

SALT RIVER PROJECT AGRICULTURAL IMPROVEMENT AND POWER DISTRICT BOARD MEETING NOTICE AND AGENDA

BOARD OF DIRECTORS

Thursday, February 16, 2023, 9:30 AM

SRP Administration Building
1500 N. Mill Avenue, Tempe, AZ 85288

Call to Order
Roll Call

1. 2023 Series A Revenue Bond Sale..... BRIAN KOCH

Request for approval of the **RESOLUTION AUTHORIZING THE ISSUANCE AND SALE OF \$500,000,000 [preliminary par value amount, subject to change] SALT RIVER PROJECT ELECTRIC SYSTEM REVENUE BONDS, 2023 SERIES A OF THE SALT RIVER PROJECT AGRICULTURAL IMPROVEMENT AND POWER DISTRICT, AND PROVIDING FOR THE FORM, DETAILS AND TERMS THEREOF.**

2. Report on Current Events by the General Manager and Chief Executive Officer or Designees..... MIKE HUMMEL

The Board may vote during the meeting to go into Executive Session, pursuant to A.R.S. §38-431.03 (A)(3), for the purpose of discussion or consultation for legal advice with legal counsel to the Board on any of the matters listed on the agenda.

The Board may go into Closed Session, pursuant to A.R.S. §30-805(B), for discussion of records and proceedings relating to competitive activity, including trade secrets or privileged or confidential commercial or financial information.

Visitors: The public has the option to attend in-person or observe via Zoom and may receive teleconference information by contacting the Corporate Secretary's Office at (602) 236-4398. If attending in-person, all property in your possession, including purses, briefcases, packages, or containers, will be subject to inspection.



THE NEXT BOARD MEETING IS SCHEDULED FOR
MONDAY, MARCH 6, 2023

02/09/2023

RESOLUTION AUTHORIZING THE ISSUANCE AND SALE OF \$500,000,000 SALT RIVER PROJECT ELECTRIC SYSTEM REVENUE BONDS, 2023 SERIES A OF THE SALT RIVER PROJECT AGRICULTURAL IMPROVEMENT AND POWER DISTRICT, AND PROVIDING FOR THE FORM, DETAILS AND TERMS THEREOF

WHEREAS, the members of the Board of Directors (the “Board of Directors”) of the Salt River Project Agricultural Improvement and Power District (the “District”), by resolution entitled “Supplemental Resolution Dated September 10, 2001 Authorizing an Amended and Restated Resolution Concerning Revenue Bonds,” which became effective January 11, 2003, as amended and supplemented (the “Resolution”), have created and established an issue of Salt River Project Electric System Revenue Bonds (the “Bonds”), which may be authorized from time to time pursuant to Series Resolutions; and

WHEREAS, the Arizona Corporation Commission (the “Commission”) has approved by its Opinion and Order described in **Exhibit A** hereto the issuance of \$500,000,000 2023 Series A Bonds to pay the costs of various improvements and additions to the District’s Electric System and to pay certain costs of the issuance of the 2023 Series A Bonds; and

WHEREAS, the Board of Directors has determined to use the authorization applicable to the Commission’s Opinion and Order described in **Exhibit A** hereto to issue the 2023 Series A Bonds to (i) finance the costs of acquisition and construction of various capital improvements and additions to the District’s Electric System and (ii) pay certain costs of issuance of the 2023 Series A Bonds; and

WHEREAS, the Board of Directors has been presented with a Purchase Contract, dated February 16, 2023 (the “Purchase Contract”), by and among the District and a group of purchasers represented by and including J.P. Morgan Securities LLC, BofA Securities, Inc., Goldman, Sachs & Co., LLC, Morgan Stanley & Co. LLC and TD Securities LLC (hereinafter collectively referred to as the “Purchasers”) providing for the purchase of \$500,000,000 2023 Series A Bonds; and

WHEREAS, the Board of Directors desires the District to sell \$500,000,000 2023 Series A Bonds to the Purchasers pursuant to the terms and conditions of the Purchase Contract to provide moneys to carry out the aforesaid purposes of the District; and

