



**Town of Camp Verde Vision Statement**

*"Camp Verde is welcoming, a safe community, a vibrant economy, thoughtfully growing, and offering an exception quality of life."*

**AGENDA  
TOWN OF CAMP VERDE  
REGULAR SESSION  
MAYOR AND COUNCIL  
473 S. MAIN STREET, SUITE 106  
WEDNESDAY, SEPTEMBER 18, 2024 at 6:30 P.M.**

**ZOOM MEETING LINK:**

<https://us02web.zoom.us/j/81487809891?pwd=awxWxgeQIF03ToQfHG5S94c1La3Srr.1>

one Tap Mobile: 1-253-215-8782 or 1-346-248-7799

Meeting ID: 814 8780 9891

Passcode: 592552

Note: Council member(s) may attend Council Sessions either in person, by telephone, or internet/video conferencing.

1. **Call to Order**
2. **Roll Call.** Council Members Jackie Baker, Wendy Escoffier, Robin Godwin, Cris McPhail, Jessie Murdock, Vice Mayor Marie Moore, and Mayor Dee Jenkins.
3. **Pledge of Allegiance**
4. **Consent Agenda** – All those items listed below may be approved by one motion as consent agenda items. Any item may be removed from the Consent Agenda and considered as a separate item if a member of Council requests.
  - a) **Approval of the Minutes:**
    - 1) Regular Session – September 4, 2024 at 6:30 p.m. pg. 5
  - b) **Set Next Meeting, Date and Time:**
    - 1) Work Session – September 25, 2024 at 5:30 p.m.
    - 2) Regular Session – October 2, 2024 at 6:30 p.m.
    - 3) Regular Session – October 16, 2024 at 6:30 p.m.
5. **Call to the Public for items not on the Agenda. (Please complete Request to Speak Card and turn in to the Clerk.)** Residents are encouraged to comment about any matter NOT included on the agenda. State law prevents the Council from taking any action on items not on the agenda. At the conclusion of an open call to the public, individual members of the public body may respond to criticism made by those who have addressed the public body, may ask staff to review a matter or may ask that a matter be put on a future agenda. However, members of the public body shall not discuss or take legal action on matters raised during an open call to the public unless the matters are properly noticed for discussion and legal action. (Pursuant to ARS §38-431.01(H))
6. **Summary of Current Events.** The Town Council and the Town Manager may provide brief summaries of current events and activities. These summaries are strictly for informing the public of such events and activities. The Council will not propose, discuss, deliberate or take action on

any such item, except that an individual Council member may request that the item be placed on a future agenda. Summaries may include committee meetings that Council members attend. The Committees are: Copper Canyon Fire & Medical District, Yavapai College Governing Board, Yavapai-Apache Nation, Intergovernmental Association, NACOG Regional Council, Verde Valley Regional Economic Organization (VVREO), League Resolutions Committee, Arizona Municipal Risk Retention Pool, Verde Valley Transportation Org, Verde Valley Transit Committee, Verde Valley Water Users, Verde Valley Homeless Coalition, Verde Front, Verde Valley Steering Committee of MAT Force, Public Safety Personnel Retirement Board, Phillip England Center for the Performing Arts Foundation.

**7. Special Announcements and Presentations.** All presentations are limited to 15-minutes.

- **Parks & Recreation Quarterly Report.** Staff Resource: Acting Parks & Recreation Manager Shawna Figy, Parks & Recreation Coordinator Phyllis Nettik and Parks & Recreation Commission Chair Dave Grondin. pg. 21
- **League of Arizona Cities and Town's Conference Takeaways.** Staff Resource: Town Manager Miranda Fisher. pg. 55

**8. Discussion, consideration and possible adoption of Resolution 2024-1152, authorizing Town staff to complete all documents as necessary to secure a loan in the amount of up to \$800,000 to cover the purchase of water meters as a matching component of the current WIFA Main Street grant, remaining within the specific parameters listed in the Resolution.** Staff Resource: Finance Director Mike Showers and Utilities Director Jeff Low. pg. 61

**9. Adjournment**

*Note:* Upon a public majority vote of a quorum of the Town Council, the Council may hold an executive session, which will not be open to the public, regarding any item listed on the agenda but only for the purpose of discussion or consultation for legal advice with the Town Attorney as permitted by A.R.S. § 38-431.03(A)(3). Any other executive sessions will be separately included on the agenda above if an executive session will be held at the meeting.

*Pursuant to A.R.S. §38-431.01 Meetings shall be open to the public - All meetings of any public body shall be public meetings and all persons so desiring shall be permitted to attend and listen to the deliberations and proceedings. All legal action of public bodies shall occur during a public meeting. Pursuant to Town Code, Section 2-3-7.1 the Mayor shall call for a vote of the Council to allow the meeting to continue past the deadline of 10:00 p.m. The Town of Camp Verde Council Chambers is accessible to persons with disabilities. Those with special accessibility or accommodation needs, such as large typeface print, may request these at the Office of the Town Clerk at 928-554-0021.*

CERTIFICATION OF POSTING OF NOTICE

The undersigned hereby certifies that a copy of the foregoing notice was duly posted at the Town of Camp Verde and Bashes on 09-12-2024 at 4:00 p.m. in accordance with the statement filed by the Camp Verde Town Council with the Town Clerk

Leah Rhodes

Leah Rhodes, Town Clerk

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**DRAFT MINUTES**  
**TOWN OF CAMP VERDE**  
**REGULAR SESSION**  
**MAYOR AND COUNCIL**  
**473 S. MAIN STREET, SUITE 106**  
**WEDNESDAY, SEPTEMBER 4, 2024 at 6:30 P.M.**

Note: Council member(s) may attend Council Sessions either in person, by telephone, or internet/video conferencing.

1. **Call to Order** Mayor Jenkins called the meeting to order at 6:30 PM.
2. **Roll Call.** Council Members Jackie Baker, Wendy Escoffier, Robin Godwin, Cris McPhail, Jessie Murdock, Vice Mayor Marie Moore, and Mayor Dee Jenkins.

