

**RESOLUTION NO. 2017-\_\_**

**A RESOLUTION OF THE BOARD OF SUPERVISORS OF PIMA COUNTY, ARIZONA AUTHORIZING THE LEASE AND LEASE-PURCHASE BACK OF CERTAIN REAL PROPERTY, INCLUDING BUILDINGS AND STRUCTURES, IN ORDER TO FINANCE AND REFINANCE PROJECTS FOR THE COUNTY; AUTHORIZING THE EXECUTION AND DELIVERY OF AMENDMENTS AND SUPPLEMENTS TO A LEASE-PURCHASE AGREEMENT AND A TRUST AGREEMENT AND OTHER NECESSARY AGREEMENTS, INSTRUMENTS AND DOCUMENTS; APPROVING THE EXECUTION AND DELIVERY OF CERTIFICATES OF PARTICIPATION TO PROVIDE THE NECESSARY FINANCING AND REFINANCING THEREFOR; AND AUTHORIZING OTHER ACTIONS AND MATTERS IN CONNECTION THEREWITH.**

WHEREAS, Pima County, Arizona (the "County"), as lessee, previously entered into a Lease-Purchase Agreement, dated as of June 1, 2008 (the "Original Lease-Purchase Agreement"), which was amended by a First Amendment to Lease-Purchase Agreement, dated as of June 1, 2009, by a Second Amendment to Lease-Purchase Agreement, dated as of February 1, 2010, by a Third Amendment to Lease-Purchase Agreement, dated as of May 1, 2013, by a Fourth Amendment to Lease-Purchase Agreement, dated as of January 1, 2014, by a Fifth Amendment to Lease-Purchase Agreement, dated as of April 1, 2015 and by a Sixth Amendment to Lease-Purchase Agreement, dated as of April 1, 2016 (collectively, and as further amended by the Lease Amendments hereinafter described, the "Lease-Purchase Agreement") with U.S. Bank National Association, as trustee under the below-described Trust Agreement (the "Trustee"), as lessor (in such capacity, the "Lessor"), pursuant to which the Lessor leases to the County, as lessee, certain leased property (the "Leased Property") as described therein; and

WHEREAS, the Trustee and the County have previously entered into a Trust Agreement, dated as of June 1, 2008 (the "Original Trust Agreement"), as supplemented by a First Supplement to Trust Agreement, dated as of June 1, 2009, by a Second Supplement to Trust Agreement, dated as of February 1, 2010, by a Third Supplement to Trust Agreement, dated as of May 1, 2013, by a Fourth Supplement to Trust Agreement, dated as of January 1, 2014, by a Fifth Supplement to Trust Agreement, dated as of April 1, 2015 and by a Sixth Supplement to Trust Agreement, dated as of April 1, 2016 (collectively, and as further supplemented by the Trust Supplements hereinafter described, the "Trust Agreement"), pursuant to which the Trustee executed and delivered Certificates of Participation, Series 2008 (the "2008 Certificates"), Certificates of Participation, Series 2009 (the "2009 Certificates"), Certificates of Participation, Series 2010 (the "2010 Certificates"), Certificates of Participation, Series 2013A (the "2013A Certificates"), Refunding Certificates of Participation, Series 2013B (the "2013B Certificates"), Certificates of Participation, Series 2014 (the "2014 Certificates"), Certificates of Participation, Series 2015 (the "2015 Certificates") Certificates of Participation, comprising Certificates of Participation, Series 2016A (the "2016A

Certificates”) and Certificates of Participation, Taxable Series 2016B (the “Taxable 2016B Certificates”), for the purpose of financing and refinancing the costs of certain projects of the County approved by this Board, and amending and restructuring the County’s lease payments (the “Lease Payments”) under the Original Lease-Purchase Agreement; and

WHEREAS, there are no 2008 Certificates, 2009 Certificates or 2013B Certificates currently outstanding and there are currently outstanding only 2010 Certificates, 2013A Certificates, 2014 Certificates, 2015 Certificates, 2016 Certificates and Taxable 2016B Certificates; and

WHEREAS, the Trust Agreement permits, under certain conditions, the execution and delivery of “Additional Certificates,” on a parity with the “Certificates” then outstanding under the Trust Agreement, and permits the further supplementation and amendment of the Trust Agreement and the Lease-Purchase Agreement to facilitate such an execution and delivery of such Additional Certificates; and