WHEREAS, Title 48, Chapter 17, Article 7, of the Arizona Revised Statutes requires that the private sale of Bonds be subject to prior approval by a majority of the members of the Council of the District and that no Bonds be issued unless the Council, by resolution adopted by an affirmative vote of a majority of its members, ratifies and confirms the amount of the Bonds authorized to be issued by the Board of Directors (together the “Council Approval and Ratification Requirement”); and

WHEREAS, the Board of Directors desires to ratify and confirm the preparation and distribution of a Preliminary Official Statement and approve the preparation, execution and delivery of an Official Statement for the 2023 Series A Bonds; and

WHEREAS, the Board of Directors desires to authorize the proper officers and employees of the District to take all necessary steps to complete the sale, issuance and delivery as aforesaid of \$500,000,000 2023 Series A Bonds; and

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE SALT RIVER PROJECT AGRICULTURAL IMPROVEMENT AND POWER DISTRICT AS FOLLOWS:

SECTION 1. Series Resolution. This Series Resolution (hereinafter referred to as “Resolution Authorizing the Issuance and Sale of \$500,000,000 2023 Series A Bonds” or as “2023 Series A Resolution”) is adopted in accordance with the provisions of the Resolution and pursuant to the authority contained in Title 48, Chapter 17 of the Arizona Revised Statutes, as amended.

SECTION 2. Definitions. This 2023 Series A Resolution and the Resolution are herein collectively referred to as the “Resolutions.” All terms which are defined in the Resolution shall have the same meanings, respectively, in this 2023 Series A Resolution, as such terms are given in the Resolution. In this 2023 Series A Resolution:

“Authorized Representative” shall mean any of the President, or the Vice President, or the General Manager and Chief Executive Officer, or the Associate General Manager and Chief Financial Executive or the Senior Director of Financial Services and Corporate Treasurer or any Assistant Treasurer of the District.

“Code” shall mean the Internal Revenue Code of 1986, as amended, and the applicable regulations promulgated thereunder or applicable thereto.

“DTC” shall mean The Depository Trust Company or any successor thereto.

“Interest Payment Date” shall mean each January 1 and July 1 of each year so long as 2023 Series A Bonds are Outstanding, commencing July 1, 2023.

“Representation Letter” shall mean the DTC Blanket Issuer Letter of the Representation dated October 23, 2019, a copy of which is attached as **Exhibit B** hereto.

“Securities Depositories” shall mean The Depository Trust Company or such other registered securities depository or depositories holding substantial amounts of obligations of types similar to the 2023 Series A Bonds.

“Trustee” shall mean U.S. Bank Trust Company, National Association, as successor in interest to U.S. Bank National Association, Phoenix, Arizona, appointed pursuant to Article IX of the Resolution, and its successor or successors and any other corporation which may at any time be substituted in its place pursuant to the Resolution.

“2023 Series A Bonds” shall mean the Bonds authorized by Section 3 hereof.

SECTION 3. Principal Amount, Designation, Series and Allocations.

(a) Pursuant to the provisions of the Resolutions, the District is hereby authorized to sell

and issue Bonds in the aggregate principal amount of \$500,000,000. Such Bonds shall be designated as “Salt River Project Electric System Revenue Bonds, 2023 Series A.”

(b) In order to comply with the Opinions and Orders of the Commission, the District reserves the right, and shall, if necessary to comply with such Opinions and Orders, change the allocations to such Opinions and Orders as set forth in **Exhibit A** hereto.

SECTION 4. Purpose. The purposes for which the 2023 Series A Bonds are issued are: 1) to provide moneys for the payment of the costs of acquisition and construction of various capital improvements and additions to the District’s Electric System and 2) to pay certain costs of issuance of the 2023 Series A Bonds.

SECTION 5. Dates, Maturities and Interest. (a) The 2023 Series A Bonds shall be dated, and shall bear interest from, their date of delivery.