**Also Preset.** Town Manager Miranda Fisher, Town Attorney Trish Stuhan, Town Clerk Leah Rhodes, Deputy Town Clerk Virginia Jones, Administrative Clerk Jadie Edwards.

3. **Pledge of Allegiance** Vice Mayor Moore led the Pledge of Allegiance.
4. **Consent Agenda** – All those items listed below may be approved by one motion as consent agenda items. Any item may be removed from the Consent Agenda and considered as a separate item if a member of Council requests.

**a) Approval of the Minutes:**

- 1) Regular Session – August 7, 2024 at 6:30 p.m.
- 2) Special Session – August 14, 2024 at 5:30 p.m.
- 3) Regular Session - August 21, 2024 at 6:30 p.m.

**b) Set Next Meeting, Date and Time:**

- 1) Special Session – September 11, 2024 at 5:30 p.m.
- 2) Regular Session – September 18, 2024 at 5:30 p.m.
- 3) Work Session – September 25, 2024 at 5:30 p.m.
- 4) Regular Session – October 2, 2024 at 6:30 p.m.

Councilor Baker asked about the start time for the September 18, 2024 Regular Session Meeting.

Town Manager Miranda Fisher told her that it will start at 5:30 PM because they will take the first hour to do an active shooter training, per recommendation from Risk Management Director Heather Vincent.

On a **motion** by Councilor Escoffier, seconded by Councilor McPhail, the Council **moved** to accept the Consent Agenda with minor corrections to the August 14<sup>th</sup> minutes.

**Roll Call Vote:**

Councilor Baker: Aye

Councilor Escoffier: Aye  
Councilor Murdock: Aye  
Mayor Dee Jenkins: Aye  
Vice Mayor Moore: Aye  
Councilor McPhail: Aye  
Councilor Godwin: Aye  
**Motion Carried 7-0.**

5. **Call to the Public for items not on the Agenda. (Please complete Request to Speak Card and turn in to the Clerk.)** Residents are encouraged to comment about any matter NOT included on the agenda. State law prevents the Council from taking any action on items not on the agenda. At the conclusion of an open call to the public, individual members of the public body may respond to criticism made by those who have addressed the public body, may ask staff to review a matter or may ask that a matter be put on a future agenda. However, members of the public body shall not discuss or take legal action on matters raised during an open call to the public unless the matters are properly noticed for discussion and legal action. (Pursuant to ARS §38-431.01(H))

*John Bassous* spoke to the Council about a situation that has also been brought up with Manager Fisher. The situation is regarding hook-up/impact fees, which as a contractor, he is not opposed to. The issue arose because his company received permits in late spring, for some projects they are currently working on. They do not work on the utilities portion of the projects until they are close to completion. When they went to pay their fees, it was their understanding, that because the new fees were not in effect when they received their permits, they would pay the old fees. However, this was not the case. They were billed with the new fee rate, despite receiving permits under the old fees. They are not opposed to impact fees. The issue arose because they did not receive notice about these fees. He's requesting that staff be directed to speak with him to discuss whether the new fees should apply. He's looking at \$40,000 out of his own pocket to cover these fees and hopes that the town will make it right.

Councilor Murdock asked if they are called "impact fees" or "connection fees". She asked because this was a hot topic in the past.

Town Attorney Trish Stuhan told her that the town does not have impact fees. They are connection fees.

6. **Summary of Current Events.** The Town Council and the Town Manager may provide brief summaries of current events and activities. These summaries are strictly for informing the public of such events and activities. The Council will not propose, discuss, deliberate or take action on any such item, except that an individual Council member may request that the item be placed on a future agenda. Summaries may include committee meetings that Council members attend. The Committees are: Copper Canyon Fire & Medical District, Yavapai College Governing Board, Yavapai-Apache Nation, Intergovernmental Association, NACOG Regional Council, Verde Valley Regional Economic Organization (VVREO), League Resolutions Committee, Arizona Municipal Risk Retention Pool, Verde Valley Transportation Org, Verde Valley Transit Committee, Verde Valley Water Users, Verde Valley Homeless Coalition, Verde Front, Verde Valley Steering Committee of MAT Force, Public Safety Personnel Retirement Board, Phillip England Center for the Performing Arts Foundation.

*Councilor Godwin:*

-Attended the League of Cities and Towns Conference. She went to the pre-conference session, and shared information about that session. Additionally, she went to many break-out sessions and found it to be a very valuable conference.

*Councilor McPhail:*

-Attended Teen Game Knight and the Yavapai Apache Nation Tribal Council Meetings  
-She, too, attended the League Conference. The session she found the most interesting had to do with downtown re-development.

*Vice Mayor Moore* did not have anything to share.

*Councilor Baker:*

-Attended the League Conference and found the breakout sessions very helpful. However, she found the networking to be the most beneficial, getting to talk with other representatives from various other cities and towns.

*Councilor Escoffier:*

-Attended the NACOG meeting and shared that the Verde Valley Master Transportation Plan will be funded this year. NACOG will also host the Fall Tourism Forum at the Lodge at Cliff Castle on October 9th-10th.

-She also was at the League Conference and attended the early session with the Arizona voters' agenda, which found interesting. She has a copy she will leave with the clerk, should anyone want it. She found the session on talking through the divide to be very helpful. Additionally, she really liked the keynote speaker.

-Lastly, she shared that on September 21<sup>st</sup>, the Fort Verde State Park will be having a Living History Presentation at the Fort from 10am-3pm.

*Councilor Murdock:*

-Also attended the League Conference. It gives her perspective on how small of a community Camp Verde is, as they compete on such a large scale with the entire state. However, she felt attending these conferences brings good perspective and gives her hope that they are working toward good things in Camp Verde.

-She shared that Camp Verde High School Fall sports have kicked off.

-Butler Park will host its first Youth Football game on September 7, 2024.

