



## **BOARD OF SUPERVISORS AGENDA ITEM REPORT**

**Requested Board Meeting Date:** December 19, 2017

**Title:** RESOLUTION AUTHORIZING THE CHAIR OF THE BOARD OF SUPERVISORS, THE COUNTY ADMINISTRATOR AND THE FINANCE DIRECTOR TO CAUSE THE SALE AND EXECUTION AND DELIVERY PURSUANT TO A SERIES 2018 OBLIGATION INDENTURE OF SEWER SYSTEM REVENUE OBLIGATIONS, SERIES 2018, IN AN AGGREGATE PRINCIPAL AMOUNT NOT IN EXCESS OF \$46,000,000, EVIDENCING PROPORTIONATE INTERESTS OF THE HOLDERS THEREOF IN INSTALLMENT PAYMENTS OF THE PURCHASE PRICE TO BE PAID BY PIMA COUNTY, ARIZONA, PURSUANT TO A SERIES 2018 PURCHASE AGREEMENT; AUTHORIZING THE COMPLETION, EXECUTION AND DELIVERY WITH RESPECT THERETO OF ALL AGREEMENTS NECESSARY OR APPROPRIATE AS PART OF PURCHASING PROPERTY TO BE PART OF THE SEWER SYSTEM OF THE COUNTY AND PAYMENT OF RELATED FINANCING COSTS INCLUDING THE DELEGATION TO THE CHAIR OF THE BOARD OF SUPERVISORS, THE COUNTY ADMINISTRATOR AND THE FINANCE DIRECTOR OF CERTAIN AUTHORITY WITH RESPECT THERETO; AUTHORIZING, IF NECESSARY, THE PREPARATION AND DELIVERY OF AN OFFICIAL STATEMENT WITH RESPECT TO SUCH SERIES 2018 OBLIGATIONS; ORDERING THE SALE OF SUCH SERIES 2018 OBLIGATIONS; AUTHORIZING, IF NECESSARY, THE EXECUTION AND DELIVERY OF A CONTINUING DISCLOSURE UNDER-TAKING WITH RESPECT TO SUCH SERIES 2018 OBLIGATIONS; AND AUTHORIZING THE FINANCE DIRECTOR TO EXPEND ALL NECESSARY FUNDS THEREFOR.

### **Introduction/Background:**

Pima County routinely pays for the capital costs of its sewer system by financing them over time. In this way, the costs of the capital assets are better spread throughout the period of time the assets are providing benefits to the system's users. When adopting the fiscal year 2017-18 budget the Board of Supervisors approved the Regional Wastewater Reclamation Department's \$49 million capital improvement program.

### **Discussion:**

The Regional Wastewater Reclamation Department continues to plan to spend its budgeted \$49 million for the fiscal year 2017-18 sewer system capital improvement program. By issuing up to \$46 million in sewer system revenue obligations, the cost of these capital assets will be better spread over time to the existing and future sewer system users.

### **Conclusion:**

Issuing up to \$46 million of sewer system revenue obligation is an effective way to finance the purchase of sewer system capital assets.

### **Recommendation:**

Staff recommends that the Board of Supervisors approve this resolution authorizing the sale of sewer system revenue obligations to finance the Regional Wastewater Reclamation Department's fiscal year 2017-18 capital improvement program.

### **Fiscal Impact:**

The funding will be made available for the Regional Wastewater Reclamation Departments capital improvement program. The obligations will be repaid over a 15 year period spreading the cost of the capital assets to existing and future system users that benefit from the use of the capital assets.

Board of Supervisor District:

☐ 1      ☐ 2      ☐ 3      ☐ 4      ☐ 5      ☒ All

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Department Director Signature/Date:

Michelle Gage to Keith Dommer 12/6/17

Deputy County Administrator Signature/Date:

Jon Smith 12-6-17

County Administrator Signature/Date:

C. K. Schellberg 12/6/17

RESOLUTION NO. 2017-.....

