatives are authorized and direct to approve, on behalf of the City Council, and to execute and deliver, the final Official Statement in substantially the form of the Preliminary Official Statement, modified to reflect matters related to the sale of the Obligations, for distribution and use in connection with the offering and sale of the Obligations. The execution and delivery of such final Official Statement by the Authorized Representatives shall be conclusively deemed to evidence the approval of the status, form and contents thereof by the City Council.

Section 5. Trustee. The Trustee is requested to take any and all action necessary in connection with the execution and delivery of the Purchase Agreement and the Trust Agreement, the sale and execution and delivery of the Obligations 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 6. Purchase Agreement. The covenants and agreements contained in the Purchase Agreement as to the pledge of and the lien on revenues from Excise Taxes and the restriction on the issuance of further parity obligations secured by revenues from Excise Taxes are approved and confirmed.
- Section 7. Authorization. The Authorized Representatives and other officers of the City, on behalf of the City, are authorized and directed, without further order of the City Council, 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 City to evidence compliance with, or further the purposes of, all the terms and conditions of this resolution and the consummation of the transactions contemplated hereby and as may be necessary to carry out the terms and intent of this resolution.
- Section 8. Ratification of Actions. All actions of the officers and agents of the City 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 ratified, confirmed and approved.
- Section 9. Severability. 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. Emergency Clause. 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 Obligations 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 City Council and it is hereby excepted from the referendum provisions of the Constitution and laws of the State of Arizona. After any of the Obligations are delivered by the Trustee to the Underwriter or purchaser, as applicable, 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 City Council of the City of Chandler, Arizona, this 19th day of October, 2023.

ATTEST:

CITY CLERK

MAYOR

CERTIFICATION

I HEREBY CERTIFY that the above and foregoing Resolution No. 5732 was duly passed and adopted by the City Council of the City of Chandler, Arizona, at a regular meeting held on the 19th day of October, 2023 and that a quorum was present thereat.

CITY CLERK

APPROVED AS TO FORM:

CITY ATTORNEY

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