*Mayor Jenkins:*

-She attended the League Conference, and stated there were good sessions this year. She chose sessions that she felt would relate to a small town.

-She also attended an Eagle Scout Court of Honor, where two young men represented the Town of Camp Verde. The names of the Eagle Scouts were Brock Lowry and Ethan Baker. Mayor Jenkins commended these men, as only 6% of Boy Scouts reach Eagle Scout Level.

*Councilor Baker:* reminded the community that the Town Ramada was an Eagle Scout project from former Town Manager Bill Lee's son.

*Manager Fisher:*

-Attended League Conference. This was her first one. She found it important to connect with other colleagues in her same position. She agreed with Councilor Escoffier that the session on divide in a public climate was a great session. The session on broadband was also very helpful.

-Manager Fisher reminded the public about the Livestock Public Hearing on Thursday September 5<sup>th</sup> at 5:00PM. She encouraged people to come and give their public comment.

-There is also a Parks and Recreation Commission Meeting on Monday September 9<sup>th</sup>. The public is encouraged to attend those as well. Many town events are coming up and they need more volunteers. More information will be discussed at the Parks and Recreation meeting.

**7. Special Announcements and Presentations:**

- **Oath of Office, and introduction of Leah Rhodes, appointed to serve as the Town Clerk for the Town of Camp Verde.** Staff Resource: Deputy Town Clerk Virginia Jones

Deputy Town Clerk Virginia Jones shared her excitement about the hiring of Leah Rhodes. She introduced Leah to Council and thanked Council and Manager Fisher.

Ms. Jones invited Ms. Rhodes to come up and be sworn in.

Mayor Jenkins welcomed Ms. Rhodes.

- **Oath of Office of Triston Laubinger who has been promoted to Grounds Lead.** Staff Resource: Deputy Town Clerk Virginia Jones.

Ms. Jones invited Maintenance Supervisor Jeff Kobel up to introduce Triston Laubinger, Grounds Lead. Mr. Kobel shared that Mr. Laubinger is a great worker and feels that he will do a great job in this position.

Ms. Jones swore in Mr. Laubinger.

- **Presentation and update from Friends of the Verde on the River Friendly Living Program Water Conservation Grant Program.** Staff Resource: Utilities Director Jeff Low.

Utilities Director Jeff Low began by sharing some information on Friends of the Verde, including who they are and what they're about. Friends of the Verde will use the River Friendly Living Program Water Conservation Grant to help members of the community to do their part to protect the Verde River for future generations.



Mr. Low introduced Isaac Dudley, Flow Project Manager, and David Gressly, Executive Director, Friends of the Verde who came to give a presentation on the River Friendly Living Program and local and residential commercial grant opportunities.

Mr. Gressly thanked the Mayor and Council for their support. He hopes to reciprocate that through an extensive grant program that they've received funding for. He introduced Mr. Dudley to present about the program.

Mr. Dudley shared a presentation with Council about the expansion of the River Friendly Grant Program. The new program consolidates numerous initiatives that they have been working on for many years. The grant program specifically has been made possible by local businesses since 2014. They have been able to fund \$200,000 worth of community projects across the Verde watershed. They will be expanding that significantly here in Camp Verde.

Mayor Jenkins asked Mr. Dudley for some examples, within the Town of Camp Verde, of individuals who have taken advantage of this program.

Mr. Dudley said that one of the projects was a storm water retention project at the Rio Verde Plaza. They worked with Tierra Verde Builders on this. The main goal of that project was to prevent storm water from leaving the property by infiltrating it back into the ground water. The project can recharge the ground water by about 300,000 gallons of water per year. Additionally, their development branch of the program has been very successful here in Camp Verde. They are currently working with two developments. The primary goal of this is to offset the first five years of ground water demand. They pair these projects with on-the-ground conservation projects, largely funded by this grant program to offset that water use. They've also had several homeowners and agricultural partners that have taken advantage of it.

*The PowerPoint presentation included:*

- An illustration of the Verde Water Shed
- 2020 Verde River Watershed Report Card
- River Flow Declining Chart
- Grant Program Expansion for Camp Verde
  1. Collaboration with the Town of Camp Verde and Friends of the Verde River.
  2. Secured a WIFA conservation grant
  3. \$150,00 for 2025 and 2026
  4. Homes can apply for up to \$1,000
  5. Businesses and other organizations can apply for \$5,000
  6. Spring and Fall grant cycles

Activities:

1. Find 50 home projects and 10 businesses/org projects
  2. Host 3 educational workshops
- Maximizing Water Resources
    1. Using rain as a resource

2. Increasing efficiency
3. Lawn removal
4. Gray water reuse

- Rain Harvesting and Stormwater Control
- Passive Rain Harvesting System
- Stormwater Control Passive Rain Harvesting
- Irrigation Efficiency and Lawn Removal
- Using Water Twice!, Grey Water Reuse

-Information on how community members can apply for this grant. There is a homeowner survey that needs to be taken in the application process. The website to complete the application is [verderiver.org](http://verderiver.org).

Councilor Murdock asked how they divide the upper and lower Verde, and if they measure with their own instruments, or if they use SRP gauges.

Mr. Dudley told her that they use USGS gauges. He went on to say that the upper Verde is defined as Sycamore Creek and above, whereas the lower Verde is below Camp Verde and down to Phoenix. Camp Verde is considered the Middle Verde.

Councilor Godwin asked where the application can be found. Mr. Dudley advised her the application and survey are on their website- [Verderiver.org](http://Verderiver.org) under the "get involved" tab.

Mayor Jenkins suggested that Manager Fisher post this on the Town Website or in her newsletter.

**8. Presentation, discussion, and possible direction of staff for the conceptual signage design of the Wayfinding Signage and Placemaking Project. Staff Resource: CIP Project Manager Martin Smith.**

CIP Project Manager Martin Smith reminded Council that about a year ago, staff was directed to proceed with obtaining wayfinding signage for the Town. Staff conducted the RFP process and unanimously selected Guide Studio. Since then, they have collaborated closely with the firm to develop the town's future wayfinding program. Guide Studio attended the meeting via Zoom and delivered a presentation to the Council. Staff is not requesting any formal action from the Council at this time but is seeking feedback on their initial impressions of the final wayfinding signage project.

