

RESOLUTION NO. _____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MESA, ARIZONA, AUTHORIZING THE ISSUANCE AND SALE OF CITY OF MESA, ARIZONA, GENERAL OBLIGATION REFUNDING BONDS, SERIES 2021, TO REFUND PREVIOUSLY ISSUED AND OUTSTANDING GENERAL OBLIGATION BONDS OF THE CITY; DELEGATING THE AUTHORITY TO APPROVE CERTAIN MATTERS WITH RESPECT TO THE BONDS; PROVIDING FOR THE ANNUAL LEVY OF A TAX FOR THE PAYMENT OF THE BONDS; APPOINTING OF A BOND REGISTRAR, TRANSFER AGENT AND PAYING AGENT FOR THE BONDS; APPROVING THE FORM OF CERTAIN DOCUMENTS AND AUTHORIZING THE COMPLETION, EXECUTION AND DELIVERY THEREOF; AUTHORIZING THE REDEMPTION OF THE BONDS BEING REFUNDED; DELEGATING THE AUTHORITY TO APPROVE AND DEEM FINAL A FORM OF OFFICIAL STATEMENT; RATIFYING ALL ACTIONS TAKEN AND TO BE TAKEN WITH RESPECT TO THE BONDS IN FURTHERANCE OF THIS RESOLUTION; AND AUTHORIZING ANY NECESSARY BUDGET TRANSFERS RELATED TO THE BONDS.

WHEREAS, the City of Mesa, Arizona (the “*City*”) previously issued various series of its general obligation bonds and general obligation refunding bonds (collectively, the “*Prior Bonds*”); and

WHEREAS, the City Council of the City (the “*City Council*”) has decided to provide for the refunding and redemption of all or a portion of the Prior Bonds on or prior to their respective maturity dates (the “*Bonds Being Refunded*”) to generate debt service savings for the City; and

WHEREAS, pursuant to Title 35, Chapter 3, Article 4, Arizona Revised Statutes, as amended, and this resolution, the City now desires to issue and sell not to exceed \$17,675,000 of its General Obligation Refunding Bonds, Series 2021 (the “*Bonds*”), for the purpose of refunding the Bonds Being Refunded and paying the costs of issuance of the Bonds as is necessary and advisable and as is in the best interests of the City and will result in a debt service savings; and

WHEREAS, in accordance with applicable law, the taxes levied to pay principal of and interest on the Bonds in the aggregate shall not exceed the total aggregate principal and interest to become due on the Bonds Being Refunded, calculated from the date of issuance of the Bonds to the final maturity date of the Bonds Being Refunded; and

WHEREAS, the firm of Hilltop Securities Inc. will serve as the City’s financial advisor (the “*Financial Advisor*”) with respect to advising which of the Prior Bonds will be refunded and the sale of the Bonds to the Underwriter (as defined herein); and

WHEREAS, the City will receive a proposal for the purchase of the Bonds from Piper Sandler & Co. (the “*Underwriter*”) in the form of a bond purchase agreement in substantially the form now on file with the City Clerk (the “*Bond Purchase Agreement*”), and the City Council desires that the Bonds be sold through negotiation to the Underwriter on such terms as may hereafter be approved by the Deputy City Manager and Chief Financial Officer and agreed to by the Underwriter; and

WHEREAS, within and by the parameters set forth in this resolution, the City Council will authorize the execution, issuance and sale of the Bonds and their delivery to the Underwriter in accordance with the Bond Purchase Agreement and at such prices, interest rates, maturities and redemption features as may be hereafter determined by the Deputy City Manager and Chief Financial Officer, with the advice of the Financial Advisor, and agreed to by the Underwriter; and

WHEREAS, in accordance with this Resolution the City Council will authorize the Deputy City Manager and Chief Financial Officer, with the advice of the Financial Advisor, to determine which of the Prior Bonds shall constitute the Bonds Being Refunded; and

WHEREAS, all acts, conditions and things required by the Constitution and laws of the State of Arizona to happen, exist and be performed precedent to and in the adoption of this resolution have happened, exist and have been performed as so required in order to make this resolution a valid and binding instrument for the security of the Bonds authorized herein;

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

Section 1. Authorization. For the purpose of providing funds to refund the Bonds Being Refunded and to pay the costs of issuance of the Bonds, there is hereby authorized to be issued and sold at not less than par and accrued interest, if any, not to exceed \$17,675,000 aggregate principal amount of the Bonds.

The Bonds may be sold in one or more series, and shall be issued and sold in accordance with the provisions of this resolution and delivered against payment therefor by the Underwriter. The series designation of the Bonds may change if the Bonds are not sold in calendar year 2021, if all or a portion of the Bonds are sold on a taxable basis, or as otherwise approved by the Deputy City Manager and Chief Financial Officer.

