

**RESOLUTION NO. 12486**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MESA, ARIZONA, AUTHORIZING THE SALE, EXECUTION AND DELIVERY OF UTILITY SYSTEMS REVENUE REFUNDING OBLIGATIONS, SERIES 2026, TO REFINANCE THE COSTS OF CERTAIN IMPROVEMENTS TO THE CITY'S UTILITY SYSTEMS AND TO PAY RELATED COSTS OF DELIVERY; APPROVING THE FORM AND AUTHORIZING THE COMPLETION, SIGNING AND DELIVERY OF AN INSTALLMENT PURCHASE AGREEMENT, A TRUST AGREEMENT, A PURCHASE CONTRACT AND A CONTINUING DISCLOSURE UNDERTAKING IN CONNECTION THEREWITH; PROVIDING FOR THE CITY TO PAY INSTALLMENT PAYMENTS FROM PLEDGED REVENUES OF THE CITY'S UTILITY SYSTEMS TO REFINANCE THE PURCHASE OF THE IMPROVEMENTS; APPOINTING A TRUSTEE FOR THE OBLIGATIONS; DELEGATING THE AUTHORITY TO APPROVE CERTAIN MATTERS WITH RESPECT TO THE OBLIGATIONS; DELEGATING THE AUTHORITY TO APPROVE AND DEEM FINAL A FORM OF OFFICIAL STATEMENT; AUTHORIZING THE REDEMPTION OF THE UTILITY BONDS BEING REFUNDED; AND RATIFYING ALL ACTIONS TAKEN AND TO BE TAKEN WITH RESPECT TO THE OBLIGATIONS IN FURTHERANCE OF THIS RESOLUTION.**

**WHEREAS**, pursuant to Title 9, Chapter 5, Article 2 of the Arizona Revised Statutes, as amended, the City of Mesa, Arizona (the "*City*"), is authorized to construct, purchase, acquire, own and maintain its water, wastewater, electrical, natural gas and solid waste systems (collectively, the "*System*"); and

**WHEREAS**, pursuant to Resolution No. 6362, passed and adopted by the City Council of the City (the "*City Council*") on July 29, 1991 (as thereafter amended and supplemented, the "*Master Bond Resolution*"), and Title 9, Chapter 5, Article 3 of the Arizona Revised Statutes, as amended, the City has authorized the sale and issuance of various series of its utility systems revenue bonds and utility systems revenue refunding bonds, and has authorized loans with the Water Infrastructure Finance Authority of Arizona (collectively, the "*Utility Bonds*"); and

**WHEREAS**, for purposes of making improvements, additions, extensions, replacements or repairs to the System, the Master Bond Resolution provides for the application of certain revenues of the System to the payment of obligations junior in lien to the Utility Bonds; and

**WHEREAS**, the City previously authorized the execution and delivery of the (i) Installment Purchase Agreement, dated as of June 1, 2021 (the "*2021 Purchase Agreement*"), in connection with the execution and delivery of the Utility Systems Revenue Obligations, Series 2021, (ii) Installment Purchase Agreement, dated as of June 1, 2022 (the "*2022 Purchase*

*Agreement*”), in connection with the execution and delivery of the Utility Systems Revenue Obligations, Series 2022A and Utility Systems Revenue Obligations, Taxable Series 2022B, (iii) Installment Purchase Agreement, dated as of August 1, 2022 (the “*2022C Purchase Agreement*”), in connection with the execution and delivery of the Utility Systems Revenue Refunding Obligations, Series 2022C, (iv) Installment Purchase Agreement, dated as of December 1, 2023 (the “*2023 Purchase Agreement*”), in connection with the execution and delivery of the Utility Systems Revenue Obligations, Series 2023, and (v) Installment Purchase Agreement, dated as of May 1, 2025 (the “*2025 Purchase Agreement*”), in connection with the execution and delivery of the Utility Systems Revenue Obligations, Series 2025 (the *2025 Purchase Agreement*, collectively with the 2021 Purchase Agreement, the 2022 Purchase Agreement, the 2022C Purchase Agreement, and the 2023 Purchase Agreement, the “*Parity Obligations*”); and