CIP Project Manager Smith introduced Erica Deutsch, Gina Gerken, and Kevin Fromet of Guide Studio.

Ms. Gerken and Mr. Fromet began the Adobe Presentation on Signage & Wayfinding Schematic Design for the Town of Camp Verde.

*This presentation included:*

- The process they have gone through to develop the framework
- Discovery, Assessment, and Framework
- Challenges to Camp Verde's current signage
- Sign Program Guiding Principles and Recommendations
- Journey Mapping

- Information Hierarchy
- Vehicular Travel Pass into Town/Tier 1 Destination/Comprehensive
- Downtown Gateways
- Preliminary Programming
- Personality of Camp Verde
- Brand Character Spectrums

Ms. Gerken presented to Council on the *Sign Family Design*, which included:

- Mood Board for Camp Verde, casting a vision for design styles of signs
- Sign Family Overview

Councilor Murdock asked Mr. Martin what kind of decision he is looking for Council to make tonight.

Mr. Martin relayed to Councilor Murdock that right now Council is not making a decision. Mr. Martin is just looking for their first impression of final design.

Manager Fisher added that there have been questions provided to Council in their agenda packet. The packet included information stating that staff is interested in bringing this back to Council for approval on the September 18, 2024 Town Council meeting. Ms. Fisher stated that at the September 18<sup>th</sup> meeting, they will be looking for Council's direction.

Councilor Murdock stated she likes the look and design of the signs, but she is not sure what is being asked of them this evening regarding this presentation.

Mr. Martin told her that what they are seeing tonight is the final design. No action will be made. It is just an opportunity for Council and Staff to see the work done. There is some wiggle room for small changes, but nothing too substantial.

Manager Fisher shared that there was a substantial amount of public participation that went into the designing of these signs. She feels the group has done their due diligence to get feedback on these signs and it's very much based on public input.

Councilor Godwin would like to continue Council discussion until after the presentation.

Mayor Jenkins felt that Councilor Murdock's question was relevant. As they go through the presentation, they want to know what kind of feedback they are looking for.

Councilor Godwin expressed concern that the presentation had not yet concluded; however, the Council proceeded to discussion. She understood that this was just a presentation, there were no decisions, but just a time to look at concepts.

Mr. Martin stated that each sign has a specific placement and specific purpose, and this is a whole package.

Vice Mayor More stated that so far, they have only budgeted to get the conceptual drawings done and brought forward, there is no more money in the budget to implement these signs made and installed. There is no contract being signed.

Mr. Martin suggested that further conversation be continued to a later date. He stated that signage will likely be done in phases. The Town does not have the budget to implement the entire program at once.

Ms. Gerken continued her *presentation, which included:*

- Town Gateways
- Specific details of the designs of the signage
- Town Gateways in Context
- Vehicular Directional Signs
- Parking Trailblazer
- Vehicular Trailblazers and Kiosks
- Trail Identification Signs
- Facility Identification Signs
- Sign Location
- Venue Identification Signs
- Municipal Campus Map

Following the presentation, Ms. Gerken explained that the next steps in the process involve collaborating with their core group that has been working on wayfinding for the Town to develop an implementation plan. They will work with a fabricator to obtain cost estimates, providing the Town with a clear understanding of the financial implications for each phase of the installation.

Mayor Jenkins thanked Ms. Gerken.

Vice Mayor Moore thanked Ms. Gerken as well. She requested that this presentation be sent to the Clerk's office, so they have it for the official record. She also expressed her appreciation for the design and appearance but advised against using wood due to its susceptibility to weathering. She is eager to see this type of signage implemented in Camp Verde, believing it complements the town's character, and is enthusiastic about moving the project forward.

Councilor Escoffier reminded staff to spell check before signs are put up. Additionally, she asked if there was a possibility for ARPA funding.

Mr. Martin told her that would be a great question for Finance Director Mike Showers.

Councilor Godwin commended staff and Guide Studio for listening to the input received. She liked how the font matches the signs they already have. She really likes the look of the signs and how the river signs are in blue, and the street signage is in green. She felt this would make it easy for people to see where they are going within the town.

Councilor Baker expressed her appreciation to Mr. Martin and Guide Studio for their contributions to this project. She concurred with Vice Mayor Moore's preference for using metal instead of wood to ensure greater durability against weathering. She also commended the designs, noting they would greatly benefit the town and attract more visitors to Camp Verde.

Councilor Escoffier felt the design was great and really fits the community. She commended and thanked the staff who worked hard on this.

**9. Consideration and possible approval of a request for partial fee reimbursement by David and Donna Rumfola for a Use Permit and Zone for Green Valley MH Park.**  
Staff Resource: Planner Cory Mulcaire

Manager Fisher provided an overview on this item. She stated that an application was received from Green Valley Mobile Home Park for a Zoning Map Change and Use Permit. The goal of this application was to get the property from a non-conforming status to a conforming status. There was a Public Hearing set before the Planning and Zoning Commission, however, they tabled the agenda item until July. During the time it was tabled, the applicant opted to withdraw their application, and they are requesting to have half of their fees reimbursed. The total fees were \$3,249.00, so \$1,624.50 is being requested. The Financial Operations Guide (FOG) does not provide staff with the authority to refund any fees, which is why this item has come before the Council.

Staff is asking Council if they would support this partial refund. Staff recognizes the potential benefit of amending the FOG to grant the Town Manager the authority to issue refunds up to a specified amount or within certain categories. They are seeking direction on whether staff should proceed with drafting a FOG amendment to enable this refund process.

Mayor Jenkins clarified the location of this Mobile Home Park. The location is off Arena Del Loma. She inquired about the original purpose of the application and the reasons for its withdrawal.