(b) The 2023 Series A Bonds shall bear interest at the following rates per annum and shall mature on January 1 in the following years in the following principal amounts:

<u>Year of Maturity</u> <u>(January 1)</u>	<u>Principal Amount</u>	<u>Interest Rate</u>	<u>Yield</u>
2029	\$ 6,730,000	5.000%	2.280%
2030	9,510,000	5.000	2.310
2031	4,290,000	5.000	2.340
2032	12,635,000	5.000	2.390
2043*	46,235,000	5.000	3.520

\$207,750,000 5.000% Term Bonds due January 1, 2047*, Yield 3.690%

\$212,850,000 5.000% Term Bonds due January 1, 2050*, Yield 3.750%

* Priced at the stated yield to the first optional redemption date of January 1, 2033.

(c) Interest on the 2023 Series A Bonds shall be payable on July 1, 2023, and semiannually thereafter on January 1 and July 1 of each year to the registered owner of the 2023 Series A Bonds as of the immediately preceding June 15 or December 15, until the District’s obligation with respect to the payment of the principal of such 2023 Series A Bonds shall be discharged.

SECTION 6. Denominations, Numbers and Letters. The 2023 Series A Bonds shall be issued only as fully registered bonds without coupons, subject to the provisions regarding a book-entry only system as described in Section 7 hereof, and the 2023 Series A Bonds shall be issued in the denomination of \$5,000, or any integral multiple thereof, in all cases not exceeding the aggregate

principal amount of 2023 Series A Bonds maturing on the maturity date of the bond for which the denomination is to be specified.

SECTION 7. Book-Entry 2023 Series A Bonds. (a) Beneficial ownership interests in the 2023 Series A Bonds will be available in book-entry form only. Purchasers of beneficial ownership interests in the 2023 Series A Bonds will not receive certificates representing their interests in the 2023 Series A Bonds and will not be Bondholders or owners of the Bonds under the Resolution. DTC, an automated clearinghouse for securities transactions, will act as the Securities Depository for the 2023 Series A Bonds. The 2023 Series A Bonds will be issued as fully registered securities registered in the name of Cede & Co. (DTC's partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully registered Bond certificate will be issued for each maturity (or, if applicable, each interest rate within a maturity) of the 2023 Series A Bonds, in the aggregate principal amount of such maturity (or, if applicable, such interest rate within a maturity), and will be deposited with DTC.

DTC holds securities that its participants ("Participants") deposit with DTC. Direct Participants include securities brokers and dealers, banks, trust companies, clearing corporations and certain other organizations ("Direct Participants"). Access to the DTC system is also available to others, such as securities brokers and dealers, banks, and trust companies that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly ("Indirect Participants").

Purchases of the 2023 Series A Bonds under the DTC system must be made by or through Direct Participants, which will receive a credit for the 2023 Series A Bonds on DTC's records. The ownership interest of each actual purchaser of each 2023 Series A Bond ("Beneficial Owner") is in turn to be recorded on the Direct and Indirect Participants' records. Beneficial Owners will not receive written confirmation from DTC of their purchase, but Beneficial Owners are expected to receive written confirmation providing details of the transactions, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the 2023 Series A Bonds are to be accomplished by entries made on the books of Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in the 2023 Series A Bonds, except in the event that use of the book-entry system for the 2023 Series A Bonds is discontinued.

To facilitate subsequent transfers, all 2023 Series A Bonds deposited by Participants with DTC are registered in the name of DTC's partnership nominee, Cede & Co. or such other name as may be requested by an authorized representative of DTC. The deposit of 2023 Series A Bonds with DTC and their registration in the name of Cede & Co. or such other nominee do not effect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the 2023 Series A Bonds; DTC's records reflect only the identity of the Direct Participants to whose accounts such 2023 Series A Bonds are credited, which may or may not be the Beneficial Owners. The Participants will remain responsible for keeping account of their holdings on behalf of their customers.

Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners, will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time.

Redemption notices shall be sent to DTC. If less than all of the 2023 Series A Bonds are being redeemed, DTC's practice is to determine by lot the amount of the interest of each Direct Participant in such 2023 Series A Bonds to be redeemed.