**WHEREAS**, the City Council hereby finds and determines that it is desirable and necessary and in the best interests of the City and the public interest that obligations be incurred and sold, and the proceeds thereof be used to refund or redeem all or a portion of the Utility Bonds on or prior to their respective maturity dates (the “*Utility Bonds Being Refunded*”) to generate debt service savings for the City; and

**WHEREAS**, in accordance with this Resolution the City Council will authorize the Authorized Representatives (as defined herein), upon consultation with the Municipal Advisor (as defined herein), to determine which of the Utility Bonds shall constitute the Utility Bonds Being Refunded; and

**WHEREAS**, the Utility Bonds Being Refunded financed certain improvements to the System which remain unacquired by the City (the “*Existing Project*”); and

**WHEREAS**, the City Council hereby finds and determines that it is desirable and necessary and in the best interests of the City that obligations be incurred and sold, and the proceeds thereof be used to refinance the acquisition of title to or interests in the Existing Project; and

**WHEREAS**, therefore, the City Council has determined to cause the execution and delivery of an Installment Purchase Agreement, to be dated as of the first day of the month in which the hereinafter described Obligations are dated (the “*Installment Purchase Agreement*”), in substantially the form now on file with the City Clerk, by which the City will agree to purchase the Existing Project; and

**WHEREAS**, the Existing Project will be refinanced through the sale and execution and delivery of securities , in one or more tax-exempt and/or taxable series (the “*Obligations*”), representing proportionate interests in the Installment Purchase Agreement pursuant to, and secured by, a Trust Agreement, to be dated as of the date of the Installment Purchase Agreement (the “*Trust Agreement*”), by and between the City and UMB Bank, n.a., as trustee (including any successor thereto, the “*Trustee*”), in substantially the form now on file with the City Clerk; and

**WHEREAS**, the firm of Hilltop Securities Inc. will serve as the City’s municipal advisor (the “*Municipal Advisor*”) with respect to advising the City as to which of the Utility Bonds will constitute the Utility Bonds Being Refunded and with respect to the sale of the Obligations; and

**WHEREAS**, in accordance with this Resolution, the City Council will authorize the Authorized Representatives of the City to select one or more financial institutions (the “*Underwriter*”) and the City will receive a proposal from the Underwriter in the form of an obligation purchase agreement substantially similar to the form previously entered into by the City in connection the issuance of the Parity Obligations (the “*Purchase Contract*”); and

**WHEREAS**, within and by the parameters set forth in this Resolution, the City Council will authorize the execution, issuance and sale of the Obligations and their delivery to the Underwriter in accordance with the Purchase Contract and at such prices, interest rates, maturities and redemption features as may be hereafter determined by the Authorized Representatives, with the advice of the Municipal Advisor, and agreed to by the Underwriter; 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 Installment 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*”); (4) the Purchase Contract; 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; and

**WHEREAS**, by this Resolution the City Council authorizes the execution and delivery of the Installment Purchase Agreement, the Trust Agreement, the Purchase Contract, the Undertaking and other necessary documents, the execution and delivery of the Obligations by the Trustee, and the sale and delivery of the Obligations to the Underwriter; and

**WHEREAS**, the City has the requisite power and authority to execute and deliver the Installment Purchase Agreement and to cause the sale, execution and delivery of the Obligations, and all acts, conditions and things required by the Constitution and laws of the State of Arizona (the “*State*”) and the requirements of the City to happen, exist and be performed precedent to and in the adoption of this Resolution have happened, exist and been performed as so required to make the Installment Purchase Agreement a valid and binding limited, special obligation of the City;

**NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF MESA, MARICOPA COUNTY, ARIZONA, AS FOLLOWS:**

**Section 1. Authorization and Terms.**

A. The Trustee is hereby authorized and directed to execute and deliver the Obligations, the Installment Purchase Agreement, the Trust Agreement and any other necessary agreement, certificate or instrument to accomplish the purposes in this Resolution.