Manager Fisher stated that they are a legal non-conforming use. They were looking to document the status of the make-up of the Mobile Home Park and turn it into a conforming use. The owners withdrew their application out of concern about what types of conditions might be applied to their use permit. Since they are a legal non-conforming use, the owners were not required to complete a zoning map change or a use permit.

Mayor Jenkins questioned how they are a legal non-conforming use if they have a mixed use.

Attorney Stuhan relayed to the Council that legal non-conforming means the use was in place before the Town of Camp Verde updated their codes. They pre-date the code. As they renovate and change the use, they may have to come into compliance. Sometimes applicants in this situation come in and get a re-zone or permit for long term stability.

Mayor Jenkins clarified that the withdrawal for their application was that they were planning to stay within the framework of the legal-nonconforming. Mayor Jenkins confirmed that by withdrawing their application, the owners cannot expand their use.

Attorney Stuhan confirmed that any expansion must comply with the existing code regulations.

It was now the Council's decision to choose to refund their fees or not.

Manager Fisher clarified that when this matter was presented to Planning and Zoning, the applicants were seeking a rezoning use permit to allow for the mixed use of mobile homes, manufactured homes, RVs, and park models. At the time, they had a desire for smaller homes to reduce water and sewage usage and to allow month to month usage for recreational vehicle tenants. Since they are not moving forward with the re-zone, they are going to stick with the current use.

Mayor Jenkins stated she did not recall this coming before Council, which she understands why. However, she wonders if allowing for a refund would set a precedent to anyone who requests a permit but decides they don't need it. This is the first time she is seen this come before Council.

Attorney Stuhan conveyed that, from a legal standpoint, permit fees are implemented to ensure the Town does not incur financial losses. Currently, the FOG does not allow staff to reimburse these fees if someone withdraws an application. This is a big picture discussion to see if Council supports some type of fee reimbursement for applications that are withdrawn. The Council can decide whether to do this partial reimbursement or not.

Additionally, from a broader perspective, they need to determine whether this is a precedent they wish to establish. If so, the FOG should be updated to ensure that all individuals seeking a fee reimbursement are treated consistently.

Manager Fisher informed the Council that the applicants did not receive their Public Hearing, as the Planning and Zoning Commission chose to table the hearings that evening.

Councilor Escoffier asked how much staff time was spent on this item.

Manager Fisher did not have the exact amount of time.

Attorney Stuhan stated that the exact amount of time staff spent on this would be hard to determine. Ultimately, Council needs to decide if they support any type of reimbursement.

Councilor McPhail asked if the Town covered the cost. She has no problem amending the FOG for special circumstances. She would feel more comfortable knowing how much time staff have spent on this project to know the desired amount of refunding. She is in support of changing the FOG to allow staff appropriate discretion. She will need more information.

Vice Mayor Moore asked if the applicant was told by Community Development that they needed to come in for a permit, and the applicant decided not to because they would have to comply with the possible conditions.

Manager Fisher responded yes, essentially, the applicant came in on their own for a permit and recognized that by receiving the permit, they would be opening themselves

up to the need to follow possible conditions. Ultimately, they decided not to move forward.

Vice Mayor Moore conveyed she does not have a problem amending the FOG but would like it to be set solely by the Town Manager. Additionally, she would like to see a threshold for amounts being refunded, as the Town gets some high permits. She asked if the applicants had any urgency in getting the money refunded.

Attorney Stuhan stated that she was not aware of an urgency from the applicants. She also stated to Council that it would be very reasonable to direct staff to prepare the FOG update before approval tonight, creating a threshold amount for refunds, and once the FOG is updated, Manager Fisher could approve it and come back to Council with more information.

Vice Mayor Moore requested that a process or formula be created that is defensible on what type of reimbursement will be given.

Councilor Murdock expressed concern about reimbursing fees for individuals who applied for permits but subsequently chose to halt the process. She would like to know more about the intent of the applicants in applying and then revoking it. She does not want the Town to set themselves up for setting this refund precedent. In all her time on Council, she has never seen this before. She did not support the refund.

Councilor Godwin agreed that this sets a precedent to the community to refund this money. It was the applicant's decision to pull their application, while the Town was working in good faith. She would like to see certain parameters and procedures set before an applicant can receive a refund. She did not support a refund.

Councilor Baker agrees with amending the FOG and setting a reasonable threshold if something like this occurs again in the future. She asked if the applicant has an intention to someday pursue a use permit.

Manager Fisher stated they are going to stay legal non-conforming. They will not be coming forward with anything else at this time.

Manager Fisher clarified with Councilor Murdock that a public hearing was held for the applicants, but the Planning and Zoning tabled the item in order to do more work in RV Park research.

Mayor Jenkins told Manager Fisher that she would be open to amending the FOG, but only after they do some research into what other municipalities have in place. She doesn't support refunding money on permits that Town staff has done work on. She doesn't support this refund currently.

Attorney Stuhan gave Council options in making a motion.

**On a motion by Councilor Murdock, seconded by Vice Mayor Moore, the Council moved to deny the request for a refund and direct staff to come back with a recommended revision to the FOG for reimbursement policies.**

Council engaged in addition discussion after the motion was made.

Vice Mayor Moore questioned if after Manager Fisher comes up with a process for refunded permit money, the applicants may be eligible for partial refund.

Attorney Stuhan explained that updated financial policies typically apply only to future transactions and do not retroactively affect past ones. However, the Council may choose to review past transactions to determine if a refund is warranted, provided the applicant meets the newly established criteria.

Councilor Escoffier liked the first part of the motion. As far as the second part, she would like to add that staff does research into what other municipalities do for fee reimbursements.

Attorney Stuhan noted that the motion on the table was appropriate since it was discussed that the Town Manager would research how other jurisdictions handle refunds prior to offering a recommended amendment to the FOG.

Councilor Godwin questioned why the item would come back to Council if it were a Town Manager decision.

