

RESOLUTION NO. 2020-2030

SIXTH SUPPLEMENTAL RESOLUTION SUPPLEMENTING AND AMENDING THE CITY OF GOODYEAR, ARIZONA, RESOLUTION NO. 99-662, DATED JANUARY 25, 1999, AS THEREAFTER AMENDED AND SUPPLEMENTED, (WHICH AUTHORIZES THE INCURRENCE OF WATER AND SEWER REVENUE REFUNDING AND IMPROVEMENT INDEBTEDNESS); AUTHORIZING THE EXECUTION AND DELIVERY OF CITY OF GOODYEAR, ARIZONA SUBORDINATE LIEN WATER AND SEWER REVENUE OBLIGATIONS, REFUNDING SERIES 2020, AND THE SALE THEREOF TO THE PURCHASER THEREOF; PRESCRIBING THE FORM AND OTHER DETAILS OF THE REFUNDING SERIES 2020 OBLIGATIONS; PROVIDING THAT SUCH REFUNDING SERIES 2020 OBLIGATIONS SHALL BE SUBORDINATE OBLIGATIONS AS DEFINED IN RESOLUTION NO. 99-662, AS AMENDED AND SUPPLEMENTED; APPROVING AND AUTHORIZING THE EXECUTION AND DELIVERY OF A TRUST AGREEMENT, AN AGREEMENT, AN OBLIGATION PURCHASE CONTRACT, A DEPOSITORY TRUST AGREEMENT, A CONTINUING DISCLOSURE CERTIFICATE, AN OFFICIAL STATEMENT AND FORMS OF RELATED DOCUMENTS; DELEGATING CERTAIN AUTHORITY TO THE FINANCE DIRECTOR AND OTHER OFFICERS OF THE CITY; AUTHORIZING THE TAKING OF ALL OTHER ACTIONS NECESSARY TO THE CONSUMMATION OF THE TRANSACTIONS CONTEMPLATED BY THIS SIXTH SUPPLEMENTAL RESOLUTION; AND DECLARING AN EMERGENCY.

WHEREAS, on January 25, 1999, the Mayor and Council of the City of Goodyear, Arizona (the "*City*") adopted Resolution No. 99-662 (as amended and supplemented, the "*Master Resolution*") pertaining to the incurrence by the City of Water and Sewer Revenue Refunding and Improvement Indebtedness, including the City's Water and Sewer Revenue Refunding and Improvement Bonds, Series 1999 (the "*1999 Bonds*"); and

WHEREAS, on April 27, 2009, the Mayor and Council of the City adopted Resolution No. 09-1304 pertaining to the issuance by the City of its Water and Sewer Revenue Refunding Bonds, Series 2009 (the "*2009 Bonds*"); and

WHEREAS, on December 7, 2009, the Mayor and Council of the City adopted Resolution No. 09-4308 pertaining to the execution and delivery of the City's Subordinate Lien Water and Sewer Revenue Obligations, Series 2010 (the "*2010 Subordinate Obligations*"); and

WHEREAS, on February 14, 2011, the Mayor and Council of the City adopted Resolution No. 11-1418 pertaining to the execution and delivery of the City's Subordinate Lien Water and Sewer Revenue Obligations, Series 2011 (the "*2011 Subordinate Obligations*"); and

WHEREAS, on March 28, 2016, the Mayor and Council of the City adopted Resolution No. 16-1744 pertaining to the execution and delivery of the City's Subordinate Lien Water and Sewer Revenue and Refunding Obligations, Series 2016 (the "*2016 Subordinate Obligations*"); and

WHEREAS, the Mayor and Council of the City have decided to provide for the refunding and, as applicable, redemption of all or a portion of the 2010 Subordinate Obligations on or prior to their respective maturity dates (the "*Obligations Being Refunded*"); and

WHEREAS, the Mayor and Council of the City desire to supplement and amend the Master Resolution to provide for the issuance of the Refunding Series 2020 Obligations (as defined herein); and

WHEREAS, pursuant to the Master Resolution and this Sixth Supplemental Resolution, the City will issue not to exceed \$15,000,000 aggregate principal amount of its Subordinate Lien Water and Sewer Revenue Obligations, Refunding Series 2020 (the "*Refunding Series 2020 Obligations*") to refund the Obligations Being Refunded; and