B. The Obligations shall be issued to pay the aggregate principal and interest due on the Utility Bonds Being Refunded and to pay the delivery costs of the Obligations. The present value of the debt service savings, net of costs associated with the Obligations, must exceed three percent (3.00%) of the debt service amount of the Utility Bonds Being Refunded.

C. 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 \$225,000,000; (3) which of the Utility Bonds shall constitute the Utility Bonds Being Refunded; (4) whether all or any portion of the Obligations will be sold on a taxable basis; (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 July 1, 2045), the principal amounts to mature on such dates and the provisions for redemption thereof in advance of such dates; (7) the entity or entities to serve as Underwriter, 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 (8) 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 in the Purchase Contract.

D. The Authorized Representatives, upon consultation with the Municipal Advisor, are 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 such an insurance policy from one or more institutions, with the premium for such insurance policy to be payable from proceeds of the Obligations or otherwise. 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.

E. The Authorized Representatives are each hereby further authorized, consistent with this Resolution, to execute, and the City Clerk is hereby authorized to attest, as applicable, the Installment Purchase Agreement, the Trust Agreement, the Undertaking, and the

Purchase Contract, and which are hereby approved, with such additions, deletions and modifications as are consistent with this Resolution and as shall be approved by those Authorized Representatives executing and delivering the same on behalf of the City, and such approval shall be evidenced by the execution and delivery thereof.

F. A portion of the proceeds of the Obligations will be transferred, together with certain funds of the City, if any, required to pay the Utility Bonds Being Refunded, to UMB Bank, n.a., as the bond registrar and paying agent of the Utility Bonds Being Refunded (the “*Prior Registrar*”), and shall be used to pay, when due, the principal of and interest and premium on the Utility Bonds Being Refunded. Such proceeds will be held by the Prior Registrar uninvested at the direction of the City pursuant to a letter of instruction and shall be sufficient to pay the principal of and premium and interest on the Utility Bonds Being Refunded as the same becomes due at maturity or prior redemption. Alternatively, Authorized Representatives are hereby delegated the authority to determine whether the City will enter into an escrow trust agreement (“*Escrow Trust Agreement*”) to facilitate the refunding and redemption of the Utility Bonds Being Refunded. The Authorized Representatives may consult with the Municipal Advisor and Special Counsel (as defined herein) in order to make such determination. If so determined by the Authorized Representatives, a portion of the proceeds from the sale of the Obligations, together with certain funds of the City, if any, shall be deposited in an escrow trust fund to be established and maintained by UMB Bank, n.a., or other financial institution selected by the Authorized Representatives, as escrow trustee. The form of the Escrow Trust Agreement shall be similar to agreements entered into by the City previously for such purposes in connection with the refunding and redemption of other bonds of the City, and the form of such Escrow Trust Agreement is hereby approved. Amounts deposited to the trust pursuant to the Escrow Trust Agreement, other than any initial cash balance, shall be invested immediately in obligations issued or guaranteed by the United States of America, the maturing principal of and interest on which, together with any initial cash balance, shall be sufficient to pay the principal of and premium and interest on the Utility Bonds Being Refunded as the same becomes due at maturity or prior redemption as provided herein. In connection herewith, the Authorized Representatives are hereby authorized to determine whether the services of a verification agent are necessary, to consult with the Municipal Advisor and Special Counsel regarding the same, and the City may engage a verification agent to verify the sufficiency of the moneys and obligations held in trust pursuant to the Escrow Trust Agreement. Furthermore, the Authorized Representatives are hereby authorized to determine whether the City will enter into an agreement with a bidding agent to obtain the obligations that will be deposited in the trust.

G. The series designation of the Obligations may change if the Obligations are not sold in calendar year 2026, if all or a portion of the Obligations are sold on a taxable basis, or as otherwise approved by the Authorized Representatives.

