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CAPTION HEADING:

RESOLUTION

Resolution No. 2415

Approving the form and authorizing the execution and delivery of a Loan Agreement with the Water Infrastructure Finance Authority of Arizona from its Clean Water Revolving Fund Program; (2) delegating the determination of certain matters relating thereto to the City Manager and the Finance Director of the City; (3) providing for the transfer of certain monies and making certain covenants and agreements with respect thereto; (4) authorizing the taking of all other actions necessary for the consummation of the transactions contemplated by such Loan Agreement and this Resolution; and (5) declaring an emergency.



Resolution

No. 2415

OFFICE OF THE
MAYOR
CITY OF SAN LUIS

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SAN LUIS, ARIZONA, (1) APPROVING THE FORM AND AUTHORIZING THE EXECUTION AND DELIVERY OF A LOAN AGREEMENT WITH THE WATER INFRASTRUCTURE FINANCE AUTHORITY OF ARIZONA FROM ITS CLEAN WATER REVOLVING FUND PROGRAM; (2) DELEGATING THE DETERMINATION OF CERTAIN MATTERS RELATING THERETO TO THE MANAGER AND THE FINANCE DIRECTOR OF THE CITY; (3) PROVIDING FOR THE TRANSFER OF CERTAIN MONEYS AND MAKING CERTAIN COVENANTS AND AGREEMENTS WITH RESPECT THERETO; (4) AUTHORIZING THE TAKING OF ALL OTHER ACTIONS NECESSARY TO THE CONSUMMATION OF THE TRANSACTIONS CONTEMPLATED BY SUCH LOAN AGREEMENT AND THIS RESOLUTION; AND (5) DECLARING AN EMERGENCY

WHEREAS, the City Council of the City of San Luis, Arizona (the "City"), has heretofore applied to the Water Infrastructure Finance Authority of Arizona (the "Authority") for a loan (the "Loan") from the Authority's Clean Water Revolving Fund Program (the "Program") to provide funds for a wastewater treatment plant expansion project as well as for payment of the City's proportionate share of expenses of administering the Program and any bonds issued by the Authority with respect thereto (the "Project"); and

WHEREAS, the terms and conditions under which the Loan will be made and the obligations of the City with respect to the Loan will be set forth in a loan agreement to be executed and delivered by the City and the Authority (the "Loan Agreement"); and

WHEREAS, the Loan and the loan repayments payable by the City pursuant to the Loan Agreement (the "Loan Repayments") will be secured by a pledge of the Source of Repayment (as defined in the Loan Agreement); and

WHEREAS, the City Council has determined that it will be beneficial to the citizens of the City to enter into and to perform the Loan Agreement, whereby the City will borrow not to exceed \$12,500,000 from the Authority; and

WHEREAS, the Loan shall be repaid before or on July 1, 2051, and the Loan shall bear interest at a rate not to exceed five and one-half percent (5.50%) per annum; and

WHEREAS, there has been placed on file with the Clerk of the City and presented at the meeting at which this Resolution was adopted the proposed form of the Loan Agreement;

NOW THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF SAN LUIS, ARIZONA, THAT:

Section 1. The form, terms and provisions of the Loan Agreement, in the form of such document (including the exhibits thereto) presented at the meeting at which this Resolution was adopted are hereby approved, with such insertions, omissions and changes, not inconsistent with the application of the City to the Authority or the requirements of the federal government or the Authority, as shall be approved by the Manager and/or the Finance Director of the City, the execution of such document being conclusive evidence of such approval, and the Mayor or any other member of the Council of the City, the Manager of the City, the Finance Director of the City and the Clerk of the City are hereby authorized and directed, as applicable, for and on behalf of the City, to execute and attest and deliver, respectively, the Loan Agreement.

Section 2. For the payment of the principal of and interest on the Loan, the City shall pay the Loan Repayments provided for in the Loan Agreement. The City shall also pay all other amounts required to be paid by the City pursuant to the provisions of the Loan Agreement.

Section 3. The obligation of the City to pay the Loan Repayments provided for in the Loan Agreement as well as to make the other payments provided for in the Loan Agreement is limited to payment from the Source of Repayment which is pledged therefor pursuant to the Loan Agreement, and the obligations of the City pursuant to the Loan Agreement shall not constitute or give rise to a general obligation of the City or any claim against its *ad valorem* property taxing powers, or constitute an indebtedness within the meaning of any statutory or constitutional debt limitation applicable to the City.

Section 4. The appropriate officials and officers of the City are hereby authorized and directed to take all action necessary or reasonably required to carry out, give effect to and to consummate the transactions contemplated by the Loan Agreement, and by this Resolution, including, without limitation, the execution and delivery of any closing and other documents reasonably required to be delivered in connection therewith.

Section 5. If any section, paragraph, subdivision, sentence, clause or phrase of this Resolution is for any reason held to be illegal or unenforceable, such decision will not affect the validity of the remaining portions of this Resolution. The City Council hereby declares that it would have adopted this Resolution and each and every other section, paragraph, subdivision, sentence, clause or phrase hereof and authorized the execution and delivery of the Loan Agreement 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. All ordinances, resolutions or parts thereof, inconsistent herewith, are hereby waived to the extent only of such inconsistency. This waiver shall not be construed as reviving any ordinance or resolution or any part thereof.

Section 6. All actions of the officers and agents of the City including the City Council which conform to the purposes and intent of this Resolution and which further the execution and delivery of the Loan Agreement as contemplated by this Resolution, whether heretofore or hereafter taken, are hereby ratified, confirmed and approved. The proper officers 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 7. All acts and conditions necessary to be performed by the City or to have been met precedent to and in the execution and delivery of the Loan Agreement in order to make it a legal, valid and binding obligation of the City will at the time of delivery of the Loan Agreement have been performed and have been met, in regular and due form as required by law, and no statutory, charter or constitutional limitation of indebtedness or taxation will have been exceeded in the execution and delivery of the Loan Agreement.

Section 8. All formal actions of the City Council concerning and relating to the passage of this Resolution were taken in an open meeting of the City Council, and all deliberations of the City Council and of any committees that resulted in those formal actions were in meetings open to the public, in compliance with all legal requirements.

Section 9. The immediate operation of the provisions of this Resolution is necessary for the preservation of the public health and welfare because the execution and delivery at the earliest possible date of the Loan Agreement is urgently needed to provide for financing of, and timely completion of, the Project, and timely execution and delivery of the Loan Agreement is expected to secure the best, available economic terms therefor; therefore, an emergency is hereby declared to exist and this Resolution is enacted as an emergency measure and shall be in full force and effect from and after the passage and adoption by the City Council, as required by law, and this Resolution is hereby exempt from the referendum provisions of the Constitution and laws of the State of Arizona.

Section 10. After the execution and delivery of the Loan Agreement and upon receipt of the Loan from the Authority, this Resolution shall be and remain irrepealable until the Loan and the Loan Agreement and the interest thereon shall have been fully paid, cancelled and discharged.

[Remainder of page left blank intentionally.]

PASSED, ADOPTED, and APPROVED by the Mayor and City Council of the City of San Luis, Arizona, this 23rd day of September 2026.

City of San Luis, Arizona



Nieves Riedel, Mayor

ATTEST:

APPROVED AS TO FORM:

For  Deputy City Clerk
Sonia Cornelio, City Clerk


Joseph D. Estes, City Attorney