Attorney Stuhan clarified that the policy amendment to the FOG will come back to Council. The Town Manager will make the decision on the refund after the proper research has been done and Council approves the amended FOG.

Mayor Jenkins requested the Town Clerk to read the motion on the table.

Councilor Murdock repeated the motion.

On a **motion** by Councilor Murdock, seconded by Vice Mayor Moore, the Council **moved** to deny the request for a refund and direct staff to come back with a recommended revision to the FOG for reimbursements.

**Roll Call Vote:**

Councilor Baker: Aye  
Councilor Escoffier: Aye  
Councilor Murdock: Aye  
Mayor Dee Jenkins: Aye  
Vice Mayor Moore: Aye  
Councilor McPhail: Aye  
Councilor Godwin: Aye  
**Motion Carried 7-0.**

- 10. Discussion, consideration, and possible approval of an APS utility easement acquisition for a Town of Camp Verde Parcel number APN: 403-20-007D to allow an upgrade to an existing APS power line and electric service. Staff Resource: Administrative Support Manager Dorie Blair.**



Administrative Support Manager Dorie Blair displayed a picture of where APS has requested this easement and how it crosses one of the town parcels. The Water Department requires an additional location, and APS needs to secure an easement from the Town to proceed with the reconstruction of the existing line. Mayor Jenkins asked where this would be.

Ms. Blair told her it is over behind La Fonda near Horseshoe Bend.

On a **motion** by Vice Mayor Moore, seconded by Councilor Godwin, the Council **moved** to approve and execute an APS utility easement acquisition for the Town of Camp Verde Parcel number APN: 403-20-007D to allow an upgrade to an existing APS power line and electric service.

**Roll Call Vote:**

Councilor Baker: Aye  
Councilor Escoffier: Aye  
Councilor Murdock: Aye  
Mayor Dee Jenkins: Aye  
Vice Mayor Moore: Aye  
Councilor McPhail: Aye  
Councilor Godwin: Aye

**Motion Carried 7-0.**

11. **Discussion, consideration and possible approval of Resolution 2024-1148, a Resolution of the Mayor and Common Council of the Town of Camp Verde, Yavapai County, Arizona, authorizing the Town of Camp Verde to enter into an Intergovernmental Agreement with the Yavapai County Flood Control District for financial contributions from the District to the Town for Fiscal Year 2024-2025; and authorizing the Mayor and Staff to take any and all steps necessary to accomplish the above.** Staff Resource: Utilities Director Jeff Low

Mr. Low shared with Council that the Yavapai County Flood Control District provides annual funds to jurisdictions within the county that request flood control related projects. The utility department has requested funding for the following projects:

- Verde Lakes Dr. improvement, which is a FEMA Arizona DEMA bill resilient infrastructure and communities grant match
- Sport's Complex drainage recharge improvement
- Town wide coverts and drainage maintenance program
- General drainage improvements as determined by the town
- Dickison Circle drainage improvement

Mr. Low stated that not all these projects will be completed, but this gives staff an opportunity to choose from a variety of projects where the funds can be spent for this year. The 2025 annual funds amount is \$165,000 and the IGA will be on the Yavapai County Board of Supervisors' agenda on September 18<sup>th</sup>.

Vice Mayor Moore asked Mr. Low how they are going to prioritize the projects. She thought they were getting different funding for Verde Lakes.

Mr. Low reported that he contacted the Department of Emergency Management Affairs to inquire about the status of additional funding for Verde Lakes. They indicated that a decision will not be made until October but confirmed that Camp Verde successfully advanced through the first round. He will defer his decision until further information about the funding is available.

Councilor Baker stated years ago the Town only received \$25,000 a year for flood control, so this is a big deal. She asked about Dickison Circle and if this is in addition to the serious issue that they're already working on.

Mr. Low conveyed to her this is part of it and ADOT is already working on the designs. ADOT will spend up to \$200,000 of their money to fund that.

Councilor Escoffier asked how this compares to the amount of money received last year. Mr. Low told her it is a little bit less. She further asked how much they're sending in flood control taxes. He said it is a small amount.

On a **motion** by Councilor Godwin, seconded by Councilor McPhail, the Council **moved** to approve Resolution 2024-1148.

Councilor Escoffier asked if the motion needed to have more included in it.

Attorney Stuhan stated it did not, the resolution already has it, and approval is fine.

Administrative Support Manager Dorie Blair brought up a typo in the resolution.

Attorney Stuhan advised how to move forward to rescind and amend the motion.

The motion was rescinded by Councilor Godwin, seconded by Councilor McPhail, the Council moved to resend the motion.

On a **motion** by Councilor McPhail, seconded by Vice Mayor Moore, the Council **moved** to approve Resolution 2024-1148, with a correction to the second whereas clause, to spell out one hundred and **sixty-five** thousand dollars.

**Roll Call Vote:**

Councilor Baker: Aye

Councilor Escoffier: Aye

Councilor Murdock: Aye

Mayor Dee Jenkins: Aye

Vice Mayor Moore: Aye

Councilor McPhail: Aye

Councilor Godwin: Aye

**Motion Carried 7-0.**

**12. Adjournment** Mayor Jenkins adjourned the meeting at 8:42 PM.

CERTIFICATION

\_\_\_\_\_  
Mayor Dee Jenkins

\_\_\_\_\_  
Town Clerk Leah Rhodes

CERTIFICATION

I hereby certify that the foregoing Minutes are a true and accurate accounting of the actions of the Mayor and Common Council of the Town of Camp Verde during the Regular Session of the Town Council of Camp Verde, Arizona, held on September 4, 2024. I further certify that the meeting was duly called and held, and that a quorum was present.

Dated this \_\_\_\_\_ day of \_\_\_\_\_, 2024.

