

RESOLUTION NO. 2021-2135

RESOLUTION OF THE MAYOR AND CITY COUNCIL OF THE CITY OF GOODYEAR, ARIZONA, AUTHORIZING THE EXECUTION AND DELIVERY OF AN AGREEMENT, A TRUST AGREEMENT, A DEPOSITORY TRUST AGREEMENT, A CONTINUING DISCLOSURE CERTIFICATE, AN OBLIGATION PURCHASE AGREEMENT AND FORMS OF RELATED OBLIGATION DOCUMENTS; APPROVING A PRELIMINARY OFFICIAL STATEMENT; APPROVING THE SALE, EXECUTION AND DELIVERY OF TAXABLE EXCISE TAX REVENUE REFUNDING OBLIGATIONS, SERIES 2021, EVIDENCING A PROPORTIONATE INTEREST OF THE OWNERS THEREOF IN AN AGREEMENT BETWEEN THE CITY OF GOODYEAR, ARIZONA AND A TRUSTEE; AUTHORIZING AND RATIFYING THE TAKING OF ALL OTHER ACTIONS NECESSARY TO THE CONSUMMATION OF THE TRANSACTIONS CONTEMPLATED BY THIS RESOLUTION.

WHEREAS, the City of Goodyear, Arizona Public Improvement Corporation has outstanding its Facilities Revenue Refunding Bonds, Series 2011A (the “*Series 2011A Bonds*”); and

WHEREAS, the City of Goodyear, Arizona (the “*City*”) now desires to refund and defease the outstanding portion of the Series 2011A Bonds (the “*Bonds Being Refunded*”) in advance of maturity through the issuance of not to exceed \$25,800,000 Taxable Excise Tax Revenue Refunding Obligations, Series 2021, to be dated no earlier than May 1, 2021 (the “*Obligations*”). The Obligations will be issued pursuant to a Trust Agreement, to be dated no earlier than May 1, 2021 (the “*Trust Agreement*”) between a trustee to be selected by the City Manager or her designee or the Finance Director or his designee (the “*Trustee*”) and the City, and will evidence a proportionate interest of the owners of the Obligations in payments made by the City pursuant to an Agreement, to be dated no earlier than May 1, 2021 (the “*Agreement*”), between the Trustee and the City; and

WHEREAS, the Trust Agreement will authorize the Trustee to apply the proceeds of the Obligations to (i) transfer a portion of the proceeds to a depository trustee to be selected by the City pursuant to Section 4 herein (the “*Depository Trustee*”), and such Depository Trustee shall apply the proceeds in accordance with a depository trust agreement in substantially the form now on file with the City Clerk, by and between the City and the Depository Trustee (the “*Depository Trust Agreement*”), in order prepay and defease the Bonds Being Refunded, (ii) fund the Payment Fund as created pursuant to the Trust Agreement, and (iii) pay the delivery costs of the Obligations; and

WHEREAS, a proposal in the form of an Obligation Purchase Agreement (the “*Obligation Purchase Agreement*”) has been received from Stifel, Nicolaus and Company, Incorporated (the “*Underwriter*”) for the purchase of the Obligations, and the City has determined to award the Obligations to the Underwriter in accordance with the Obligation Purchase Agreement; and

WHEREAS, in its role as Underwriter, the Underwriter is not acting as a municipal advisor as defined in the “Registration of Municipal Advisors” rule promulgated by the United States Securities and Exchange Commission; and

WHEREAS, Hilltop Securities Inc. serves as municipal advisor to the City; and

WHEREAS, the City will pay the payments and other amounts due under the Agreement from the City's Excise Tax Fund (as defined in the Agreement); and

WHEREAS, the City Clerk has presented to the Mayor and City Council of the City (the "*Council*") at this meeting the proposed forms of:

- (i) the Agreement;
- (ii) the Trust Agreement;
- (iii) the Depository Trust Agreement;
- (iv) the Obligation Purchase Agreement;
- (v) the Continuing Disclosure Certificate relating to the Obligations (the "*Continuing Disclosure Certificate*"); and
- (vi) a preliminary form of the Official Statement relating to the Obligations (the "*Preliminary Official Statement*").