Neither DTC nor Cede & Co. (nor such other DTC nominee) will consent or vote with respect to the 2023 Series A Bonds. Under its usual procedures, DTC mails an Omnibus Proxy to the District as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts the 2023 Series A Bonds are credited on the record date (identified in a listing attached to the Omnibus Proxy).

Principal and interest payments on the 2023 Series A Bonds will be made to Cede & Co. or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts upon DTC's receipt of funds and corresponding detail information from the District or the Trustee, on each payment date in accordance with their respective holdings shown on DTC's records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Participant and not of DTC, the Trustee or the District, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of principal and interest to DTC is the responsibility of the District or the Trustee, disbursement of such payments to Direct Participants shall be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners shall be the responsibility of Direct and Indirect Participants.

DTC may discontinue providing its services as securities depository with respect to the 2023 Series A Bonds at any time by giving reasonable notice to the District. Under such circumstances, in the event that a successor securities depository is not obtained, the 2023 Series A Bond certificates are required to be printed and delivered. The District may decide to discontinue use of the system of book-entry transfers through DTC (or a successor securities depository). In that event, the 2023 Series A Bond certificates will be printed and delivered.

Beneficial Owners will not be recognized by the Trustee as registered owners for purposes of this 2023 Series A Resolution, and Beneficial Owners will be permitted to exercise the rights of registered owners only indirectly through DTC and the Direct and Indirect Participants.

(b) In the event definitive 2023 Series A Bonds are issued, the provision of the Resolution, including but not limited to Sections 304 and 305 of the Resolution, shall apply to, among other things, the transfer and exchange of such definitive 2023 Series A Bonds and the method of payment of principal of and interest on such definitive

2023 Series A Bonds. Whenever DTC requests the District and the Trustee to do so, the Trustee and the District will cooperate with DTC in taking appropriate action after reasonable notice (i) to make available one or more separate definitive 2023 Series A Bonds evidencing the Bonds to any DTC Participant having 2023 Series A Bonds credited to its DTC account or (ii) to arrange for another securities depository to maintain custody of definitive 2023 Series A Bonds.

(c) Notwithstanding any other provision of the Resolution to the contrary, so long as any 2023 Series A Bond is registered in the name of Cede & Co., as nominee of DTC, all payments with respect to the principal of and interest on such 2023 Series A Bond and all notices with respect to such 2023 Series A Bond shall be made and given to Cede & Co., as nominee of DTC, as provided in the Representation Letter. All of the provisions of the Representation Letter shall be deemed to be a part of this 2023 Series A Resolution as fully and to the same extent as if incorporated verbatim herein, with such changes, amendments, modifications, insertions, omissions or additions, as may be approved by an Authorized Representative. Execution by said Authorized Representative of the Representation Letter shall be deemed to be conclusive evidence of approval of any such changes, amendments, modifications, insertions, omissions or additions.

(d) In connection with any notice or other communication to be provided to Bondholders pursuant to the Resolutions by the District or the Trustee with respect to any consent or other action to be taken by Bondholders, the District or the Trustee, as the case may be, shall, to the extent possible, establish a record date for such consent or other action and give DTC notice of such record date not less than 15 calendar days in advance of such record date.

SECTION 8. Paying Agent. Subject to the provisions of Section 7 hereof, the principal of the 2023 Series A Bonds shall be payable at the designated corporate trust office of the Trustee under the Resolutions (or at the principal office of any successor Trustee appointed pursuant to the Resolutions) or at any other place which may be provided for such payment by the appointment of any other Paying Agent or Paying Agents as authorized by the Resolutions. The Trustee is hereby appointed the Paying Agent for the 2023 Series A Bonds. The interest on the 2023 Series A Bonds will be payable by wired transfer or by check mailed by the Trustee on each Interest Payment Date.

SECTION 9. Redemption Terms and Prices.

(a) Optional Redemption — 2023 Series A Bonds. The 2023 Series A Bonds maturing after January 1, 2034 are subject to redemption at the option of the District prior to maturity, at any time on or after January 1, 2033, as a whole or in part by random selection by the Trustee within a maturity with the same interest rate from maturities selected by the District, at the Redemption Price of 100% of the principal amount of the 2023 Series A Bonds or portions thereof to be redeemed, together with accrued interest up to but not including the redemption date.