The City Council finds and determines that it is expedient, necessary and advisable for the City to issue the Bonds which will result in a debt service savings. The present value of the debt service savings, net of all costs associated with the Bonds, must exceed three percent (3.00%) of the debt service amount of the Bonds Being Refunded.

Section 2. Terms.

A. **Bonds.** The Bonds will be dated as of such date as set forth in the Bond Purchase Agreement, will mature on July 1 in some or all of the years 2021 through 2035, inclusive, and will bear interest from their date to the maturity or earlier redemption date of each of the Bonds, all as set forth in the Bond Purchase Agreement and provided that the Bonds, in the aggregate, shall have a yield not exceeding five percent (5.00%).

The principal amount maturing in each year, the interest rates applicable to each maturity, the optional and mandatory redemption provisions and any other final terms of the Bonds shall be as set forth in the Bond Purchase Agreement, and approved by the Deputy City Manager and Chief Financial Officer, and such approval shall be evidenced by the execution and delivery of the Bond Purchase Agreement. The Bonds are expected to be initially issued in fully registered book-entry-only form in amounts equal to the respective year's maturity amount. If the book-entry-only system (the "*Book-Entry-Only System*") as described in the Letter of Representations (as defined herein) is discontinued, the Bonds will be in the denominations of \$5,000 of principal each or integral multiples thereof. Interest on the Bonds shall be payable semiannually on each January 1 and July 1 (each, an "*Interest Payment Date*") during the term of the Bonds, commencing July 1, 2021 (or on another date as set forth in the Bond Purchase Agreement).

B. Book-Entry-Only System. So long as the Bonds are administered under the Book-Entry-Only System, periodic principal and interest payments shall be paid to Cede & Co. or its registered assigns in "same-day funds" no later than the time established by The Depository Trust Company ("*DTC*") on each Interest Payment Date (or in accordance with then-existing arrangements between the City and DTC). The City has previously entered into an agreement (the "*Letter of Representations*") with DTC in connection with the issuance of the City's bonds, including the Bonds, and, while the Letter of Representations is in effect, the procedures established therein shall apply to the Bonds.

C. Registration. If the Book-Entry-Only System is discontinued, the Registrar's (as defined herein) registration books shall show the registered owners of the Bonds (the owner or owners of the Bonds as shown on the Registrar's registration books shall be referred to individually as "*Owner*" or collectively as "*Owners*"). While the Bonds are subject to the Book-Entry-Only System, the Bonds shall be registered in the name of Cede & Co., or its registered assigns. The Bonds will be administered by the Registrar in a manner which assures against double issuance and provides a system of transfer of ownership on the books of the Registrar in the manner set forth in the Bonds. The City recognizes that Section 149(a) of the Internal Revenue Code of 1986, as amended (the "*Code*"), requires the Bonds to be issued and to remain in fully registered form in order that interest thereon is exempt from federal income taxation under laws in force at the time the Bonds are delivered. The City agrees that it will not take any action to permit the Bonds to be issued in, or converted into, bearer or coupon form.

D. Payment. So long as the Bonds are held under the Book-Entry-Only System, all payments of principal, interest and premium, if any, shall be paid to DTC in accordance with the City's arrangements with DTC. If the Book-Entry-Only System is discontinued, interest on the Bonds will be payable on each Interest Payment Date by the Paying Agent (as defined herein) by check (unless the Owner of the Bonds is eligible for payment by wire transfer) mailed to the Owner thereof at such Owner's address as shown on the registration books maintained by the Registrar as of the close of business of the Registrar on the Record Date (as defined herein).

If the Book-Entry-Only System is discontinued, principal of the Bonds will be payable, when due, only upon presentation and surrender of the Bond at the designated corporate trust office of the Paying Agent. If the Book-Entry-Only System is discontinued, upon written request made not less than twenty (20) days prior to an Interest Payment Date by an Owner of at least \$1,000,000 in principal amount of Bonds then outstanding, all payments of interest and, if

adequate provision for surrender is made, principal and premium, if any, shall be paid by wire transfer in immediately available funds to an account within the United States of America designated by such Owner.

Notwithstanding any other provision of this resolution, payment of principal of and interest on any Bond that is held by a securities depository or Bonds subject to a Book-Entry-Only System may be paid by the Paying Agent by wire transfer in “same-day funds”.

E. Other Terms. The Bonds shall have such additional terms and provisions as are set forth in substantially the form of the Bond attached hereto as Exhibit A and shall be sold under the terms and conditions set forth in the Bond Purchase Agreement.