Collectively, the foregoing documents are referred to herein as the "*Obligation Documents*."

NOW, THEREFORE, BE IT RESOLVED BY THE MAYOR AND COUNCIL OF THE CITY OF GOODYEAR, MARICOPA COUNTY, ARIZONA, AS FOLLOWS:

Section 1. Determination of Need. It is hereby found and determined that prepaying and defeasing the Bonds Being Refunded in advance of maturity pursuant to the terms of the Obligation Documents is in the best interest of and in furtherance of the purposes of the City and in the public interest.

Section 2. Terms of Obligations. The City hereby approves the execution and delivery of the Obligations, as hereinafter described, by the Trustee. The Obligations shall be executed in the aggregate principal amount of not to exceed \$25,800,000. The Obligations shall be in the denomination of \$5,000 or any integral multiples thereof, shall be dated as set forth in the Trust Agreement, shall bear interest from such date payable on the dates provided in the Trust Agreement, and shall be fully registered without coupons as provided in the Trust Agreement. The Obligations shall bear interest at the rates per annum set forth in the Trust Agreement and the Obligation Purchase Contract and shall mature on July 1 in some or all of the years 2021 through and including 2027, and in no event shall any of the Obligations mature later than July 1, 2027. The present value of the debt service savings, net of all costs associated with the Obligations shall be not less than 3.00% of the aggregate principal amount of the Bonds Being Refunded.

The forms, terms, interest rates, dated date, interest payment dates, maturity dates, maturity amounts, provisions for redemption and other provisions of the Obligations and the provisions for the signatures, authentication, payment, registration, transfer, exchange, redemption and number shall be as set forth in the Trust Agreement.

Section 3. Authorize Final Approval. The Mayor, any Council Member, the City Manager or the Finance Director of the City are each hereby authorized to approve the final interest rates, maturity dates, maturity amounts, purchase price and redemption provisions and cause the same to be set forth in the documents. The forms, terms and provisions of the Obligation Documents in substantially the form of such documents (including the exhibits thereto) now on file with the City Clerk are hereby approved, with such final provisions, insertions, deletions and changes as shall be approved by the Mayor, any Council Member, the City Manager or the Finance Director of the City, the execution of such document being conclusive evidence of such approval. The Mayor, any Council Member, the City Manager, the Finance Director and the City Clerk of the City are each hereby authorized and directed to execute and deliver, where applicable, or attest or approve the Obligation Documents and to take all action to carry out and comply with the terms of such documents.

Section 4. Selection of Trustee and Depository Trustee; Trustee and Depository Trustee Action. U.S. Bank National Association, Phoenix, Arizona, will act as, and is hereby designated as the Trustee. The City hereby requests the Trustee and Depository Trustee to take any and all action necessary in connection with the execution and delivery of the Agreement, the Trust Agreement, the Depository Trust Agreement, the Obligation Purchase Agreement and the sale, execution and delivery of the Obligations. The City further authorizes and directs the Trustee and Depository Trustee to enter into such agreements as may be reasonable for the administration of the trusts so held.

Section 5. Pledge of Excise Taxes. Pursuant to the Agreement and the Trust Agreement, the City shall pledge all amounts received from the imposition of unrestricted fines and forfeitures, license and permit fees, transaction privilege (sales) taxes, other transaction privilege, excise and business taxes, franchise fees and taxes, bed and rental taxes which the City now or in the future imposes and collects, and all state shared sales and income taxes and state revenue-sharing collected and allocated or apportioned, now or hereafter, to the City by the State of Arizona or any political subdivision thereof, or by any other governmental unit or agency and which are not required by State law, rule or regulation to be expended for other purposes, such as the motor vehicle fuel tax ("Excise Taxes") to the payments and other amounts to come due under the Agreement and the Trust Agreement. Excise Taxes shall not include revenue from development fees or building permits. The City may impose taxes, license fees and permit fees for restricted purposes, the revenues from which will not be Excise Taxes and will not be pledged to the payment of amounts due pursuant to the Agreement. The City's obligation to make any payments under the Agreement or the Trust Agreement does not constitute an obligation of the City or the State of Arizona, or any of its political subdivisions, for which the City or the State of Arizona, or any of its political subdivisions, is obligated to levy or pledge any form of ad valorem property taxation nor does the obligation to make any payments under the Agreement or the Trust Agreement constitute an indebtedness of the City or of the State of Arizona or any of its political subdivisions within the meaning of the Constitution of the State of Arizona or otherwise. The pledge will be on a parity with certain outstanding pledges of such Excise Taxes as described in the Trust Agreement.

