

RESOLUTION NO. 2024-13

RESOLUTION OF THE MAYOR AND COUNCIL OF THE CITY OF SEDONA, ARIZONA, APPROVING AND AUTHORIZING THE EXECUTION AND DELIVERY OF A SIXTH PURCHASE AGREEMENT, A SIXTH 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 NOT TO EXCEED \$18,000,000 PRINCIPAL AMOUNT OF EXCISE TAX REVENUE OBLIGATIONS, SERIES 2024, EVIDENCING A PROPORTIONATE INTEREST OF THE OWNERS THEREOF IN SUCH PURCHASE AGREEMENT; APPROVING AN OFFICIAL STATEMENT; 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 of the City of Sedona, Arizona (the "City"), have determined that it will be beneficial to its citizens to finance the costs of street and transportation improvements and parking garage projects and related capital improvements in and for the City (collectively, the "Project"); and

WHEREAS, in order to finance the costs of the Project, the Mayor and Council of the City hereby deem it necessary and desirable to provide for the sale and execution and delivery of Excise Tax Revenue Obligations, Series 2024, Evidencing a Proportionate Interest of the Owner Thereof in Purchase Price Payments to be Made by the City to a trustee bank to be determined as provided herein, as trustee (the "Trustee" and such Obligations, the "Obligations") provided for by this Resolution pursuant to the Sixth Trust Agreement, to be dated as of the first day of the month of the dated date of the Obligations established as provided herein (the "Trust Agreement"), between the Trustee and the City, such purchase payments to be made pursuant to the Sixth Purchase Agreement, to be dated as of the first day of the month of the dated date of the Obligations established as provided herein (the "Purchase Agreement"), between the City and the Trustee, in its separate capacity as "Seller"; and

WHEREAS, the Mayor and Council of the City will receive a proposal from Stifel, Nicolaus & Company, Incorporated, serving in the capacity of and designated as the underwriter (the "Underwriter"), and not acting as a municipal advisor as defined in the Registration of Municipal Advisors Rule of the Securities and Exchange Commission, and has determined that the Obligations should be sold through negotiation to the Underwriter on such terms as may hereafter be approved by the Authorized Representatives (as defined herein) pursuant to the Strategic Alliance of Volume Expenditures (SAVE) Cooperative Response Proposal #C-005-1718; and

WHEREAS, there have been presented to the Mayor and Council of the City at the meeting of the Mayor and Council of the City at which this Resolution is being adopted the proposed forms of: (1) the Purchase Agreement; (2) the Trust Agreement; (3) the Continuing Disclosure Undertaking, to be dated the date of the Obligations (the "Undertaking"), to be executed and delivered by the City for purposes of Rule

15c2-12(b)(5) adopted by the Securities and Exchange Commission under the Securities Exchange Act of 1934, as amended (the "Rule"); (4) an Obligation Purchase Agreement, to be dated the date of the sale of the Obligations (the "Purchase Contract"), by and between the City and the Underwriter, for the purchase of the Obligations; and (5) 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.

NOW, THEREFORE, BE IT RESOLVED BY THE MAYOR AND COUNCIL OF THE CITY OF SEDONA, ARIZONA, THAT:

Section 1. (a) The execution and delivery of the Obligations by the Trustee is hereby approved. The Obligations shall be in the denominations and shall be fully registered without coupons as provided in the Trust Agreement.

(b) The Mayor and the City Manager or the designees of either of them (collectively, the "Authorized Representatives") are hereby authorized to determine on behalf of the City: (1) the entity to serve as the Trustee; (2) the date the Obligations are to be sold to the Underwriter; (3) the aggregate principal amount of the Obligations which are to be issued (but not to exceed \$18,000,000 in aggregate principal amount); (4) the date the Obligations are to be dated; (5) the dates on which interest on the Obligations is to be payable and the interest rates per annum the Obligations are to bear; (6) the dates the Obligations are to mature (but not later than a final maturity in 2054), the principal amounts to mature on such dates and the provisions for redemption thereof in advance of such dates; (7) the terms upon which the Obligations are to be sold to the Underwriter (including determinations of price, original issue discount and premium and underwriting compensation); and (8) the provisions pursuant to which the Obligations are to be credit enhanced (including determinations with respect to bond insurance, if any, for the Obligations); provided, however, that such determinations must result in a yield for federal income tax purposes of not to exceed five and one-quarter percent (5.25%) with respect to the Obligations.