F. Defeasance. Any Bond or portion thereof in authorized denominations shall be deemed paid and defeased and thereafter shall have no claim on ad valorem taxes levied on taxable property in the City (i) if there is deposited with a bank or comparable financial institution, in trust, moneys or obligations issued by or guaranteed by the United States government (“*Defeasance Obligations*”) or both which, with the moneys so deposited and the maturing principal of and interest on such Defeasance Obligations, if any, will be sufficient, as evidenced by a certificate or report of an accountant, to pay the principal of and interest and any premium on such Bond or portion thereof as the same matures, comes due or becomes payable upon prior redemption and (ii) if such defeased Bond or portion thereof is to be redeemed, notice of such redemption has been given in accordance with provisions hereof or the City has submitted to the Registrar and the Paying Agent instructions expressed to be irrevocable as to the date upon which such Bond or portion thereof is to be redeemed and as to the giving of notice of such redemption. Bonds the payment of which has been provided for in accordance with this section shall no longer be deemed payable or outstanding hereunder and thereafter such Bonds shall be entitled to payment only from the moneys or Defeasance Obligations deposited to provide for the payment of such Bonds.

Section 3. Prior Redemption.

A. Optional Redemption. The Bonds may be subject to redemption prior to their stated maturity date as determined by the Deputy City Manager and Chief Financial Officer and as set forth in the Bond Purchase Agreement.

B. Mandatory Redemption. The Bonds may be subject to mandatory redemption as determined by the Deputy City Manager and Chief Financial Officer and as set forth in the Bond Purchase Agreement.

Whenever Bonds are redeemed (other than pursuant to mandatory redemption) or are delivered to the Registrar for cancellation, the principal amount of the Bonds so retired shall satisfy and be credited against the mandatory redemption requirements for such Bonds for such years as the City may direct.

C. Notice of Redemption. So long as the Bonds are held under the Book-Entry-Only System, notices of redemption will be sent to DTC in the manner required by DTC. If the Book-Entry-Only System is discontinued, notice of redemption of any Bond will be mailed to the Owners of the Bond or Bonds being redeemed at the address shown on the bond registration books maintained by the Registrar not more than sixty (60) nor less than thirty (30) days prior to the date

set for redemption. Notice of redemption may be sent to any securities depository by mail, facsimile transmission, wire transmission or any other means of transmission of the notice generally accepted by the respective securities depository. Neither the failure of any Owner to receive a notice of redemption nor any defect in a notice of redemption will affect the validity of the proceedings for redemption of Bonds as to which proper notice of redemption was given.

Notice of any redemption will also be sent to the Municipal Securities Rulemaking Board (the “MSRB”), currently through the MSRB’s Electronic Municipal Market Access system, in the manner required by the MSRB, but no defect in said further notice or record nor any failure to give all or a portion of such further notice shall in any manner defeat the effectiveness of a call for redemption if notice thereof is given as prescribed above.

If the moneys for the payment of the redemption price and accrued interest are not held in separate accounts by the City, an escrow trustee or the Paying Agent prior to sending the notice of redemption, such redemption will be conditional on such moneys being so held on or prior to the date set for redemption and if not so held by such date, the redemption shall be cancelled and be of no force and effect. The notice of redemption will describe the conditional nature of the redemption.

D. Effect of Call for Redemption. On the date designated for redemption by notice given as herein provided, the Bonds so called for redemption shall become and be due and payable at the redemption price provided for redemption of such Bonds on such date, and, if moneys for payment of the redemption price are held in separate accounts by the City, an escrow trustee or the Paying Agent, interest on such Bonds or portions of Bonds so called for redemption shall cease to accrue, such Bonds shall cease to be entitled to any benefit or security hereunder and the Owners of such Bonds shall have no rights in respect thereof except to receive payment of the redemption price thereof and such Bonds shall be deemed paid and no longer outstanding.

E. Redemption of Less Than All of a Bond. The City may redeem an amount which is included in a Bond in the denomination equal to or in excess of, but divisible by, \$5,000. In that event, if the Book-Entry-Only System is discontinued, the Owner shall submit the Bond for partial redemption and the Paying Agent shall make such partial payment and the Registrar shall cause to be issued a new Bond in a principal amount equal to the unpaid amount remaining on such Bond after the redemption to be authenticated and delivered to the Owner thereof.

Section 4. Security. For the purpose of paying the principal of, interest on, premium (if any) on early redemption and costs of administration of the registration and payment of, the Bonds, there shall be levied on all the taxable property in the City a continuing, direct, annual, ad valorem tax sufficient to pay all such principal, interest, premium and administration costs on the Bonds as the same becomes due, such taxes to be levied, assessed and collected at the same time and in the same manner as other taxes are levied, assessed and collected. Taxes levied with respect to the payment of principal of and interest on the Bonds shall be limited as follows: the total aggregate of taxes levied to pay principal of and interest on the Bonds in the aggregate shall not exceed the total aggregate principal and interest to become due on the Bonds Being Refunded, calculated from the date of issuance of the Bonds to the final maturity date of the Bonds Being Refunded; and further, if the trust created to pay principal of and premium and interest on the Bonds Being Refunded is insufficient to make such payments when due, any taxes levied to pay principal of and interest on the Bonds shall first be applied to the payments of amounts due on the Bonds Being

Refunded. The Owners of the Bonds must rely upon the sufficiency of the trust for the payment of the Bonds Being Refunded. The Bonds will in no way infringe upon the rights of the Owners of the Bonds Being Refunded to rely upon a tax levy for the payment of principal of and premium and interest on the Bonds Being Refunded if the amounts on deposit in the trust prove insufficient. The proceeds of the taxes shall be kept in a special fund of the City (the “*Debt Service Fund*”) and shall be used only for the payment of principal, interest, premium, if any, or costs of administration as above-stated.