For so long as book entry only system of registration is in effect with respect to the 2023 Series A Bonds if less than all of the 2023 Series A Bonds of a particular maturity (and, if applicable, interest rate within a maturity) are to be redeemed, the particular Beneficial Owner(s) to receive payment of the redemption price with respect to beneficial ownership interests in such 2023 Series A Bonds shall be selected by DTC and the Direct Participants and/or the Indirect Participants.

(b) Notice of Redemption. Notice to Bondholders of such redemption shall be given by mail to the registered owners of the 2023 Series A Bonds to be redeemed, postage prepaid, not less than 25 days nor more than 50 days prior to the redemption date. Failure to give notice of redemption by mail, or any defect in such notice, will not affect the validity of the proceedings for the redemption of any other Electric System Revenue Bonds.

(c) Further Notice. In addition to the foregoing notice, further notice shall be given by the Trustee as set forth in this subsection (c), but no defect in said further notice nor any failure to give all or any portion of such further notice shall in any manner defeat the effectiveness of a call for redemption if notice thereof is given as prescribed in subsection (b) above. Each further notice of redemption given hereunder shall be dated and shall state: (i) the redemption date, (ii) the Redemption Price, (iii) if fewer than all Outstanding 2023 Series A Bonds are to be redeemed, the Bond numbers (and, in the case of partial redemption, the respective principal amounts) of the 2023 Series A Bonds to be redeemed, (iv) that on the redemption date the Redemption Price will become due and payable upon each such 2023 Series A Bond or portion thereof called for redemption, and that interest with respect thereto shall cease to accrue from and after said date, (v) the CUSIP numbers of the 2023 Series A Bonds to be redeemed, (vi) the place where such 2023 Series A Bonds are to be surrendered for payment of the Redemption Price, (vii) the original date of execution and delivery of the 2023 Series A Bonds; (viii) the rate of interest payable with respect to each 2023 Series A Bond being redeemed; (ix) the maturity date of each 2023 Series A Bond being redeemed; and (x) any other descriptive information needed to identify accurately the 2023 Series A Bonds being redeemed. Each further notice of redemption shall be sent, not less than 25 days nor more than 50 days prior to the redemption date, by electronic, telecopy, registered, certified or overnight mail to all Securities Depositories. Upon the payment of the Redemption Price of 2023 Series A Bonds being redeemed, each check or other transfer of funds, issued for such purpose shall, to the extent practicable, bear or indicate the CUSIP number identifying, by issue and maturity, the 2023 Series A Bonds being redeemed with the proceeds of such check or other transfer.

(d) Except with respect to the unredeemed portion of any 2023 Series A Bond being redeemed in part, neither the Trustee nor any agent of the Trustee shall be obligated to register the transfer or exchange of any 2023 Series A Bond during the 15 days preceding the date on which notice of redemption of a 2023 Series A Bond is to be given on any Bond that has been called for redemption except the unredeemed portion of any 2023 Series A Bond being redeemed in part.

SECTION 10. Sinking Fund Installments. (a) Sinking Fund Installments are hereby established for the 2023 Series A Bonds maturing on January 1, 2047. Such Sinking Fund Installments shall become due on each of the dates set forth in the following table in the respective amounts set forth opposite such dates in said table:

Sinking Fund Payment Date (<u>January 1</u>)	Principal <u>Amount</u>
2044	\$49,355,000
2045	50,195,000
2046	55,975,000
2047*	52,225,000

* Final maturity.

(b) Sinking Fund Installments are hereby established for the 2023 Series A Bonds maturing on January 1, 2050. Such Installments shall become due on each of the dates set forth in the following table in the respective amounts set for opposite such dates in said table:

Sinking Fund Payment Date (<u>January 1</u>)	Principal <u>Amount</u>
2048	\$67,935,000
2049	45,135,000
2050*	99,780,000

* Final maturity.

(c) The Sinking Fund Installments may be satisfied by the District delivering to the Trustee, no later than 45 days in advance of the date of such Sinking Fund Installment, 2023 Series A Bonds of such maturities theretofore purchased or redeemed by the District otherwise than by operation of the sinking fund redemption provided for in this Section 10.