\_\_\_\_\_  
Leah Rhodes, Town Clerk

DRAFT

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# Town Council Agenda Information Memorandum

**Meeting Date:** September 18, 2024

**Agenda Item Type:**

- |   |  |  |
|---|--|--|
| <input type="checkbox"/> Consent Agenda       | <input checked="" type="checkbox"/> Informational Presentation | <input type="checkbox"/> Discussion Item |
| <input type="checkbox"/> Action/Decision Item | <input type="checkbox"/> Executive Session Request             | <input type="checkbox"/> Other:          |

**Requesting Department:** Parks & Recreation

**Staff Resource:** Parks & Recreation Commission Chairperson David Grodin, Acting Parks & Recreation Manager Shawna Figy, and Coordinator Phyllis Nettik

**Agenda Title:** Parks & Recreation Quarterly Update

**Attached Documents:**

- Parks & Recreation Commission Quarterly Update
- PowerPoint Presentation – Summer Day Camp, Corn Fest, and Volunteering
- Corn Fest Summary
- Corn Fest Improvements List 2025
- Vendor and Public Feedback Reports

**Estimated Presentation Time:** 15 minutes

**Estimated Discussion Time:** 5 minutes

**Reviewed By:**

- |  |                                |  |                                  |                                 |
|--|--------------------------------|--|----------------------------------|---------------------------------|
| <input checked="" type="checkbox"/> Town Manager | <input type="checkbox"/> Legal | <input type="checkbox"/> Risk Management | <input type="checkbox"/> Finance | <input type="checkbox"/> Other: |
|--|--------------------------------|--|----------------------------------|---------------------------------|

**Financial Review** (if applicable): N/A

- Funding Source / GL Account Number:
- Approved in the FY25 Budget?  Yes  No  N/A  Other:
- Is this an approved CIP Project?  Yes  No  N/A  Other:

**Background Information:**

The Parks and Recreation Commission will present their quarterly report tonight. Parks & Recreation Division staff will also present a summary of this year's Corn Fest. The Corn Fest summary highlights feedback from both vendors and the public, gathered through post-event surveys conducted via Google Forms. Additionally, it includes a list of improvements compiled by staff. These improvement lists are a routine part of our review process following each event and most programs.

October is a particularly busy month for Parks and Recreation, with a strong focus on volunteer recruitment for a variety of roles, including coaching Grasshopper basketball, event preparation, and announcing. In addition to recruiting individual volunteers, staff also partners with non-profit groups to help manage activities like the Kids' Adventure Zone, Ninja Nation Course, and Axe Throwing at Fort Verde Days.

We also encourage Council members to get involved by signing up for volunteer shifts during upcoming events. Your participation not only supports the community but furthers your continued efforts to set a positive example of leadership and civic engagement.



# Town Council Agenda Information Memorandum

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## Connection to the [FY25-FY30 Strategic Plan](#)

The strategic plan includes a key goal under 'Recreation and Activities,' which aims to 'enhance our unique location and historic culture by building, maintaining, and promoting amenities and events, while actively engaging the community.' Specifically, the Town is committed to increasing the total number of Town-sponsored annual community engagement events by June 30, 2027. Successfully executing events like Corn Fest and Summer Day Camp highlights our capacity to deliver quality programs while strengthening the skills and organizational capabilities of the Parks & Recreation Division to expand future offerings.

### Question(s) before the Council:

- Does the Council have any questions about what the Parks & Recreation Commission has been working on?
- Does the Council have any questions about this years' Summer Day Camp or Corn Fest?
- Does the Council have any questions about the volunteer opportunities currently available?

## CAMP VERDE PARKS AND RECREATION COMMISSION 2<sup>ND</sup> QUARTER (2024) REPORT

The Commission has participated in 3 regular sessions and 2 special work sessions. We have, during those sessions reviewed and recommended to the town council via staff, the following items for their respective consideration:

- 1) Recommendation of rebidding the Sports Complex concession stand and possible use of a 'portable' style building.
- 2) Recommendation and review of a joint working agreement between CV Parks and rec division and CV youth football for the installation of a new scoreboard at Butler park.
- 3) Began the process of development of the strategic plan calendar schedule and our necessary work load relative to the implementation of the Parks and Rec master plan.
- 4) Participated in a discussion with the town finance director Mr. Showers. A lengthy conversation ensued with our learning as to how the budget process works, in particular how CIP projects are funded and what if any input the commission may have relative to those budget recommendations.
- 5) Pre and Post event review by the commission and staff took place with respect to events the town produced during the 2<sup>nd</sup> Quarter. That review has helped to weed out some of the difficulties and offer a guide to those relative changes which may be need in the future.

It was noted the staff had worked 157 hours outside of reg. business hours to manage the events. Commission members attended the Culpepper/Merriweather Circus, the Verde Lakes Spring Fest and the Corn Fest. Participation in those events gave the commission somewhat of an opportunity to meet both visitors and residents alike with the potential to actively survey opinions from them regarding current available recreational amenities, event likes and dislikes, and as well discussions about what they would like to see improved in existing facilities.

Of most particular concern amongst residents and the Commission itself is the operational and functional deficiencies at the Heritage Pool. Given the fact that proposition 467 has passed our hope is that budgetary constraints will be lifted with the respect to the hiring of a pool manager. Though it is called 'Heritage', by no means should it preclude the operation of it from moving into the future.

Our future endeavors will be to continue the process of establishing a Parks and Rec master plan which should tie into the CV town master plan update Vision 2050. A more thorough review and recommendation for all CV town sponsored events. The consideration and support of town staff relative to the Parks and Rec Division. Most importantly a more vocal input as to the current and future park and recreational developments with the Town of CV.

Thank you for your time, which there's a bit more of if there are any questions.