Upon creation of the trust for payment of the Bonds Being Refunded, all moneys collected during the current fiscal year which would otherwise have been credited to the Debt Service Fund for the Bonds Being Refunded shall be credited to the Debt Service Fund created to service the Bonds.

Section 5. Use of Proceeds. Upon the delivery of and payment for the Bonds in accordance with the terms of their sale, the net proceeds from the sale of the Bonds, after payment of the costs and expenses of issuance, will be transferred, together with certain funds of the City, if any, required to pay the Bonds Being Refunded, to UMB Bank, n.a., as bond registrar and paying agent of the Bonds Being Refunded (the “*Prior Registrar*”), and shall be used to pay, when due, principal of and interest and premium on the 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 (“*Letter of Instruction*”), and shall be sufficient to pay the principal of and premium and interest on the Bonds Being Refunded as the same becomes due at maturity or prior redemption as provided herein.

The Deputy City Manager and Chief Financial Officer is 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 Bonds Being Refunded. The Deputy City Manager and Chief Financial Officer may consult with the Financial Advisor and Bond Counsel (as defined herein) in order to make such determination. If so determined by the Deputy City Manager and Chief Financial Officer, the net proceeds from the sale of the Bonds, 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., 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 Bonds Being Refunded as the same becomes due at maturity or prior redemption as provided herein. In connection herewith, the Deputy City Manager and Chief Financial Officer is hereby authorized to determine whether the services of a verification agent are necessary, to consult with the Financial Advisor and Bond 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 Deputy City Manager and Chief Financial Officer is hereby authorized to determine that the City will enter into an agreement with a bidding agent to obtain the obligations that will be deposited in the trust.

Any balance of the net proceeds of the Bonds remaining after redemption of the Bonds Being Refunded shall be transferred to the Debt Service Fund for the Bonds.

Any premium received from the sale of the Bonds shall be used for the purposes set

forth above and otherwise in accordance with Arizona Revised Statutes, Title 35, Chapter 3, Article 4, as amended.

Section 6. Form of Bonds. Pursuant to A.R.S. § 35-491, a fully registered bond form is hereby adopted. The Bonds are expected to be initially issued in fully registered book-entry-only form and, so long as the Book-Entry-Only System is in effect, the Bonds shall be in substantially the form of Exhibit A, attached hereto and incorporated by reference herein, with such necessary and appropriate omissions, insertions and variations as are permitted or required hereby or by the Bond Purchase Agreement and approved by those officers executing the Bonds; execution thereof by such officers shall constitute conclusive evidence of such approval. If the Book-Entry-Only System is discontinued, the form of the Bonds shall be adjusted to accommodate the requirements of non-book-entry bonds.

The Bonds may have notations, legends or endorsements required by law, securities exchange rule or usage. Each Bond shall show both the date of its issue and the date of such Bond's authentication and registration. The Bonds are prohibited from being converted to coupon or bearer form without the consent of the City Council and approval of Bond Counsel.

Section 7. Execution of Bonds and Other Documents.

A. Bond Purchase Agreement. The Bond Purchase Agreement is hereby approved, and the Mayor, any member of the City Council, or the Deputy City Manager and Chief Financial Officer is each hereby authorized to execute the Bond Purchase Agreement on behalf of the City. The Deputy City Manager and Chief Financial Officer shall cause the Bond Purchase Agreement to be completed to reflect the terms of the Bonds, including the price at which the Bonds are sold and provisions for original issue premium or original issue discount with respect thereto; provided, however, that the Underwriter will purchase the Bonds at not less than par and accrued interest, if any, and otherwise the parameters of this resolution shall govern the Bond Purchase Agreement and no officer of the City shall insert in the Bond Purchase Agreement any terms or conditions which would be contrary to this resolution. The execution and delivery of the Bond Purchase Agreement, as completed, by the Mayor, any member of the City Council, or the Deputy City Manager and Chief Financial Officer shall be conclusive evidence of approval of such final terms and provisions. The City Manager or the Deputy City Manager and Chief Financial Officer is each hereby authorized and directed to cause the Bonds to be delivered to or upon the order of the Underwriter upon receipt of payment therefor and satisfaction of all conditions for delivery thereof in accordance with the terms of the Bond Purchase Agreement.