(c) 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 hereby approved.

Section 2. The Obligations are to be sold to the Underwriter pursuant to the terms of the Purchase Contract, as such terms are to be determined as provided hereinabove.

Section 3. The forms, terms and provisions of the Purchase Agreement, the Trust Agreement, the Purchase Contract and the Undertaking, in substantially the forms of such documents (including the Obligations and other exhibits thereto) presented at the meeting of the Mayor and Council of the City at which this Resolution is being adopted, are hereby approved, with such final provisions, insertions, deletions and changes as shall be approved by the Mayor or, in the absence thereof, Vice Mayor, and in the case of the Purchase Contract, the City Manager, the execution of each such document being

conclusive evidence of such approval, and the Mayor or, in the absence thereof, Vice Mayor, and in the case of the Purchase Contract, the City Manager, and the City Clerk are hereby authorized and directed, for and on behalf of the City, to execute and deliver and attest, where applicable, or approve the Purchase Agreement, the Trust Agreement, the Purchase Contract and the Undertaking and to take all action to carry out and comply with the terms of such documents.

Section 4. The distribution of the Preliminary Official Statement by the Underwriter is approved, and the Official Statement in substantially the form of the Preliminary Official Statement, with such changes or revisions therein from the form of the Preliminary Official Statement as may be approved by the Authorized Representatives, is approved, and the Authorized Representatives are authorized, empowered and directed, in the name and on behalf of the City, to execute and deliver the same to the Underwriter and to execute and deliver instruments confirming that the Preliminary Official Statement is “deemed final” in accordance with the Rule.

Section 5. The Mayor and Council of the City hereby request that the Trustee (including in its capacity as Seller) take any and all action necessary in connection with the execution and delivery of the Purchase Agreement and the Trust Agreement and the sale and execution and delivery of the Obligations and further authorizes and directs the Trustee to enter into such agreements as may be reasonable for the administration of the trusts so held by it.

Section 6. The covenants and agreements contained in the Purchase Agreement as to the pledge of and the lien on the Excise Taxes (as defined in the Purchase Agreement) and the restriction on the issuance of further parity obligations secured by the Excise Taxes are approved and confirmed.

Section 7. After any of the Obligations are delivered by the Trustee to the Underwriter 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.

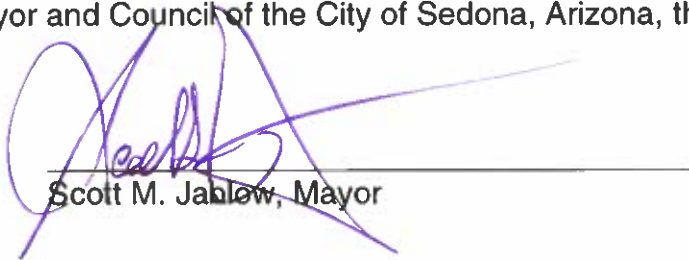
Section 8. The Authorized Representatives and the other officers of the City, on behalf of the City, are each hereby authorized and directed, without further order of the Mayor and Council of the City, to do all such things and to execute and deliver such certificates, proceedings and agreements as may 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 and the consummation of the transactions contemplated by the Preliminary Official Statement.

Section 9. 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 hereby ratified, confirmed and approved.

Section 10. 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.

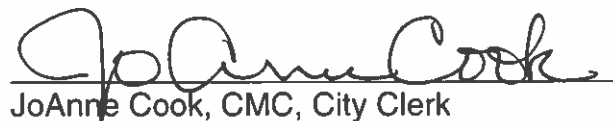
Section 11. The immediate operation of the provisions of this Resolution is necessary for the preservation of the public peace, health and safety, particularly to immediately sell the Obligations to secure the best, available economic terms therefor, and an emergency is hereby declared to exist, and this Resolution will be in full force and effect from and after its passage by the Mayor and Council of the City and it is hereby excepted from the referendum provisions of the Constitution and laws of the State of Arizona.

PASSED AND ADOPTED by the Mayor and Council of the City of Sedona, Arizona, this 11th day of June 2024.



Scott M. Jablow, Mayor

ATTEST:



JoAnne Cook, CMC, City Clerk

APPROVED AS TO FORM:



Kurt W. Christianson, City Attorney