WHEREAS, the County has determined that it will be advantageous to cause the execution and delivery of Additional Certificates, in a principal amount, net of any original issue discount, which will produce \$64,000,000 in net proceeds for financing or refinancing projects of the County approved by this Board, plus any amount approved by an Authorized Officer as being necessary to pay the costs associated with the execution and delivery of such Additional Certificates, and to restructure the Lease Payments under the Lease-Purchase Agreement; and

WHEREAS, in connection with the execution and delivery of the Additional Certificates, it will be necessary to enter into a supplemental or restated Trust Agreement or amendments or supplements thereto, between the County and the Trustee (collectively, “Trust Supplements”), and a supplemental or restated Lease-Purchase Agreement or amendments or supplements thereto, between the County and the Trustee, as lessor (collectively, “Lease Amendments”); and

WHEREAS, upon execution and delivery of each series of Additional Certificates, all the conditions for the execution and delivery of Additional Certificates under the Trust Agreement will have been met for such series; and

WHEREAS, the County will offer and sell each series of the Additional Certificates either (i) directly to one or more banks submitting a lending proposal to the County (the “Purchaser”), or (ii) if sold through an underwritten offering, to RBC Capital Markets, LLC, as underwriter (the “Underwriter”), in either case as determined by the Director of Finance to be most advantageous to the County; and

WHEREAS, the Additional Certificates of any series sold through an underwritten offering to the Underwriter, will be offered for sale pursuant to a Preliminary Official Statement (the “Preliminary Official Statement”), in a form substantially the same as that used in connection with the sale of the 2016 Certificates

which, with conforming changes, will become the Official Statement (the "Official Statement"); and

WHEREAS, the Additional Certificates will be sold pursuant to one or more Certificate Purchase Agreements (collectively, the "Purchase Agreement") between the County and the Purchaser or the Underwriter, as applicable, which (a) with respect to the sale of a series of Additional Certificates to a bank or banks pursuant to a lending proposal, shall be evidenced by the Purchaser's certificate and receipt, and (b) with respect to the sale of a series of Additional Certificates sold through an underwritten offering, shall be evidenced by a certificate purchase agreement between the County and the Underwriter in a form substantially the same as that used in connection with the sale of the 2016 Certificates; and

WHEREAS, in connection with the sale of Additional Certificates through an underwritten offering, Securities and Exchange Commission Rule 15(c)2-12 may require the County to make certain agreements for the benefit of holders and beneficial owners from time to time of the Additional Certificates, as evidenced in one or more Continuing Disclosure Undertakings from the County (the "Continuing Disclosure Undertaking"); and

WHEREAS, the County has the power and authority to enter into and deliver the Lease Amendments, the Trust Supplements, the Purchase Agreement, the Continuing Disclosure Undertaking and such additional agreements (collectively, the "County Documents") or amendments thereto and has determined that it is advantageous and in the public interest to approve the execution, sale and delivery of the Additional Certificates in order to secure the financial advantages for the County;

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

Section 1. The execution, delivery and issuance of Additional Certificates for financing or refinancing projects of the County approved by this Board, plus any amount approved by an Authorized Officer as being necessary to pay the costs associated with the execution and delivery of such Additional Certificates, and to restructure the Lease Payments under the Lease-Purchase Agreement is hereby approved.

Section 2. The Chair, Vice Chair or Acting Chair of this Board, the County Administrator of the County or the Director of Finance of the County (each an "Authorized Officer") are each hereby authorized, empowered and directed, with the approval of counsel to the County, in the name and on behalf of the County, to execute and deliver the County Documents, in such forms as shall be reviewed by counsel to the County and approved by the Authorized Officer executing the same.

Section 3. From and after the execution and delivery of the County Documents in definitive form by the County and the other parties thereto, as required, the officers, agents and employees of the County are hereby authorized, empowered and directed to do all such acts and things and to execute all such agreements, documents,

instruments and certificates as may be necessary to carry out and comply with the provisions thereof, including but not limited to the execution of tax compliance certificates or any other such document necessary in relation to the tax-exempt status of any series of Additional Certificates intended by the County to be executed and delivered bearing tax-exempt interest or otherwise required by the related Purchase Agreement.