RESOLUTION AUTHORIZING THE CHAIR OF THE BOARD OF SUPERVISORS, THE COUNTY ADMINISTRATOR AND THE FINANCE DIRECTOR TO CAUSE THE SALE AND EXECUTION AND DELIVERY PURSUANT TO A SERIES 2018 OBLIGATION INDENTURE OF SEWER SYSTEM REVENUE OBLIGATIONS, SERIES 2018, IN AN AGGREGATE PRINCIPAL AMOUNT NOT IN EXCESS OF \$46,000,000, EVIDENCING PROPORTIONATE INTERESTS OF THE HOLDERS THEREOF IN INSTALLMENT PAYMENTS OF THE PURCHASE PRICE TO BE PAID BY PIMA COUNTY, ARIZONA, PURSUANT TO A SERIES 2018 PURCHASE AGREEMENT; AUTHORIZING THE COMPLETION, EXECUTION AND DELIVERY WITH RESPECT THERETO OF ALL AGREEMENTS NECESSARY OR APPROPRIATE AS PART OF PURCHASING PROPERTY TO BE PART OF THE SEWER SYSTEM OF THE COUNTY AND PAYMENT OF RELATED FINANCING COSTS INCLUDING THE DELEGATION TO THE CHAIR OF THE BOARD OF SUPERVISORS, THE COUNTY ADMINISTRATOR AND THE FINANCE DIRECTOR OF CERTAIN AUTHORITY WITH RESPECT THERETO; AUTHORIZING, IF NECESSARY, THE PREPARATION AND DELIVERY OF AN OFFICIAL STATEMENT WITH RESPECT TO SUCH SERIES 2018 OBLIGATIONS; ORDERING THE SALE OF SUCH SERIES 2018 OBLIGATIONS; AUTHORIZING, IF NECESSARY, THE EXECUTION AND DELIVERY OF A CONTINUING DISCLOSURE UNDERTAKING WITH RESPECT TO SUCH SERIES 2018 OBLIGATIONS; AND AUTHORIZING THE FINANCE DIRECTOR TO EXPEND ALL NECESSARY FUNDS THEREFOR

BE IT RESOLVED BY THE BOARD OF SUPERVISORS OF PIMA COUNTY, ARIZONA, AS FOLLOWS:

Section 1. Recitals, Findings and Conclusions.

(a) Pursuant to Title 11, Chapter 2, Article 4, Arizona Revised Statutes, as amended (the "Act"), Pima County, Arizona (the "County"), is authorized to purchase, construct or operate a sewer system (the "System"), including the collection, transportation, pumping, treatment and disposal of sewage and to charge fees therefor.

(b) Pursuant to Resolution No. 1991-138 passed and adopted on June 18, 1991, as amended by Resolution No. 1991-182 passed and adopted August 6, 1991, and supplements thereto, the Board of Supervisors of the County (the "Board") has authorized the sale and issuance of various series of sewer revenue and sewer revenue refunding bonds and has authorized loans with the Water Infrastructure Finance Authority of Arizona (the "Prior Obligations") to finance and refinance additions and improvements to the System.

(c) In order to purchase, construct and operate additions and improvements to the System (the "Series 2010 Property"), the County authorized the execution and delivery of \$165,000,000 aggregate amount of Sewer System Revenue Obligations, Series 2010 (the "Series 2010 Obligations"), pursuant to the Series 2010 Obligation Indenture, dated as of June 1, 2010, between the County and The Bank of New York Mellon Trust Company, N.A., as trustee (the "Series 2010 Trustee"), which Series 2010 Obligations evidence proportionate interests of the holders thereof in installment payments of the purchase price for the Series 2010 Property (the "Series 2010 Purchase Price") to be paid by the County pursuant to the Series 2010 Purchase Agreement, dated as of June 1, 2010, as amended by the First Amendment to Series 2010 Purchase Agreement, dated as of March 1, 2011 (together, the "Series 2010 Purchase Agreement"), between the County and the Series 2010 Trustee in its separate capacity as seller.