B. Bonds. The Bonds shall be executed for and on behalf of the City by the Mayor, attested by the City Clerk, and countersigned by the Deputy City Manager and Chief Financial Officer by their manual or facsimile signatures and the City seal will be either photographically, mechanically or manually imprinted, affixed or reproduced on the Bonds. If the signatures are affixed or imprinted by facsimile, the Mayor, the City Clerk and the Deputy City Manager and Chief Financial Officer shall execute a certificate adopting as their signatures the facsimile signatures appearing on the Bonds. If an officer whose signature is on a Bond no longer holds that office at the time the Bond is authenticated and registered, such Bond shall nevertheless be valid. A Bond shall not be valid or binding until authenticated by the manual signature of an authorized representative of the Registrar. The signature of the authorized representative of the

Registrar shall be conclusive evidence that such Bond has been authenticated and issued pursuant to this resolution.

C. Registrar Contract. The form of a bond registrar, transfer agent and paying agent contract in substantially the form now on file with the City Clerk concerning the duties of the Registrar and the Paying Agent for the Bonds is hereby approved and the Mayor, the City Clerk, or the Deputy City Manager and Chief Financial Officer is each hereby authorized and directed to execute, and attest, as applicable, such contract on behalf of the City with such necessary and appropriate omissions, insertions and variations as are permitted or required hereby and approved by those officers executing the documents and cause such respective contract to be delivered. Execution by any such officer shall constitute conclusive evidence of such approval.

D. Continuing Disclosure Certificate. The form of a continuing disclosure certificate in substantially the form now on file with the City Clerk is hereby approved. The Mayor, the City Clerk, or the Deputy City Manager and Chief Financial Officer is each hereby authorized and directed to prepare, execute, attest, as applicable, and deliver such certificate on behalf of the City.

E. Official Statement. The preparation of a preliminary official statement, in substantially the form now on file with the City Clerk, to be used in connection with the sale of the Bonds is hereby authorized and approved and its distribution by the Underwriter is hereby authorized and approved. Such preliminary official statement is approved and may be deemed “final” for all purposes of Section 240.15c2-12, General Rules and Regulations, Securities Exchange Act of 1934, as amended (the “Rule”), by the Mayor or the Deputy City Manager and Chief Financial Officer. The City will cause a final official statement (the “*Official Statement*”) in substantially the form of the preliminary official statement referred to above but with insertions and omissions permitted by the Rule to be prepared and distributed with the Bonds in accordance with the Rule. The Mayor or the Deputy City Manager and Chief Financial Officer is each hereby authorized to approve, execute and deliver the Official Statement on behalf of the City and the execution by either such officer shall be deemed conclusive evidence of such approval. The preliminary official statement and the Official Statement may be prepared in conjunction with, and may be part of the same document as, the preliminary official statement and the official statement for any other bonds which may be issued by the City.

F. Other Documents. The Mayor, Vice Mayor, City Manager, Deputy City Manager and Chief Financial Officer and City Clerk of the City are each hereby authorized to execute, attest, as applicable, and deliver such other documents and certificates necessary for the consummation of the transactions contemplated in this resolution, including, without limitation, the Letter of Instruction or the Escrow Trust Agreement.

G. Authority. In the event the Mayor, any member of the City Council, or any 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 Bonds or other documents, then any member of the City Council may act in the capacity of such officer for the purpose of discharging such obligation or duty.

Section 8. Mutilated, Lost or Destroyed Bonds. In case any Bond becomes mutilated or destroyed or lost, the Registrar shall cause to be executed and delivered a new Bond of

like date and tenor in exchange and substitution for and upon the cancellation of the mutilated Bond or in lieu of and in substitution for the Bond destroyed or lost, upon the Owner's paying the reasonable expenses and charges of the City and the Registrar in connection therewith and, in the case of the Bond destroyed or lost, filing with the City and the Registrar evidence satisfactory to the City and the Registrar that such Bond was destroyed or lost, and furnishing the City and the Registrar with a sufficient indemnity bond pursuant to A.R.S. § 47-8405.

Section 9. Registrar and Paying Agent. The City will maintain an office or agency where Bonds may be presented for registration or transfer (the "*Registrar*") and an office or agency where Bonds may be presented for payment (the "*Paying Agent*"). The City may appoint one or more co-registrars or one or more additional paying agents. The Registrar and the Paying Agent may make reasonable rules and set reasonable requirements for their respective functions with respect to the Owners of the Bonds.

Initially, UMB Bank, n.a., Phoenix, Arizona, will act as, and is hereby appointed as, both the Registrar and the Paying Agent with respect to the Bonds. Any entity into which either or both of the Registrar and the Paying Agent is merged or consolidated shall continue as the Registrar and the Paying Agent hereunder without notice to the Owners of the Bonds or any further action by the City. The City may change the Registrar or the Paying Agent without notice to or consent of Owners of the Bonds and the City may act in any such capacity.