WHEREAS, the Mayor and Council of the City find that the issuance of not to exceed \$15,000,000 principal amount of Refunding Series 2020 Obligations for the purpose of refunding the Obligations Being Refunded is necessary and advisable, is in the best interests of the City, and will result in a debt service savings; and

WHEREAS, the City will receive a proposal for the purchase of the Refunding Series 2020 Obligations from Stifel, Nicolaus & Company, Incorporated (the "*Underwriter*") in the form of an obligation purchase contract presented by the City Clerk to the Mayor and Council of the City at this meeting (the "*2020 Subordinate Obligation Purchase Contract*"), and the Mayor and Council desire that the Refunding Series 2020 Obligations be sold through negotiation to the Underwriter on such terms as may hereafter be approved by the Finance Director of the City (the "*Finance Director*") with the advice of the firm of Hilltop Securities Inc., which will serve as the City's financial advisor with respect to the Refunding Series 2020 Obligations, and agreed to by the Underwriter; and

WHEREAS, the City Clerk has presented to the Mayor and Council of the City at this meeting (i) the proposed form of the hereafter defined 2020 Refunding Trust Agreement; (ii) the proposed form of the hereafter defined 2020 Refunding Agreement; (iii) the proposed form of the hereafter defined 2020 Refunding Depository Trust Agreement; (iv) the proposed form of the Continuing Disclosure Certificate to be dated the date of the Refunding Series 2020 Obligations (the "*Continuing Disclosure Certificate*"); (v) the proposed form of the 2020 Subordinate Obligation Purchase Contract; and (vi) a form of the Preliminary Official Statement relating to the Refunding Series 2020 Obligations (the "*2020 Preliminary Official Statement*"); and

WHEREAS, the Mayor and Council of the City is now empowered to proceed with authorizing the issuance and sale of the Refunding Series 2020 Obligations;

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 the issuance of not to exceed \$15,000,000 principal amount of Refunding Series 2020 Obligations for the purpose of refunding the Obligations Being Refunded pursuant to the terms of the Master

Resolution, this Sixth Supplemental Resolution, the 2020 Refunding Trust Agreement, the 2020 Refunding Agreement and the 2020 Subordinate Obligation Purchase Contract is in the best interest of and in furtherance of the purposes of the City and in the public interest.

Section 2. Authority. The Refunding Series 2020 Obligations are authorized to be issued in a total aggregate principal amount of not to exceed \$15,000,000 pursuant the Master Resolution, this Sixth Supplemental Resolution and other applicable provisions of law. The Master Resolution and this Sixth Supplemental Resolution shall stay in effect until all Refunding Series 2020 Obligations are fully paid or provided for and all Policy Costs (as defined in the Master Resolution) shall have been paid in full.

Section 3. Definitions. For purposes of this Sixth Supplemental Resolution and except as hereafter amended or added to, all definitions contained in the Master Resolution, are hereby incorporated by reference into this Sixth Supplemental Resolution as if fully set forth herein. Unless otherwise defined herein, initial capitalized terms shall have the meanings set forth in the Recitals hereto and in the Master Resolution. The following definitions are hereby amended or added to the Master Resolution and Sixth Supplemental Resolution:

"2020 Refunding Agreement" shall mean the Agreement between the City and U.S. Bank National Association dated as of April 1, 2020, or such later date as approved by the Finance Director.

"2020 Refunding Depository Trust Agreement" shall mean the Depository Trust Agreement between the City and U.S. Bank National Association, as depository trustee, dated as of _____, 2020, or such later date as approved by the Finance Director.

"2020 Refunding Trust Agreement" shall mean shall mean the Trust Agreement between the City and U.S. Bank National Association, as trustee, dated as of April 1, 2020, or such later date as approved by the Finance Director.

"2009 WIFA Loan" shall mean the Loan Agreement #91A129-10 dated August 28, 2009, between the City and Water Infrastructure Finance Authority of Arizona.

"Existing Subordinate Parity Obligations" shall mean the outstanding \$14,950,000 aggregate principal amount of the 2010 Subordinate Obligations, the outstanding \$13,310,000 aggregate principal amount of the 2011 Subordinate Obligations, and the outstanding \$8,590,000 aggregate principal amount of the 2016 Subordinate Obligations. Additionally, the City expects to issue the aggregate principal amount not to exceed \$128,000,000 of the City of Goodyear, Arizona, Subordinate Lien Water and Sewer Revenue Obligations, Series 2020 and the aggregate principal amount not to exceed \$15,000,000 of the City of Goodyear, Subordinate Lien Water and Sewer Revenue Obligations, Arizona, Taxable Refunding Series 2020, concurrently with the Refunding Series 2020 Obligations.