(d) The Series 2010 Purchase Agreement provides that the County may incur obligations ranked on a parity with the payments of the Series 2010 Purchase Price that share *pro rata* in payments to be made by the County from the Pledged Revenues (as defined in the Series 2010 Purchase Agreement) ("Additional Obligations") if certain conditions have been met, including that the Pledged Revenues for the immediately preceding year have been at least equal to 120 percent of the highest aggregate principal and interest requirements of all Series 2010 Obligations and Additional Obligations then outstanding, including the Additional Obligations to be incurred, to fall due and payable in the current or any future year.

(e) In order to purchase, construct and operate other additions and improvements to the System (the "Series 2011B Property"), the County authorized the execution and delivery of \$189,160,000 aggregate amount of Sewer System Revenue Obligations, Series 2011B (the "Series 2011B Obligations"), pursuant to the Series 2011B Obligation Indenture, dated as of December 1, 2011, between the County and The Bank of New York Mellon Trust Company, N.A., as trustee (the "Series 2011B Trustee"), which Series 2011B Obligations evidence proportionate interests of the holders thereof in installment payments of the purchase price for the Series 2011B Property (the "Series 2011B Purchase Price") to be paid by the County pursuant to the Series 2011B Purchase Agreement, dated as of December 1, 2011 (the "Series 2011B Purchase Agreement"), between the County and the Series 2011B Trustee in its separate capacity as seller. The Series 2011B Obligations constitute Additional Obligations payable from the Pledged Revenues and payment of the Series 2011B Purchase Price pursuant to the Series 2011B Purchase Agreement evidenced thereby is secured by a pledge of the Pledged Revenues on a parity with payment of the Series 2010 Purchase Price pursuant to the Series 2010 Purchase Agreement evidenced by the Series 2010 Obligations.

(f) In order to purchase, construct and operate other additions and improvements to the System (the "Series 2012A Property"), the County authorized the execution and delivery of \$128,795,000 aggregate amount of Sewer System Revenue Obligations, Series 2012A (the "Series 2012A Obligations"), pursuant to the Series 2012A Obligation Indenture, dated as of December 1, 2012, between the County and The Bank of New York Mellon Trust Company, N.A., as trustee (the "Series 2012A Trustee"), which Series 2012A Obligations evidence proportionate interests of the holders thereof in installment payments of the purchase price for the Series 2012A Property (the "Series 2012A Purchase Price") to be paid by the County pursuant to the Series 2012A Purchase Agreement, dated as of December 1, 2012 (the

“Series 2012A Purchase Agreement”), between the County and the Series 2012A Trustee in its separate capacity as seller. The Series 2012A Obligations constitute Additional Obligations payable from the Pledged Revenues and payment of the Series 2012A Purchase Price pursuant to the Series 2012A Purchase Agreement evidenced thereby is secured by a pledge of the Pledged Revenues on a parity with payment of (i) the Series 2010 Purchase Price pursuant to the Series 2010 Purchase Agreement evidenced by the Series 2010 Obligations and (ii) the Series 2011B Purchase Price pursuant to the Series 2011B Purchase Agreement evidenced by the Series 2011B Obligations.

