

**RESOLUTION NO. 13-07**

**RESOLUTION OF THE MAYOR AND COMMON COUNCIL OF THE TOWN OF SNOWFLAKE, ARIZONA (1) PROVIDING FOR THE SALE AND EXECUTION AND DELIVERY PURSUANT TO A FIRST EXCISE TAX TRUST AGREEMENT OF EXCISE TAX REVENUE REFUNDING OBLIGATIONS, SERIES 2013, EVIDENCING PROPORTIONATE INTERESTS OF THE HOLDERS THEREOF IN INSTALLMENT PAYMENTS OF THE PURCHASE PRICE TO BE PAID BY THE TOWN OF SNOWFLAKE, ARIZONA, PURSUANT TO A FIRST EXCISE TAX PURCHASE AGREEMENT; (2) AUTHORIZING THE COMPLETION, EXECUTION AND DELIVERY WITH RESPECT THERETO OF AGREEMENTS NECESSARY OR APPROPRIATE AS PART OF REFINANCING THE ACQUISITION OF CERTAIN EQUIPMENT AND PAYING RELATED FINANCING COSTS; (3) DELEGATING TO THE MAYOR, THE TOWN MANAGER AND THE FINANCE AND BUDGET DIRECTOR CERTAIN AUTHORITY WITH RESPECT TO THE PURPOSES HEREOF; (4) AUTHORIZING THE FINANCE AND BUDGET DIRECTOR TO EXPEND ALL NECESSARY FUNDS THEREFOR AND (5) DECLARING AN EMERGENCY**

WHEREAS, the Mayor and Common Council of the Town of Snowflake, Arizona (the "Town"), have determined to refinance the Series 2003 Town Lease, dated as of May 1, 2003 (the "Town Lease"), entered into between U.S. Bank National Association and the Town which was entered into for the purpose of refunding certain outstanding capital leases which financed, and financing new, equipment for the Town (the "Refinanced Equipment") by entering into a First Excise Tax 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 "First Excise Tax Purchase Agreement"), in substantially the form presented at the meeting at which this Resolution was adopted, by which the Town will agree to purchase the Projects; and

WHEREAS, the acquisition of the Refinanced Equipment will be financed through the sale and execution and delivery of certain proportionate interests (hereinafter referred to as the "Series 2013 Obligations") in the First Excise Tax Purchase Agreement pursuant to, and secured by, a First Excise Tax Trust Agreement, to be dated as of the date of the First Excise Tax Purchase Agreement (hereinafter referred to as the "First Excise Tax Trust Agreement"), from the Town to The Bank of New York Mellon Trust Company, N.A. (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 Town has the requisite power and authority to execute and deliver the First Excise Tax 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 Town 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 First Excise Tax Purchase Agreement a valid and binding limited, special obligation of the Town;

NOW, THEREFORE, BE IT RESOLVED BY THE MAYOR AND COMMON COUNCIL OF THE TOWN OF SNOWFLAKE, ARIZONA, as follows:

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

(a) For the purpose of providing funds to finance the costs of the acquisition of the Refinanced Equipment 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 and shall be issued in such form and denominations, shall be executed in such manner and shall have such other provisions as set forth in the form of the First Excise Tax 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 aggregate principal amount of the Series 2013 Obligations (but not to exceed \$2,300,000) and the dates the same shall be payable and prepayable, the period over which the Series 2013 Obligations shall mature (but not later than July 1, 2022), the date on and price at which the Series 2013 Obligations shall be sold (including provisions for any discount) and the entity to which they shall be sold and the rates of interest the Series 2013 Obligations shall bear (but, except in the case of default or an event of taxability, not greater than 2.1 percent) and the dates the same shall be payable shall be determined by the Mayor, the Town Manager or the Finance and Budget Director of the Town or the designees of any of them (hereinafter referred to as, collectively, the “Authorized Representatives”) to which such authority is hereby delegated. (The Town Lease shall be prepaid on the earliest available date.)

(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 First Excise Tax Purchase Agreement and the First Excise Tax Trust 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 Town, 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 First Excise Tax Purchase Agreement and the First Excise Tax Trust Agreement to accomplish the purposes hereof.

(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 First Excise Tax Purchase Agreement and the First Excise Tax Trust Agreement. The Finance and Budget 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. Severability. All actions of the officers, employees and agents of the Town including the Council which conform to the purposes and intent of this Resolution and which further the issuance and sale of the Series 2013 Obligations as 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 Town are hereby authorized and directed to do all such acts and things and to execute and deliver all such documents on behalf of the Town as may be necessary to carry out the terms and intent of this Resolution.

Section 3. Ratification of Actions. All actions of the officers, employees and agents of the Town including the Council 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 Town are hereby authorized and directed to do all such acts and things and to execute and deliver all such documents on behalf of the Town as may be necessary to carry out the terms and intent of this Resolution.

Section 4. 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 Town 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 Mayor and Common Council of the Town, as required by law, and it is hereby exempt from the referendum provisions of the Constitution and laws of the State of Arizona.

PASSED, ADOPTED, AND APPROVED this 25th day of June, 2013.

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Mayor, Town of Snowflake, Arizona

ATTEST:

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Clerk, Town of Snowflake, Arizona

APPROVED AS TO FORM:

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Town Attorney, Town of Snowflake, Arizona

CERTIFICATION

I hereby certify that the foregoing Resolution No. \_\_\_\_\_ was duly passed and adopted by the Mayor and Council of the Town of Snowflake, Arizona, at a regular meeting held on the 25th day of June, 2013, and the vote was ..... ayes and ..... nays and that the Mayor and ..... Councilmembers were present thereat.

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Clerk, Town of Snowflake, Arizona