Each Paying Agent shall be required to agree in writing that the Paying Agent will hold in trust for the benefit of the Owners of the Bonds all moneys held by the Paying Agent for the payment of principal of and interest and any premium on the Bonds.

The Registrar may appoint an authenticating agent acceptable to the City to authenticate Bonds. An authenticating agent may authenticate Bonds whenever the Registrar may do so. Each reference in this resolution to authentication by the Registrar includes authentication by an authenticating agent acting on behalf and in the name of the Registrar and subject to the Registrar's direction.

The Registrar shall keep separate registration books for the Bonds, which will show the Owners of the Bonds and any transfer of the Bonds. So long as the Book-Entry-Only System is in effect, no transfer of the Bonds shall occur. If the Book-Entry-Only System is discontinued and Bonds are presented to the Registrar or a co-registrar with a request to register transfer, the Registrar shall register the transfer on the registration books if its requirements for transfer are met and shall authenticate and deliver one or more Bonds registered in the name of the transferee of the same principal amount, maturity and rate of interest as the surrendered Bonds. All transfer fees and costs shall be paid by the transferor.

The "*Record Date*" for the Bonds shall be the fifteenth (15th) day of the month in the month preceding an Interest Payment Date. The Registrar may, but shall not be required to, transfer or exchange any Bonds during the period commencing on the Record Date to and including the respective Interest Payment Date. If the Registrar transfers or exchanges Bonds within the period referred to above, interest on such Bonds shall be paid to the person who was the Owner at the close of business of the Registrar on the Record Date as if such transfer or exchange had not occurred.

The Registrar shall authenticate Bonds for original issue not to exceed \$17,675,000 in aggregate principal amount upon the written request of the Deputy City Manager and Chief Financial Officer. The aggregate principal amount of Bonds outstanding at any time may not exceed this amount except for replacement Bonds as to which the requirements of the Registrar and the City are met.

Section 10. Resolution a Contract. This resolution shall constitute a contract between the City and the Owners and shall not be repealed or amended in any manner which would impair, impede or lessen the rights of the Owners of the Bonds then outstanding. The performance by the City Council of the obligations in this resolution, the Bonds and the other agreements listed in Section 7 of this resolution is hereby authorized and approved.

Section 11. 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 issuance and sale of the Bonds 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 12. Bond Insurance or Credit Enhancement. The Deputy City Manager and Chief Financial Officer is hereby authorized to expend or cause to be expended Bond proceeds to purchase bond insurance or other credit enhancements for the Bonds if deemed to be in the City's best interest, upon consultation with the City's Financial Advisor.

Section 13. Qualified Tax-Exempt Obligations. The Bonds are not "qualified tax-exempt obligations" for purposes of Section 265(b)(3) of the Code.

Section 14. Tax Covenants. In consideration of the purchase and acceptance of the Bonds by the Owners thereof and, as authorized by Arizona Revised Statutes, Title 35, Chapter 3, Article 7, and in consideration of retaining the exclusion of interest income on the Bonds from gross income for federal income tax purposes, the City covenants for the benefit of the Owners from time to time of the Bonds that it will not take any action or omit to take any action with respect to the Bonds, the proceeds thereof, any other funds of the City or any facilities refinanced with the proceeds of the Bonds if such action or omission (i) would cause the interest on the Bonds to lose its exclusion from gross income for federal income tax purposes under Section 103 of the Code, or (ii) would cause interest on the Bonds to lose its exclusion from alternative minimum taxable income as defined in Section 55(b)(2) of the Code. The foregoing covenant shall remain in full force and effect notwithstanding the payment in full or defeasance of the Bonds until the date on which all obligations of the City in fulfilling the above covenant under the Code have been met.

With respect to the Bonds herein authorized to be sold, the City or a partner of Sherman & Howard L.L.C., bond counsel to the City ("*Bond Counsel*"), is authorized to execute and file on behalf of the City information reporting returns and to file or deliver such other information as may be required by Section 149(e) of the Code.

The City will comply with such requirements and will take any such actions as in the opinion of Bond Counsel are necessary to prevent interest income on the Bonds from becoming

subject to inclusion in gross income for federal income tax purposes. Such requirements may include but are not limited to making further specific covenants; making truthful certifications and representations and giving necessary assurances; complying with all representations, covenants and assurances contained in certificates or agreements to be prepared by Bond Counsel; establishing certain funds; paying to the United States of America any required amounts representing yield reduction payments or rebates of arbitrage profits relating to the Bonds; filing forms, statements and supporting documents as may be required under the federal tax laws; and limiting the term of and yield on investments made with moneys relating to the Bonds.

The City Council hereby authorizes the Deputy City Manager and Chief Financial Officer, or his designee, to represent and act for the City in all matters pertaining to the City's tax-exempt bonds, as may be necessary to comply, on a continuing basis, with the Internal Revenue Service, Securities Exchange Commission and other governmental entities' requests, reporting requirements, and post-issuance compliance policies and matters.