(g) In order to purchase, construct and operate other additions and improvements to the System (the “Series 2014 Property”), the County authorized the execution and delivery of \$48,500,000 aggregate amount of Sewer System Revenue Obligations, Series 2014 (the “Series 2014 Obligations”), pursuant to the Series 2014 Obligation Indenture, dated as of February 1, 2014, between the County and The Bank of New York Mellon Trust Company, N.A., as trustee (the “Series 2014 Trustee”), which Series 2014 Obligations evidence proportionate interests of the holders thereof in installment payments of the purchase price for the Series 2014 Property (the “Series 2014 Purchase Price”) to be paid by the County pursuant to the Series 2014 Purchase Agreement, dated as of February 1, 2014 (the “Series 2014 Purchase Agreement”), between the County and the Series 2014 Trustee in its separate capacity as seller. The Series 2014 Obligations constitute Additional Obligations payable from the Pledged Revenues and payment of the Series 2014 Purchase Price pursuant to the Series 2014 Purchase Agreement evidenced thereby is secured by a pledge of the Pledged Revenues on a parity with payment of (i) the Series 2010 Purchase Price pursuant to the Series 2010 Purchase Agreement evidenced by the Series 2010 Obligations, (ii) the Series 2011B Purchase Price pursuant to the Series 2011B Purchase Agreement evidenced by the Series 2011B Obligations and (iii) the Series 2012A Purchase Price pursuant to the Series 2012A Purchase Agreement evidenced by the Series 2012A Obligations.

(h) In order to refinance additions and improvements to the System (the “Series 2016 Property”), the County authorized the execution and delivery of \$211,595,000 aggregate amount of Sewer System Revenue Refunding Obligations, Series 2016 (the “Series 2016 Obligations”), pursuant to the Series 2016 Obligation Indenture, dated as of July 1, 2016, between the County and The Bank of New York Mellon Trust Company, N.A., as trustee (the “Series 2016 Trustee”), which Series 2016 Obligations evidence proportionate interests of the holders thereof in installment payments of the purchase price for the Series 2016 Property (the “Series 2016 Purchase Price”) to be paid by the County pursuant to the Series 2016 Purchase Agreement, dated as of July 1, 2016 (the “Series 2016 Purchase Agreement”), between the County and the Series 2016 Trustee in its separate capacity as seller. The Series 2016 Obligations constitute Additional Obligations payable from the Pledged Revenues and payment of the Series 2016 Purchase Price pursuant to the Series 2016 Purchase Agreement evidenced thereby is secured by a pledge of the Pledged Revenues on a parity with payment of (i) the Series 2010 Purchase Price pursuant to the Series 2010 Purchase Agreement evidenced by the Series 2010 Obligations, (ii) the Series 2011B Purchase Price pursuant to the Series 2011B Purchase Agreement evidenced by the Series 2011B Obligations, (iii) the Series 2012A Purchase Price pursuant to the Series 2012A Purchase Agreement evidenced by the Series 2012A Obligations

and (iv) the Series 2014 Purchase Price pursuant to the Series 2014 Purchase Agreement evidenced by the Series 2014 Obligations.

(i) In order to purchase, construct and operate other additions and improvements to the System (the "Series 2017 Property"), the County authorized the execution and delivery of \$45,000,000 aggregate amount of Sewer System Revenue Obligations, Series 2017 (the "Series 2017 Obligations"), pursuant to the Series 2017 Obligation Indenture, dated as of January 1, 2017, between the County and The Bank of New York Mellon Trust Company, N.A., as trustee (the "Series 2017 Trustee"), which Series 2017 Obligations evidence proportionate interests of the holders thereof in installment payments of the purchase price for the Series 2017 Property (the "Series 2017 Purchase Price") to be paid by the County pursuant to the Series 2017 Purchase Agreement, dated as of January 1, 2017 (the "Series 2017 Purchase Agreement"), between the County and the Series 2017 Trustee in its separate capacity as seller. The Series 2017 Obligations constitute Additional Obligations payable from the Pledged Revenues and payment of the Series 2017 Purchase Price pursuant to the Series 2017 Purchase Agreement evidenced thereby is secured by a pledge of the Pledged Revenues on a parity with payment of (i) the Series 2010 Purchase Price pursuant to the Series 2010 Purchase Agreement evidenced by the Series 2010 Obligations, (ii) the Series 2011B Purchase Price pursuant to the Series 2011B Purchase Agreement evidenced by the Series 2011B Obligations, (iii) the Series 2012A Purchase Price pursuant to the Series 2012A Purchase Agreement evidenced by the Series 2012A Obligations, (iv) the Series 2014 Purchase Price pursuant to the Series 2014 Purchase Agreement evidenced by the Series 2014 Obligations and (v) the Series 2016 Purchase Price pursuant to the Series 2016 Purchase Agreement evidenced by the Series 2016 Obligations.