SECTION 11. Application of the Proceeds of 2023 Series A Bonds. In accordance with the Resolution, the proceeds of the 2023 Series A Bonds shall be applied simultaneously with the delivery of the 2023 Series A Bonds, as follows:

From the proceeds of the 2023 Series A Bonds, (i) \$554,072,114.37 shall be deposited in the Construction Fund to pay Costs of Construction, (ii) \$644,100.00 shall be used to pay costs of issuance of the 2023 Series A Bonds and (iii) \$960,571.18 shall be used to pay the Underwriter’s discount.

The President, or the Vice President, or the General Manager and Chief Executive Officer, or the Associate General Manager and Chief Financial Executive or the Senior Director of Financial Services and Corporate Treasurer of the District be and are hereby each authorized and directed to increase or decrease the above deposits.

SECTION 12. Reserved.

SECTION 13. Form of 2023 Series A Bonds. Subject to the provisions of the Resolutions, the 2023 Series A Bonds and the Certificate of Authentication shall be in substantially the form of **Exhibit C** hereto.

SECTION 14. Reserved.

SECTION 15. Reserved.

SECTION 16. Execution, Delivery and Authentication. The 2023 Series A Bonds shall be executed by imprinting thereon the manual or facsimile signature of the President or Vice President of the District and by affixing thereto the corporate seal of the District or facsimile thereof and said signature and seal shall be attested by the manual or facsimile signature of the Corporate Secretary or an Assistant Secretary of the District. The President or the Senior Director of Financial Services and Corporate Treasurer of the District or their designees are hereby authorized and directed to deliver the 2023 Series A Bonds executed in the foregoing manner to the Purchasers upon payment of the purchase price specified in Section 17 hereof pursuant to the terms and conditions of the Purchase Contract. There is hereby authorized to be printed or otherwise reproduced on the back of, or attached to, each of the 2023 Series A Bonds, the opinion of Chiesa Shahinian & Giantomasi PC, Bond Counsel, the opinion of Nixon Peabody, LLP, Special Tax Counsel, and a certification executed by the manual or facsimile signature of the Corporate Secretary or an Assistant Secretary of the District with respect to the form and delivery of said opinion. All Officers of the District and employees designated by Officers are authorized to sign and execute all certificates and documents required for the sale and delivery of the 2023 Series A Bonds.

The Trustee (or its duly designated agent) as Authenticating Agent is hereby authorized and directed to manually execute the Certificate of Authentication appearing on the 2023 Series A Bonds. No 2023 Series A Bond shall be issued and delivered hereunder without the manual signature of an authorized representative of the Trustee or its Authenticating Agent appearing on such Certificate of Authentication.

SECTION 17. Purchase Contract. The Purchase Contract, which is attached hereto as **Exhibit D**, is hereby approved. The 2023 Series A Bonds are hereby sold to the Purchasers, pursuant to the terms and conditions of the Purchase Contract, at an aggregate purchase price of \$554,716,214.37, calculated as follows: \$500,000,000.00 aggregate principal amount of 2023 Series A Bonds, plus \$55,676,785.55 Original Issue Premium, and less Underwriters' Discount in the amount of \$960,571.18); and the President, or the Vice President, or the General Manager and Chief Executive Officer, or the

Associate General Manager and Chief Financial Executive or the Senior Director of Financial Services and Corporate Treasurer or any Assistant Treasurer of the District are each hereby authorized and directed to execute the Purchase Contract and to deliver the same for and on behalf of the District to the Purchasers.

SECTION 18. Amortization of Financing Costs. In order to provide accurate accounting records and reports, the issuance costs of approximately \$644,100 resulting from the issuance of the 2023 Series A Bonds shall be amortized monthly over the life of the 2023 Series A Bonds.

SECTION 19. Good Faith Deposit. The good faith deposit in the amount of \$5,000,000 received by the District from the Purchasers shall be held by the District in accordance with the terms of the Purchase Contract.