Section 4. The Additional Certificates in a principal amount, net of any original issue discount, which will produce not more than \$64,000,000 in net proceeds for projects for the County approved by this Board, plus any amount approved by an Authorized Officer as being necessary to pay the costs associated with the execution and delivery of such Additional Certificates, may be executed and delivered at different times, in one or more series, on a tax-exempt or taxable basis, bear interest at the rate or rates per annum not to exceed a yield of 6.50% per annum computed in accordance with Section 148 of the Internal Revenue Code of 1986, as amended, and have the other terms and conditions to be provided in the related Purchase Agreement and the Trust Supplement (as executed and delivered) and consistent with this Resolution. Each series of Additional Certificates shall be sold and awarded to the Purchaser or the Underwriter, as applicable, at a price of not less than 98% of par (excluding any original issue discount). Each series of Additional Certificates shall mature over a period ending not later than December 1, 2030, may be subject to mandatory or optional redemption prior to maturity, and shall have such other terms, all as provided in the related Trust Supplement and Purchase Agreement (as executed and delivered). Each series of Additional Certificates shall be sold to the Purchaser or to the Underwriter, in either case as determined by Director of Finance to be most advantageous to the County.

Section 5. As to any series of the Additional Certificates sold through an underwritten offering, the distribution of the Preliminary Official Statement by the Underwriter with respect to each series of Additional Certificates is hereby ratified and approved in the form approved by an Authorized Officer and an Official Statement for such series is hereby authorized and approved, in substantially the form of the related Preliminary Official Statement, with such changes or revisions as may be approved by the Authorized Officer executing the same. Any Authorized Officer is hereby authorized, empowered and directed, in the name and on behalf of the County, to execute and deliver the same to the Underwriter and to execute and deliver instruments confirming that the Preliminary Official Statement is "deemed final" in accordance with Securities and Exchange Commission Rule 15(c)2-12.

Section 6. If the Director of Finance of the County or his designee determines that the purchase of an insurance policy securing payment of any series of Additional Certificates would be advantageous to the County, any officer, agent or employee of the County is hereby authorized to negotiate with and secure, with proceeds of such series of Additional Certificates or otherwise, such an insurance policy from one or more institutions the claims-paying ability of which are then assigned a rating of "Aa3/AA-" or better by a nationally recognized credit rating agency at the time of issuance of the insurance policy. Each Authorized Officer is hereby further 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.

Section 7. The Authorized Officers, and the designees of any of them, are each hereby designated and appointed as the Lessee Representative, as defined in the Lease-Purchase Agreement, and each of them is authorized to execute in the name of and on behalf of the County any closing documents, certificates, or other instruments or documents necessary or appropriate in connection with the transactions described in or contemplated by the related Official Statement, Purchase Agreement, Lease-Purchase Agreement or Trust Agreement or amendments or supplements thereto and to do all acts and things as may be necessary or desirable to carry out the terms and intent of this Resolution and of any of the documents referred to herein.

Section 8. The proceeds received by the Trustee from the sale of each series of Additional Certificates shall immediately be applied as provided in the related Trust Supplement. Pending disbursement of any such proceeds received by the County and held by the County Treasurer, the County Treasurer is directed to invest the amounts so received and held in the State Treasurer's Local Government Investment Pool (LGIP); provided, however, that the Director of Finance of the County may at any time provide other written investment instructions to the County Treasurer and the County Treasurer, to the extent that such investments are lawful, is authorized and directed to invest monies as set forth in the instructions. The County Administrator or the Director of Finance of the County are hereby authorized to transfer monies from the Transportation Fund, the Regional Wastewater Reclamation Enterprise Fund, the Capital Projects Fund or any other funds, as appropriate, and in the amounts proportional to the use of the Certificate proceeds for transportation projects, wastewater projects, capital projects, or other projects, facilities or equipment, needed to make lease payments under the Lease Agreement to pay principal and interest with respect to the Additional Certificates as such amounts become due.

Section 9. All actions of the officers, agents and employees of the County which are in conformity with the purposes and intent of the foregoing resolutions be, and the same are hereby, in all respects, authorized, approved, ratified and confirmed.

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

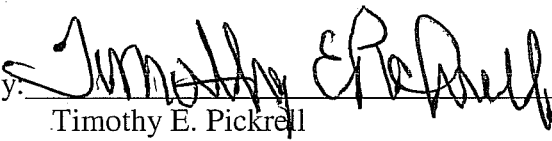
PIMA COUNTY, ARIZONA

By: \_\_\_\_\_  
Chair, Board of Supervisors

ATTEST:

By: \_\_\_\_\_  
Clerk, Board of Supervisors

Approved as to Form:  
SQUIRE PATTON BOGGS (US) LLP,  
Bond Counsel

By:   
Timothy E. Pickrell