Section 15. Redemption of Bonds Being Refunded. Some or all of the maturities of the Prior Bonds may be refunded. Those selected for refunding are referred to herein as the Bonds Being Refunded. The City Council hereby orders that the series and the maturities of the Bonds Being Refunded and the times that the Bonds Being Refunded will be redeemed will be determined by the Deputy City Manager and Chief Financial Officer, with the advice of the Financial Advisor, and will be as set forth in the Official Statement. The weighted average maturity of the Bonds shall be at least 75% of the weighted average maturity of the Bonds Being Refunded. The City Manager, the Deputy City Manager and Chief Financial Officer or the designated representative of either shall order that the 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 to apply the net proceeds of the Bonds to redeem the Bonds Being Refunded and disseminate appropriate notices in connection therewith.

Section 16. Severability. If any section, paragraph, subdivision, sentence, clause or phrase of this resolution is for any reason held to be illegal, invalid or unenforceable, such decision will not affect the validity of the remaining portions of this resolution. The City Council hereby declares that this resolution would have been adopted with each and every other section, paragraph, subdivision, sentence, clause or phrase hereof and authorized the issuance of the Bonds pursuant hereto irrespective of the fact that any one or more sections, paragraphs, subdivisions, sentences, clauses or phrases of this resolution may be held illegal, invalid or unenforceable.

Section 17. 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 18. Budget Transfer Authorization. Pursuant to this resolution any budget transfers necessary related to the sale, issuance and delivery of the Bonds and initial debt service of the Bonds are hereby authorized and approved.

[Signature Page to Follow]

PASSED AND ADOPTED by the City Council of the City of Mesa, Arizona, this
19th day of April, 2021.

Mayor

ATTEST:

City Clerk

APPROVED AS TO FORM:

Sherman & Howard L.L.C., Bond Counsel

Exhibit A: Bond Form

CERTIFICATION

I, Dee Ann Mickelsen, 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 19, 2021, and that a quorum was present thereat and that the vote thereon was ____ ayes and ____ nays; ____ did not vote or were absent.

DATED: April 19, 2021.

City Clerk

EXHIBIT A

(Form of Book-Entry-Only Bond)

Number: R-_____

Denomination: \$ _____

Unless this bond is presented by an authorized representative of The Depository Trust Company, a New York corporation (“DTC”), to the registrar (or any successor registrar) for registration of transfer, exchange, or payment, and any bond issued is registered in the name of Cede & Co. or in such other name as is requested by an authorized representative of DTC (and any payment is made to Cede & Co. or to such other entity as is requested by an authorized representative of DTC), any transfer, pledge, or other use hereof for value or otherwise by or to any person is wrongful inasmuch as the registered owner hereof, Cede & Co., has an interest herein.

**CITY OF MESA, ARIZONA
GENERAL OBLIGATION REFUNDING BOND,
SERIES 2021**

<u>Interest Rate</u>	<u>Maturity Date</u>	<u>Original Dated Date</u>	<u>CUSIP</u>
_____%	July 1, 20____	_____, 2021	590485 ____

Registered Owner: CEDE & CO.

Principal Amount: _____ AND NO/100 DOLLARS (\$_____.00)

CITY OF MESA, ARIZONA (the “City”), for value received, hereby promises to pay to the registered owner identified above, or registered assigns as provided herein, on the maturity date set forth above, the principal amount set forth above, and to pay interest on the unpaid principal amount at the interest rate shown above.

[INSERT REDEMPTION FEATURES HERE, IF APPLICABLE]

Interest is payable on January 1 and July 1 of each year commencing _____ 1, 20____, and will accrue from the most recent date to which interest has been paid, or, if no interest has been paid, from the original dated date set forth above. Interest will be computed on the basis of a year comprised of 360 days consisting of twelve (12) months of thirty (30) days each.

Principal of and interest on this bond are payable in lawful money of the United States of America. Interest payments and principal payments that are part of periodic principal and interest payments shall be received by Cede & Co., as nominee of DTC, or its registered assigns in same-day funds no later than the time established by DTC on each interest or principal payment date (or in accordance with existing arrangements between the City and DTC). The “Record Date” for the bonds shall be as of the fifteenth (15th) day of the month in the month preceding an interest payment date.

It is hereby certified and recited that all conditions, acts and things required by the Constitution and laws of the State of Arizona to exist, to occur and to be performed precedent to and in the issuance of this bond exist, have occurred and have been performed and that the series of bonds of which this is one, together with all other indebtedness of the City, is within every debt and other limit prescribed by the Constitution and laws of the State of Arizona, and that due provision has been made for the levy and collection of a continuing, direct, annual, ad valorem tax upon all of the taxable property in the City for the payment of this bond and of the interest hereon as each becomes due, as limited as described herein.