## **Section 2. Acceptance of Proposals.**

A. Subject to the discretion delegated by Section 1.C. hereof, the Authorized Representatives are hereby authorized to select the Underwriter and 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 City, and the Obligations are hereby ordered to be sold to the

Underwriter in accordance with the terms of the Purchase Contract, in substantially the form now on file with the City Clerk. The Authorized Representatives are hereby authorized to execute and deliver the Purchase Contract, for and on behalf of the City, in a form and substance satisfactory to the Authorized Representatives, the Municipal 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 by the Authorized Representatives.

B. The Authorized Representatives are hereby authorized to cause the Obligations to be executed and delivered to the Underwriter pursuant to the Purchase Contract, 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. The Obligations shall be prepared, executed and delivered upon payment therefor to, or upon the order of, the Underwriter in accordance with the Trust Agreement and the Purchase Contract.

C. The Authorized Representatives are hereby authorized to select, and execute and deliver contracts with, appropriate professionals including, without limitation, the Municipal Advisor and Special Counsel, to provide professional services related to the sale, execution and delivery of the Obligations, and to provide for such other matters including, without limitation, credit enhancement, as are necessary in order to accomplish the purposes of this Resolution; and

D. The fees, costs and expenses with respect to the foregoing shall be paid from proceeds of the sale of the Obligations or any other legally available moneys of the City. The Deputy City Manager/Chief Financial Officer of the City is hereby authorized and directed to receive and expend such funds as necessary to accomplish the purposes of this Resolution, including payment of the installment payments due from the City under the Installment Purchase Agreement related to debt service on the Obligations.

**Section 3. Execution and Delivery of Documents and Obligations.**

A. The Authorized Representatives are each hereby authorized and directed to determine on behalf of the City and then to take any action, make any modification of documents, enter into any agreements, make any elections or certifications and pay any delivery costs necessary to provide for the sale, execution and delivery of the Obligations, and, to comply with the requirements of the Internal Revenue Code of 1986, as amended, and the terms of the Obligations and any agreements related thereto, including causing the Obligations to be executed and delivered in multiple series, to the extent consistent with this Resolution.

B. The Authorized Representatives are each hereby authorized, consistent with this Resolution, to execute, and the City Clerk is hereby authorized to attest, as applicable, the Installment Purchase Agreement, the Trust Agreement, the Purchase Contract and the Undertaking, which are hereby approved, with such additions, deletions and modifications as are consistent with this Resolution and as shall be approved by those Authorized Representatives executing and delivering the same on behalf of the City, and such approval shall be evidenced by the execution and delivery thereof.

**Section 4. Limited, Special Obligation; Pledge of System Revenues Junior in Lien to Utility Bonds and on a Parity with Parity Obligations.** The Installment Purchase Agreement shall be a limited, special obligation of the City, payable only from certain revenues of the System pursuant to, and as described in, the Installment Purchase Agreement (the “*Pledged Revenues*”), and shall never constitute a general obligation of the City or a pledge of *ad valorem* taxes by the City. The Obligations shall not constitute an indebtedness or general obligation of the City within the meaning of any State Constitutional provision or statutory limitation and shall never constitute or give rise to a pecuniary liability of the City or be a charge against the City’s general credit or a charge against the general credit or the taxing powers of the State or any political subdivision thereof. The Installment Purchase Agreement shall be secured by a pledge of and lien on Pledged Revenues of the System on a basis that is junior in lien to the Utility Bonds until the Utility Bonds are no longer “Outstanding” as such term is defined in the Master Bond Resolution, and is on a parity with the pledge of and lien on Pledged Revenues of the System securing the 2021 Purchase Agreement, the 2022 Purchase Agreement, the 2022C Purchase Agreement, the 2023 Purchase Agreement, and the 2025 Purchase Agreement pertaining to the Parity Obligations.