"Obligations" shall mean all of the obligations issued and outstanding under the Master Resolution and the Sixth Supplemental Resolution and all Parity Obligations hereafter issued, including the Refunding Series 2020 Obligations.

"Sixth Supplemental Resolution" shall mean this resolution.

Section 4. Authorization of Bonds or Obligations; Limited Obligation.

Section 3 of the Master Resolution is hereby amended as follows:

Authorization. No Bonds or Obligations may be issued under the provisions of the Master Resolution or any Supplemental Resolution except in accordance with the terms hereof. The City may sell, issue, and deliver or cause the sale and execution and delivery, as applicable, of one or more series of Senior Parity Bonds, Subordinate Obligations or Subordinate Parity Obligations for the purposes described herein, upon satisfaction of the conditions and in the manner provided herein. The Bonds and Obligations, including the 1999 Bonds, the 2009 WIFA Loan, the 2009 Bonds, the 2010 Subordinate Obligations, the 2011 Subordinate Obligations, the 2016 Subordinate Obligations, the Series 2020 Obligations, and the Refunding Series 2020 Obligations shall never be construed to be tax secured bonds of the City, as defined in Sections 9-521, 9-522 or 9-535.01, A.R.S., or general obligation bonds of the City within the meaning of Title 35, Chapter 3, Article 3, A.R.S., or constitute a debt of the City within the Constitution and laws of the State.

Section 5. Terms of Refunding Series 2020 Obligations and 2020 Refunding Agreement. The City hereby approves the execution and delivery by the Trustee of the Refunding Series 2020 Obligations. The Refunding Series 2020 Obligations are expected to be initially issued in fully registered book-entry-only form in amounts equal to the respective year's maturity amount. The Refunding Series 2020 Obligations shall be in denominations of \$5,000 of principal or any integral multiples in excess thereof, shall be dated the date of initial execution and delivery, shall mature on July 1 in any or all of the years 2020 through 2039 (except for 2021), inclusive, shall bear interest from such date payable on July 1 and January 1 of each year, commencing July 1, 2020, or such later date approved by the Finance Director, and shall be fully registered without coupons as provided in the 2020 Refunding Trust Agreement. The Refunding Series 2020 Obligations shall be subject to optional redemption or mandatory redemption as provided in the 2020 Subordinate Obligation Purchase Contract.

The Refunding Series 2020 Obligations shall bear interest at the rates per annum set forth in the 2020 Subordinate Obligation Purchase Contract, provided that the Refunding Series 2020 Obligations, in the aggregate, shall have a yield not exceeding 5.00%.

The Refunding Series 2020 Obligations will be on a parity with the Existing Subordinate Parity Obligations; however, the Refunding Series 2020 Obligations are subordinate to the City's Senior Bonds (as such term is defined in the Master Resolution), which are currently the 2009 Bonds outstanding in the amount of \$325,000 and the 2009 WIFA Loan outstanding in the amount of \$3,050,814.

The forms, terms, interest rates, maturity dates, maturity amounts and provisions of the Refunding Series 2020 Obligations shall be as set forth in the 2020 Refunding Trust Agreement and the provisions for the signatures, authentication, payment, registration, transfer, exchange, redemption and number shall be as set forth in the Master Resolution and the 2020 Refunding Trust Agreement.

The City is authorized to enter into the 2020 Refunding Trust Agreement and the 2020 Refunding Agreement with the Trustee in substantially the forms presented by the City Clerk. The terms, payment schedule, payment and prepayment options shall be as set forth in the 2020 Refunding Agreement.

Section 6. Acceptance of Offer; Sale of Refunding Series 2020 Obligations; 2020 Subordinate Obligation Purchase Contract Approval. The Underwriter will purchase all of the Refunding Series 2020 Obligations pursuant to the 2020 Subordinate Obligation Purchase Contract. When the final terms of the Refunding Series 2020 Obligations are known, the 2020 Subordinate Obligation Purchase Contract shall be finalized. The Mayor, any member of the Council, or the Finance Director are each hereby authorized and directed to cause the 2020 Subordinate Obligation Purchase Contract to be completed and executed; provided, however, that the parameters of this Sixth Supplemental Resolution shall govern the 2020 Subordinate Obligation Purchase Contract and none of the Mayor, any member of the Council or the Finance Director is authorized to insert in the 2020 Subordinate Obligation Purchase Contract any terms or conditions which would be contrary to this Sixth Supplemental Resolution. Upon the completion, execution and delivery of the 2020 Subordinate Obligation Purchase Contract, any or all of the Refunding Series 2020 Obligations are ordered sold to the Underwriter pursuant to the 2020 Subordinate Obligation Purchase Contract.