(j) The requirements for the incurrence of Additional Obligations have been met and it is necessary and in the best interests of the County that Additional Obligations be incurred and sold and the proceeds thereof be used to purchase, construct and operate other additions and improvements to the System (the "Series 2018 Property"). Therefore, the Board intends to execute and deliver a Series 2018 Purchase Agreement, to be dated as of the first day of the month of the dated date of the hereinafter described Series 2018 Obligations (the "Series 2018 Purchase Agreement"), in substantially the form on file with the Clerk of the Board, by which the County will agree to purchase the Series 2018 Property.

(k) The acquisition of the Series 2018 Property will be financed through the sale and execution and delivery of certain proportionate interests (the "Series 2018 Obligations") in the Series 2018 Purchase Agreement pursuant to, and secured by, a Series 2018 Obligation Indenture, to be dated as of the date of the Series 2018 Purchase Agreement (the "Series 2018 Obligation Indenture"), by and between the County and The Bank of New York Mellon Trust Company, N.A., in its separate capacity as trustee (including any successor appointed and acting in such capacity, the "Series 2018 Trustee"), in substantially the form on file with the Clerk of the Board.

(l) The Board intends for the Series 2018 Obligations to be sold (i) directly to one or more banks, as purchaser of the Series 2018 Obligations (collectively, the "Purchaser"), pursuant to a banking lending proposal solicited by RBC Capital Markets, LLC, as bank solicitor (in such capacity as bank solicitor, the "Bank Solicitor"), pursuant to a Bank Solicitor

Agreement, to be dated as determined by the parties thereto (the "Bank Solicitor Agreement"), between the County and the Bank Solicitor in a standard form, or (ii) if, based on the determination of the chief financial officer of the County (the "Finance Director"), an acceptable offer to directly purchase the Series 2018 Obligations is not received from such banks, to RBC Capital Markets, LLC, as underwriter (in such capacity as underwriter, the "Underwriter"), as provided in a Purchase Contract, to be dated the date of the sale of the Series 2018 Obligations (the "Purchase Contract"), between the County and the Underwriter, in substantially the same form as that used in connection with the sale of the Series 2016 Obligations, with such changes as are approved by the Finance Director.

(m) The Underwriter, if any, is required to comply with Rule 15c2-12(b)(5) adopted by the Securities and Exchange Commission under the Securities Exchange Act of 1934, as amended (the "Rule"), in connection with selling the Series 2018 Obligations as an underwriter, and in that regard, if the Series 2018 Obligations are to be sold pursuant to the Purchase Contract, the County will execute and deliver a Continuing Disclosure Undertaking, to be dated the date of the Series 2018 Obligations (the "Undertaking"), with respect to the Series 2018 Obligations, in substantially the same form as that executed and delivered by the County in connection with the Series 2016 Obligations.

(n) The County has the requisite power and authority to execute and deliver the Series 2018 Purchase Agreement and to cause the sale and execution and delivery of the Series 2018 Obligations, and all acts, conditions and things required by the Constitution and laws of the State of Arizona and the requirements of the County 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 Series 2018 Purchase Agreement a valid and binding limited, special obligation of the County.