This bond is one of a series of general obligation refunding bonds in the aggregate principal amount of \$_____ of like tenor except as to amount, maturity date, redemption provisions, interest rate and number, issued by the City to provide funds to refund certain previously issued and outstanding bonds of the City, pursuant to a resolution of the City Council of the City duly passed and adopted prior to the issuance hereof (the “*Resolution*”), and pursuant to the Constitution and laws of the State of Arizona relative to the issuance and sale of general obligation refunding bonds, and all amendments thereto, and all other laws of the State of Arizona thereunto enabling.

For the punctual payment of this bond and the interest hereon and for the levy and collection of a continuing, direct, annual, ad valorem tax on all taxable property within the City sufficient for that purpose, the full faith and credit of the City are hereby irrevocably pledged; provided, however, that the total aggregate of taxes levied to pay principal and interest on the issue of bonds of which this bond is one, in the aggregate shall not exceed the total aggregate principal and interest to become due on the bonds being refunded from the date of issuance of the issue of bonds of which this bond is a part to the final date of maturity of the bonds being refunded; and subject, further, to the rights vested in the owners of the bonds being refunded by the bonds of this issue to the payment of such bonds being refunded from the same tax source in the event of a deficiency in the moneys and, as applicable, obligations issued by or guaranteed by the United States of America purchased from the proceeds of the sale of the bonds of this issue placed in trust for the purpose of providing for payment of principal of and interest on the bonds being refunded. The owner of this bond must rely on the sufficiency of the moneys and, as applicable, obligations placed irrevocably in trust for payment of the bonds being refunded. The issuance of this bond will in no way infringe upon the rights of the owners of the bonds being refunded to rely upon a tax levy for the payment of principal of and interest on the bonds being refunded if the moneys and, as applicable, obligations in the trust prove insufficient.

The registrar or the paying agent may be changed by the City without notice.

So long as the book-entry-only system is in effect, this bond is non-transferable. If the book-entry-only system is discontinued, this bond is transferable by the registered owner in person or by attorney duly authorized in writing at the designated office of the registrar, which on the original issue date is the corporate trust office of UMB Bank, n.a., Phoenix, Arizona, upon surrender and cancellation of this bond. Bonds of this issue will be issued only in fully registered form in the denomination of \$5,000 of principal or integral multiples in excess thereof.

The City, the registrar and the paying agent may treat the registered owner of this bond as the absolute owner for the purpose of receiving principal and interest and for all other purposes and none of them shall be affected by any notice to the contrary.

The City has caused this bond to be executed by its Mayor, attested by its City Clerk and countersigned by its Deputy City Manager and Chief Financial Officer, which signatures may be facsimile signatures and the City seal has been photographically, mechanically or manually imprinted, affixed or reproduced on this bond. This bond is not valid or binding upon the City without the manually affixed signature of an authorized representative of the registrar. This bond is prohibited from being issued in coupon or bearer form without the consent of the City and the occurrence of certain other conditions.

CITY OF MESA, ARIZONA

Mayor

ATTEST:

City Clerk

COUNTERSIGNED:

Deputy City Manager and Chief Financial Officer

DATED: _____, 2021.

AUTHENTICATION CERTIFICATE

This bond is one of the City of Mesa, Arizona, General Obligation Refunding Bonds, Series 2021, described in the Resolution.

UMB BANK, N.A., as Registrar

Authorized Representative

DATED: _____, 2021.

(INSERT INSURANCE STATEMENT HERE, IF APPLICABLE)

FORM OF ASSIGNMENT

The following abbreviations, when used in the inscription on the face of this bond, shall be construed as though they were written out in full according to applicable laws or regulations:

TEN COM - as tenants in common	UNIF GIFT/TRANS MIN ACT-_____Custodian_____
TEN ENT - as tenants by the entireties	(Cust) (Minor)
JT TEN - as joint tenants with right of survivorship and not as tenants in common	under Uniform Gifts/Transfers to Minors Act _____ (State)

Additional abbreviations may also be used though not in list above.

ASSIGNMENT

FOR VALUE RECEIVED the undersigned hereby sells, assigns and transfers unto

(Name and Address of Transferee)
the within bond and all rights thereunder, and hereby irrevocably constitutes and appoints _____
_____, attorney to transfer the within bond on the books kept for
registration thereof, with full power of substitution in the premises.

Dated _____

Note: The signature(s) on this assignment must correspond with
the name(s) as written on the within registered bond in every
particular without alteration or enlargement or any change
whatsoever.

Signature Guaranteed:

Firm or Bank

Authorized Signature

Signature guarantee should be made by a guarantor institution
participating in the Securities Transfer Agents Medallion Program
or in such other program acceptable to the Registrar.

ALL FEES AND TRANSFER COSTS SHALL BE PAID BY THE TRANSFEROR