Section 7. Use of Proceeds. The proceeds will be applied as described in the 2020 Refunding Trust Agreement and the 2020 Refunding Depository Trust Agreement.

Section 8. Execution of Series 2020 Documents.

A. Trust Agreement. The form of 2020 Refunding Trust Agreement now on file with the City Clerk concerning the execution of the Refunding Series 2020 Obligations is hereby approved and the Mayor, any member of the Council or the Finance Director is each hereby authorized and directed to execute, and the City Clerk is hereby authorized and directed to attest, such contract on behalf of the City with such necessary and appropriate omissions, insertions and variations as are permitted or required hereby and are approved by such officer executing the contract. Execution and delivery by such officer shall constitute conclusive evidence of such approval.

B. Agreement. The form of 2020 Refunding Agreement now presented by the City Clerk to the Mayor and Council of the City at this meeting is hereby approved and the Mayor, any member of the Council or the Finance Director is each hereby authorized and directed to execute, and the City Clerk is hereby authorized and directed to attest, such contract on behalf of the City with such necessary and appropriate omissions, insertions and variations as are permitted or required hereby and are approved by such officer executing the contract. Execution and delivery by such officer shall constitute conclusive evidence of such approval.

C. Depository Trust Agreement. The form of 2020 Refunding Depository Trust Agreement now presented by the City Clerk to the Mayor and Council of the City at this meeting concerning the refunding of the Obligations Being Refunded is hereby approved and the Mayor, any member of the Council or the Finance Director is each hereby authorized and directed to execute, and the City Clerk is hereby authorized and directed to attest, such contract on behalf of the City with such necessary and appropriate omissions, insertions and variations as are

permitted or required hereby and are approved by such officer executing the contract. Execution and delivery by such officer shall constitute conclusive evidence of such approval.

D. Continuing Disclosure Certificate. The form of Continuing Disclosure Certificate now presented by the City Clerk to the Mayor and Council of the City at this meeting is hereby approved. The Mayor, any member of the Council or the Finance Director is each hereby authorized and directed to prepare, execute and deliver, such certificate on behalf of the City. Execution and delivery by such officer shall constitute conclusive evidence of approval of the Continuing Disclosure Certificate.

E. Official Statement. The preparation of a 2020 Preliminary Official Statement to be used in connection with the sale of the Refunding Series 2020 Obligations is hereby authorized and approved and its distribution by the Underwriter is hereby authorized and approved. The Mayor, any member of the Council or the Finance Director are hereby authorized to execute a certificate deeming the 2020 Preliminary Official Statement final for all purposes of Section 240.15c2-12, General Rules and Regulations, Securities Exchange Act of 1934 (the "Rule"). The City will cause a final official statement (the "*2020 Official Statement*") in substantially the form of the 2020 Preliminary Official Statement referred to above but with omissions permitted by the Rule completed to be prepared and distributed with the Refunding Series 2020 Obligations in accordance with the Rule. The Mayor, any member of the Council or the Finance Director is each hereby authorized to approve, execute and deliver the 2020 Official Statement on behalf of the City. Execution and delivery by such officer shall constitute conclusive evidence of such approval.

F. Authority. In the event the Mayor, the Finance Director, or any other officer of the City is unavailable or unable to discharge any obligation or duty with respect hereto, including the approval, execution or attestation of the documents, then any member of the Council may act in the capacity of such officer for the purpose of discharging such obligation or duty.

Section 9. Bond Insurance and Reserve Fund Guaranty. With respect to the Refunding Series 2020 Obligations, if the Finance Director determines that the purchase of a Bond Insurance Policy or a Reserve Fund Guaranty, or both, is in the best interests of the City, the Finance Director is hereby authorized and directed to purchase such Bond Insurance Policy or a Reserve Fund Guaranty, 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.