## Section 2. Authorization and Execution and Delivery of Documents and Obligations.

(a) For the purpose of providing funds to finance the Series 2018 Property and the related costs of the sale and execution and delivery of the Series 2018 Obligations, the Series 2018 Obligations shall be sold and executed and delivered as one or more series of obligations (determined as hereinafter provided). The Series 2018 Obligations shall be dated the date of their initial authentication and delivery and shall be in an aggregate principal amount, shall bear interest, shall be issued in such form and denominations, shall be payable as to interest and principal on such dates, shall be executed in such manner and shall have such other provisions, including, without limitation, provisions with respect to redemption prior to maturity, as set forth in the form of the Series 2018 Obligation Indenture and, if sold to the Purchaser, as agreed to with the Purchaser, and if sold to the Underwriter, as set forth in, as executed and delivered, the Purchase Contract, with such additions, deletions and modifications consistent with this Resolution as shall be approved by the officers of the Series 2018 Trustee executing and delivering the same on behalf of the Series 2018 Trustee, the execution and delivery thereof to constitute conclusive evidence of their approval and of such additions, deletions or modifications. The Chair of the Board, the County Administrator, the Finance Director and the designees of any of them (collectively, the "Authorized Representatives") are hereby authorized to determine such matters on behalf of the County (including, based on the determination of the

Finance Director, whether the Series 2018 Obligations are to be sold to the Purchaser or the Underwriter) and then to take any action, make any modification of documents, enter into any agreements, make any elections or certifications and pay any costs necessary to provide for the sale and execution and delivery of the Series 2018 Obligations or such portion thereof in such manner and to comply with the requirements of the Internal Revenue Code of 1986, as amended (the "Code"), and the terms of the Series 2018 Obligations or such portion thereof and any agreement related thereto including causing the Series 2018 Obligations to be issued in multiple series as designated by them. Notwithstanding the foregoing, the aggregate principal amount of the Series 2018 Obligations shall not exceed \$46,000,000, the Series 2018 Obligations shall mature over a period not exceeding the term permitted by the Code in order for the interest paid with respect to the Series 2018 Obligations to be exempt from federal income taxation, but in any event not later than July 1, 2033, and the Series 2018 Obligations shall be sold at such prices and shall bear interest at such rates as to result in an effective yield as calculated for federal income tax purposes relative to the issuance of obligations, the interest income on which is excluded from gross income, of not to exceed six percent (6%) per annum.

(b) The Authorized Representatives are hereby authorized to execute, and the Clerk of the Board is hereby authorized to attest and deliver, respectively, the Series 2018 Purchase Agreement, the Series 2018 Obligation Indenture, the Bank Solicitor Agreement or the Purchase Contract and, if sold pursuant to the Purchase Contract, the Undertaking, 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 County, the execution and delivery thereof to constitute conclusive evidence of their approval, and of such additions, deletions and modifications. The Authorized Representatives are hereby specifically authorized to approve additions, deletions and modifications to the Series 2018 Obligations, the Series 2018 Purchase Agreement and the Series 2018 Obligation Indenture to accommodate sale of the Series 2018 Obligations to the Purchaser instead of the Underwriter including specifically matters related to the form, authorized denominations and method of payment of the Series 2018 Obligations and to add covenants relating to matters such as providing certain information as required by the Purchaser.

(c) The Series 2018 Trustee is hereby requested to execute and deliver the Series 2018 Obligations, the Series 2018 Purchase Agreement and the Series 2018 Obligation Indenture to accomplish the purposes hereof.

(d) The Authorized Representatives are hereby authorized to cause the sale and execution and delivery of the Series 2018 Obligations and are hereby delegated the authority to complete any information missing in, or necessary for the consummation of the transactions contemplated by, the Series 2018 Purchase Agreement, the Series 2018 Obligation Indenture, the Bank Solicitor Agreement or the Purchase Contract and, if sold pursuant to the Purchase Contract, the Undertaking. The Authorized Representatives are authorized to select, and execute and deliver contracts with, appropriate professionals (including special counsel) to provide various professional services with respect to the sale and execution and delivery of the Series 2018 Obligations as well as to provide for such other matters (including credit enhancement providers if deemed advantageous by them) as are necessary in order to accomplish the purposes of this Resolution. The Authorized Representatives are hereby further authorized to execute and



deliver any instruments or documents necessary in connection with the purchase of any such credit enhancement, including those making provision for the repayment of amounts advanced for credit enhancement thereunder. The fees, costs and expenses with respect to the foregoing shall be paid from proceeds of the sale of the Series 2018 Obligations or any other legally available moneys. The Finance 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 2018 Obligations.