**Section 5. Official Statement.** The preparation of the Preliminary Official Statement, in substantially the form now on file with the City Clerk, to be used in connection with the sale of the Obligations is hereby authorized and approved and its distribution by the Underwriter and use in connection with the offering and sale of the Obligations is hereby authorized and approved. The Preliminary Official Statement may be deemed “final” for all purposes of the Rule. The City will cause a final official statement (the “*Official Statement*”) in substantially the form of the Preliminary Official Statement but with insertions and omissions permitted by the Rule to be prepared and distributed with the Obligations in accordance with the Rule. The Authorized Representatives are each hereby authorized to approve, execute and deliver the Official Statement on behalf of the City and the execution by any such representative of the City shall be deemed conclusive evidence of such approval. If necessary, the Authorized Representatives are each hereby authorized and directed to execute and deliver, on behalf of the City, such certificates, documents or supplements pertaining to the accuracy of the Preliminary Official Statement and the Official Statement and any amendments thereto.

**Section 6. Trustee.** The City hereby appoints UMB Bank, n.a., as Trustee pursuant to the Trust Agreement and authorizes and directs the Trustee to take any and all action necessary in connection with the execution and delivery of the Installment Purchase Agreement, the Trust Agreement and the Purchase Contract, and the sale, execution and delivery of the Obligations and further authorizes and directs the Trustee to enter into such additional agreements as may be reasonable for the administration of the trusts so held. The City may appoint a successor trustee in accordance with the Trust Agreement, and, if the City desires to appoint another trustee prior to the sale, execution and delivery of the Obligations, any such appointment may be done without further approval of the City Council.

**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 in accordance with the Trust Agreement.

**Section 8. Ratification of Actions.** All actions of the officers, officials, employees 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 whether heretofore or hereafter taken are hereby ratified, confirmed and approved. The proper officers, officials, employees and agents of the City are hereby authorized and directed to do all such acts and things and to execute and deliver all such documents on behalf of the City as may be necessary to carry out the terms and intent of this Resolution.

**Section 9. Redemption of Utility Bonds Being Refunded.** Some or all of the maturities of the Utility Bonds may be refunded. Those selected for refunding are referred to herein as the Utility Bonds Being Refunded. The City Council hereby orders that the series and the maturities of the Utility Bonds Being Refunded and the times that the Utility Bonds Being Refunded will be redeemed will be determined by the Authorized Representatives, with the advice of the Municipal Advisor, and will be as set forth in the Official Statement. The Authorized Representatives shall order that the Utility Bonds Being Refunded be irrevocably called for redemption prior to their stated maturity dates on the earliest available call date or such other date as such officer shall determine. The appropriate officers of the City are hereby authorized to direct the Prior Registrar or escrow trustee to apply a portion of the proceeds of the Obligations to redeem the Utility Bonds Being Refunded and disseminate appropriate notices in connection therewith.

**Section 10. Severability.** If any section, paragraph, clause or provision of this Resolution shall for any reason be held to be invalid, illegal or unenforceable, the invalidity, illegality or unenforceability of such section, paragraph, clause or provision shall not affect any of the remaining portions of this Resolution. The City Council hereby declares that it would have adopted this Resolution and each and every other section, paragraph, clause or provision hereof and authorized the sale, execution and delivery of the Obligations pursuant hereto irrespective of the fact that any one or more sections, paragraphs, clauses or provisions may be held to be invalid, illegal or unenforceable.

**Section 11. 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.

[Signature Page to Follow]

**PASSED AND ADOPTED** by the City Council of the City of Mesa, Arizona, this 6th day of April, 2026.

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Mayor

**ATTEST:**

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City Clerk

**APPROVED AS TO FORM:**

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Greenberg Traurig, LLP, Special Counsel

**CERTIFICATION**

I, Holly Moseley, the duly appointed City Clerk of the City of Mesa, Arizona, do hereby certify that the above and foregoing resolution was duly passed by the City Council of the City of Mesa, Arizona, at a regular meeting held on April 6, 2026, and that a quorum was present thereat and that the vote thereon was \_\_\_\_ ayes and \_\_\_\_ nays; \_\_\_\_ did not vote or were absent.

DATED: \_\_\_\_\_, 2026.

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City Clerk