Section 6. City to Maintain Coverage of Two Times Debt Service. Pursuant to the Agreement, the City will covenant and agree that the Excise Taxes which it presently imposes will continue to be imposed in each Fiscal Year (as defined in the Trust Agreement) so that the amount

of Excise Taxes, all within and for the next preceding Fiscal Year of City, shall be equal to at least two times the Annual Debt Service Requirement (as defined in the Trust Agreement) payable under the Agreement and under any Outstanding Parity Obligations (as defined in the Trust Agreement), for the current Bond Year (as defined in the Trust Agreement). The City will further covenant and agree that if such receipts for any Fiscal Year (as defined in the Trust Agreement) shall not equal at least two times such Annual Debt Service Requirement for such current Bond Year, or if at any time it appears that the current Fiscal Year's receipts will not be sufficient to meet the current Bond Year's actual Annual Debt Service Requirement, the City will either impose new Excise Taxes or will increase the rates of such taxes currently imposed in order that (i) the current Fiscal Year's receipts will be sufficient to meet the current Bond Year's Annual Debt Service Requirement and (ii) the then current Fiscal Year's receipts will be equal to at least two times the next succeeding Bond Year's Annual Debt Service Requirement.

Section 7. Resolution Irrepealable. After any of the Obligations are delivered by the Trustee to the Underwriter thereof upon receipt of payment therefor, this resolution shall be and remain irrepealable until the Obligations and the interest and premium, if any, thereon shall have been fully paid, cancelled and discharged.

Section 8. Ratification of Prior Actions; Execution of Documents and Other Proceedings. 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, execution and delivery of the Obligations as contemplated by this resolution and the Obligation Documents, whether heretofore or hereafter taken, are hereby ratified, confirmed and approved.

The Mayor, the City Clerk and the officers of the City, on behalf of the City, and the Trustee are each hereby authorized and directed, without further order of the Council, to execute and deliver such certificates, proceedings and agreements 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.

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.

Section 10. Waiver of Inconsistency. 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 11. Bond Insurance; Credit Enhancement. The Mayor, the City Manager, Finance Director and City Clerk of the City are each hereby authorized to purchase municipal bond insurance, surety bonds, reserve fund guaranties or other credit enhancement as may be deemed by the Finance Director of the City appropriate and beneficial, to pay or cause to be paid all premiums attendant thereto and to enter into any obligations or agreements on behalf of the City to repay amounts paid thereon by the providers thereof.

PASSED, ADOPTED AND APPROVED by the Mayor and City Council of the City of Goodyear, Arizona, this 22nd day of March, 2021.

Mayor

ATTEST:

City Clerk

APPROVED AS TO FORM:

Gust Rosenfeld P.L.C.

CERTIFICATION OF RECORDING OFFICER

STATE OF ARIZONA
COUNTY OF MARICOPA

I, the undersigned _____, being the duly appointed, qualified City Clerk of the City of Goodyear, Maricopa County, Arizona, certify that the foregoing Resolution No. 2021-2135 is a true, correct and accurate copy of Resolution No. 2021-2135, passed and adopted at a regular meeting of the Council of the City of Goodyear, Maricopa County, Arizona, held on March 22, 2021, at which a quorum was present and, by a ____ vote, ____ voted in favor of said resolution.

Given under my hand and sealed this 22nd day of March, 2021.

City Clerk