SECTION 20. Approval of Final Official Statement and Continuing Disclosure Agreement. The preparation and distribution of the Preliminary Official Statement, dated February 8, 2023, attached hereto as **Exhibit E**, is hereby ratified and confirmed and the Preliminary Official Statement is deemed “final” as of its date, as supplemented, for purposes of Securities and Exchange Commission Rule 15c2-12(b)(1), except for certain omissions permitted thereunder and except for changes permitted by other applicable law. Authorized Officers and staff of the District are authorized to prepare and deliver to the Purchasers an Official Statement, dated the date hereof, relating to the 2023 Series A Bonds, substantially in the form attached hereto as **Exhibit F**. The form of the Continuing Disclosure Agreement attached hereto as **Exhibit G** is hereby approved. The President, or the Vice President, or the General Manager and Chief Executive Officer, or the Associate General Manager and Chief Financial Executive or the Senior Director of Financial Services and Corporate Treasurer or any Assistant Treasurer of the District are hereby each authorized and directed to execute and deliver the Official Statement, for and on behalf of the District, to the Purchasers, and the Continuing Disclosure Agreement to the Trustee. The Secretary or an Assistant Secretary of the District are each hereby authorized to attest signatures, if required.

SECTION 21. Reserved.

SECTION 22. Arbitrage Covenant. The District covenants and agrees that it shall not direct or permit any action which would cause any 2023 Series A Bond to be an “arbitrage bond” within the meaning of Section 148 of the Code or direct or permit any action inconsistent with the applicable regulations thereunder as amended from time to time and as applicable to the 2023 Series A Bonds. The provisions of this Section 22 shall survive any defeasance of the 2023 Series A Bonds pursuant to the Resolution.

SECTION 23. Tax Exemption. In order to maintain the exclusion from Federal gross income of interest on the 2023 Series A Bonds, the District shall comply with the provisions of the Code applicable to the 2023 Series A Bonds, including without limitation the provisions of the Code relating to the computation of the yield on

investments of the gross proceeds of the 2023 Series A Bonds, reporting of earnings on the gross proceeds of the 2023 Series A Bonds, and rebate of excess earnings to the Department of the Treasury of the United States of America and shall not take any action or permit any action that would cause the interest on the 2023 Series A Bonds to be included in gross income under Section 103 of the Code or cause interest on the 2023 Series A Bonds to be an item of tax preference under Section 57 of the Code. In furtherance of the foregoing, the District shall comply with the Tax Certificate as to Arbitrage and the Provisions of Sections 141-150 of the Code, to be executed by an Authorized Officer at the time the 2023 Series A Bonds are issued, as such Tax Certificate may be amended from time to time, as a source of guidance for achieving compliance with the Code, and such officers are hereby authorized and directed to execute and deliver such Tax Certificate for and on behalf of the District. The provisions of this Section 23 shall survive any defeasance of the 2023 Series A Bonds pursuant to the Resolution.

SECTION 24. Severability. If any one or more of the covenants or agreements provided in this 2023 Series A Resolution on the part of the District or any Fiduciary to be performed should be contrary to law, then such covenant or covenants or agreement or agreements shall be deemed severable from the remaining covenants and agreements, and shall in no way affect the validity of the other provisions of this 2023 Series A Resolution, so long as this 2023 Series A Resolution as so modified continues to express, without material change, the original intentions of the District or any Fiduciary as to the subject matter of this 2023 Series A Resolution and the deletion of such portion of this 2023 Series A Resolution will not substantially impair the respective benefits or expectations of the District or any Fiduciary.

SECTION 25. Effective Date. This 2023 Series A Resolution shall take effect immediately upon adoption.

EXHIBIT A

Opinion & Order of the Arizona Corporation Commission

<u>Order</u>	<u>Order Date</u>
75610	06/27/2016

EXHIBIT B

DTC Blanket Letter of Representation

EXHIBIT C

Form of 2023 Series A Bond

EXHIBIT D
Purchase Contract

EXHIBIT E
Preliminary Official Statement

EXHIBIT F
Official Statement

EXHIBIT G

Continuing Disclosure Agreement