Section 10. Selection of Trustee; Trustee Action. U.S. Bank National Association, Phoenix, Arizona, will act as, and is hereby designated as, the Bond Registrar and Trustee with respect to the Refunding Series 2020 Obligations. The City hereby requests the Trustee to take any and all action necessary in connection with the execution and delivery of the 2020 Refunding Trust Agreement, the 2020 Refunding Agreement, 2020 Refunding Depository Trust Agreement, the 2020 Subordinate Obligation Purchase Contract and the execution, delivery and sale of the Refunding Series 2020 Obligations. The Trustee is also requested and directed to take any and all action necessary to refund the Obligations Being Refunded.

Section 11. Resolution Irrepealable. After any of the Refunding Series 2020 Obligations are delivered by the Trustee to the Underwriter thereof upon receipt of payment therefor, the Master Resolution and this Sixth Supplemental Resolution shall be and remain irrepealable until the Refunding Series 2020 Obligations and the interest and premium, if any, thereon shall have been fully paid, cancelled and discharged.

Section 12. Resolution a Contract. The provisions of the Master Resolution, as amended and supplemented by this Sixth Supplemental Resolution, are deemed incorporated into the Refunding Series 2020 Obligations themselves and shall constitute a contract among the City, the Refunding Series 2020 Obligations Insurer, if any, the Refunding Series 2020 Obligations Reserve Fund Guarantor, if any, and the Owner or Owners and, after the issuance of any of the Refunding Series 2020 Obligations, no change, variation or alteration of any kind in the provisions of the Master Resolution or this Sixth Supplemental Resolution shall be made in any manner, except as provided in Sections 17 and Section 18 of the Master Resolution or until such time as all of the Refunding Series 2020 Obligations and interest due thereon have been paid in full.

To the extent applicable by provision of law, and to the extent this Sixth Supplemental Resolution constitutes a contract, this Resolution is subject to cancellation pursuant to A.R.S. Section 38-511, as amended, the provisions of which are incorporated herein as if herein fully set forth.

Section 13. Additional Covenants. The City, in consideration of the purchase of the Refunding Series 2020 Obligations by the Owners thereof, covenants to take all actions and do all things within its power to create, perfect and enforce the pledge of revenues supporting the Refunding Series 2020 Obligations and any additional Parity Obligations hereafter issued. The City further covenants and agrees to take all actions and do all things within its power to maintain the priority of the Owners of the Refunding Series 2020 Obligations as holding a lien on the Net Revenues.

Section 14. Severability. If any section, paragraph, clause or phrase of the Master Resolution or this Sixth Supplemental 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 the Master Resolution or this Sixth Supplemental Resolution.

Section 15. Ratification of Actions. All actions of the officers and agents of the City that conform to the purposes and intent of this Sixth Supplemental Resolution and the Master Resolution, and which further the issuance and sale of the Refunding Series 2020 Obligations, as contemplated by this Sixth Supplemental Resolution and the Master Resolution, whether heretofore or hereafter taken, shall be and are ratified, confirmed and approved.

Section 16. 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 17. **Emergency.** To permit the immediate sale of the Refunding Series 2020 Obligations in order to avoid fluctuations in the bond market and to have the necessary funds available to refund the Obligations Being Refunded, the immediate operation of the provisions of this Sixth Supplemental Resolution is necessary for the preservation of the public peace, health and safety and an emergency is hereby declared to exist and this Sixth Supplemental Resolution will be in full force and effect from and after its passage by the Mayor and Council and it is hereby excepted from the referendum provisions of the Constitution.

PASSED, ADOPTED AND APPROVED by the Mayor and Council of the City of Goodyear, Arizona, this 24th day of February, 2020.

Georgia Lord, Mayor

ATTEST:

APPROVED AS TO FORM:

Darcie McCracken, City Clerk

Timothy A. Stratton
Gust Rosenfeld P.L.C., Special Counsel

CERTIFICATION OF RECORDING OFFICER

STATE OF ARIZONA

County of Maricopa

I, the undersigned Darcie McCracken, being the duly appointed, qualified City Clerk of the City of Goodyear, Maricopa County, Arizona, certify that the foregoing Resolution No. 2020-2030 is a true, correct and accurate copy of Resolution No. 2020-2030, passed and adopted at a regular meeting of the Council of the City of Goodyear, Maricopa County, Arizona, held on February 24, 2020, at which a quorum was present and, by a _____ vote, ____ voted in favor of said resolution.

Given under my hand and sealed this 24th day of February, 2020.

seal

City Clerk

[Signature page to Authorizing Resolution for Refunding Series 2020 Obligations]