Section 3. Acceptance of Proposal. So long as the terms for the Series 2018 Obligations are within the parameters established by Section 2 hereof, the Authorized Representatives are hereby authorized to determine whether to accept the proposal of the Underwriter pursuant to the Purchase Contract or the proposal of the Purchaser. If it is the former, such acceptance shall be evidenced by the execution and delivery of the Purchase Contract pursuant to Section 2 hereof. If it is the latter, such acceptance shall be evidenced by a Certificate and Receipt of the Purchaser. The Series 2018 Obligations shall be prepared and executed and delivered following the adoption of this Resolution and shall thereupon be delivered upon payment therefor to either the Underwriter in accordance with the terms of the Purchase Contract or the Purchaser.

Section 4. Authorization of Official Statement. If the Series 2017 Obligations are to be sold to the Underwriter, the Authorized Representatives are hereby authorized to (i) approve the preparation and dissemination by the Underwriter of a Preliminary Official Statement, to be dated the date of the publication thereof (the "Preliminary Official Statement"), relating to the Series 2018 Obligations in substantially the same form as that used in connection with the sale of the Series 2016 Obligations and (ii) execute and approve the preparation and delivery to, and use by, the Underwriter of a final Official Statement, to be dated the date of the sale of the Series 2018 Obligations (the "Official Statement"), relating to the Series 2018 Obligations in substantially the form of the Preliminary Official Statement with such additions, deletions and modifications consistent with this Resolution as shall be approved by them. If and to the extent applicable, the Authorized Representatives shall certify or otherwise represent that the Preliminary Official Statement, in original or revised form, is a "deemed final" official statement (except for permitted omissions) of the County as of a particular date and that a completed version is a "final" official statement, in both cases, for purposes of the Rule. If so necessary, the distribution and use of the Preliminary Official Statement and the Official Statement by the County and the Underwriter are hereby authorized, ratified, confirmed and approved. If so necessary, the Authorized Representatives are further authorized to use and distribute, or authorize the use and distribution of, any supplements in connection with the original execution and delivery of the Series 2018 Obligations as may be necessary or appropriate and to sign and deliver, on behalf of the County, the Official Statement and such certificates in connection with the accuracy of the Official Statement and any amendment thereto as may be necessary or appropriate.

Section 5. Appointment of Trustee. The Bank of New York Mellon Trust Company, N.A., with its designated office in Austin, Texas, is hereby appointed as the Series 2018 Trustee.

Section 6. Severability. It is the intention hereof to confer upon the County the whole of the powers provided for in the Act and if any one or more sections, clauses, sentences and parts

hereof shall for any reason be questioned in any court of competent jurisdiction and shall be adjudged unconstitutional or invalid, such judgment shall not affect, impair or invalidate the remaining provisions hereof, but shall be confined to the specific sections, clauses, sentences and parts so determined. All prior resolutions or parts thereof in conflict herewith are hereby repealed.

Section 7. Ratification of Actions. All actions of the officers, employees and agents of the County that conform to the purposes and intent of this Resolution and that 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 County are hereby authorized and directed to do all such acts and things and to execute and deliver all such documents on behalf of the County as may be necessary to carry out the terms and intent of this Resolution.

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PASSED, ADOPTED, AND APPROVED by the Board of Supervisors of Pima County,  
Arizona, on December 19, 2017.

By.....  
Sharon Bronson, Chair, Board of  
Supervisors

ATTEST:

.....  
Clerk, Board of Supervisors

APPROVED AS TO FORM:

GREENBERG TRAURIG, LLP  
Special Counsel

By.....  
Michael Cafiso