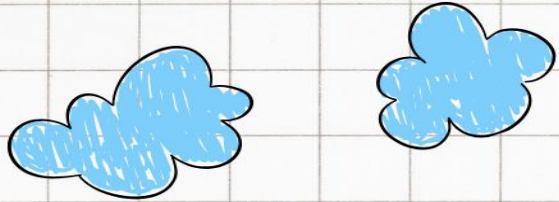
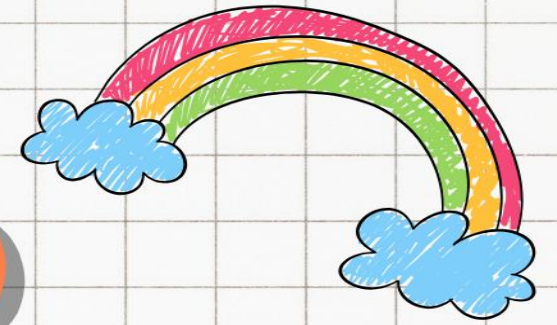
Dave Grondin  
PnR Commission Chair

Jerry Morris  
Commission Vice Chair

2024

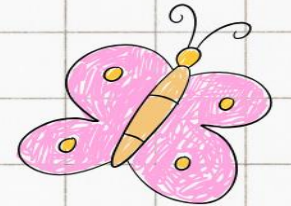
CAMP VERDE

SUMMER  
CAMP



MAY 28 - JULY 18

MONDAY - THURSDAY 8:00 AM - 4:00 PM





# Camp Verde Parks & Recreation Summer Camp is Arizona's **ONLY** ACA accredited municipal camp!

**ACA-Accredited Camps meet up to 300 health and safety standards.**



**ACA is the only national accrediting body for camps of all types.**

**ACA's accreditation standards focus on health, safety, and risk management, and are used as benchmarks by government entities.**

**ACA accreditation provides public evidence of a camp's**

**commitment to the well-being of campers and staff.**

# OUR GENEROUS SPONSORS

provided scholarship support for those in need.

# \$5,000

**COST IS**

**\$20.00 per day OR**

**\$11.00 with the scholarship**

**930 camper days were supported  
using the scholarship**

**Camp Counselor Benefit! Their kids came for free!  
52 Camper Days**



**Kiwanis**<sup>®</sup>

Council Regular Session **CAMP VERDE ARIZONA**

**Clif and Dee Jenkins Trust**

September 18, 2024



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# BY THE NUMBERS!

GROUP 305 – KINDERGARTEN – 3RD GRADE

GROUP 204 – 4TH – 6TH GRADES



Registered camper days = 1,112

Actual camper days = 1,026

Average Attendance = 34 campers per day.



Camp Verde, Clarkdale, Cornville, Cottonwood,  
Rimrock, Sedona, Holliston MA & Omaha, NE

70 individual campers attended camp.



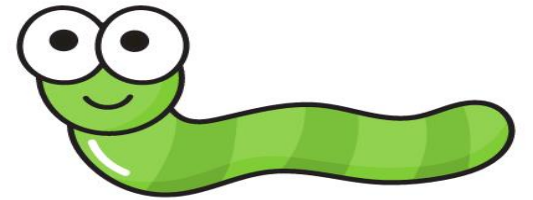
6 Amazing Staff!

453 full time staff hours were used to support camp.

# DO I HAVE TO LEARN ANYTHING?

## Farm to table

### How to grow worms!



# DO I HAVE TO LEARN ANYTHING?



**Horses with Heart**

## Ms. Mary's Marvelous Mini's!



Council Regular Session



September 18, 2024



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# DO I HAVE TO LEARN ANYTHING?

## Camp Verde Martial Arts



# DO I HAVE TO LEARN ANYTHING?

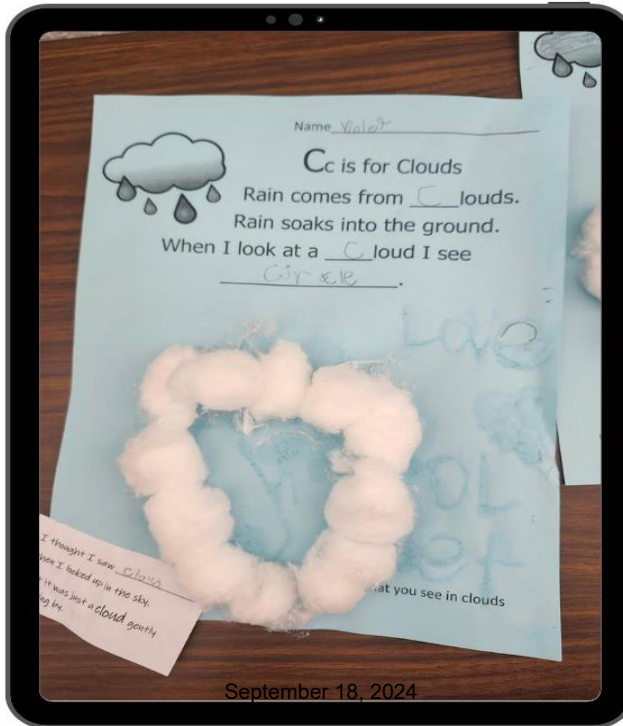
## Water Adventure Class



Taught by Stormwater Specialist  
Patty Mancini



Uncil Regular Session



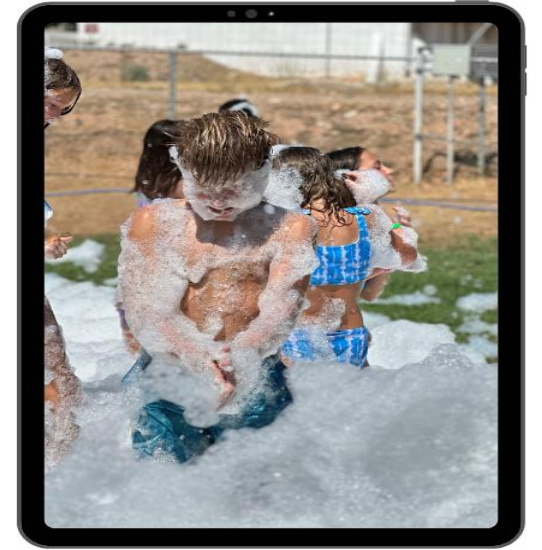
September 18, 2024



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# COLLABORATION WITH THE LIBRARY!

## Foam Party



Council Regular Session



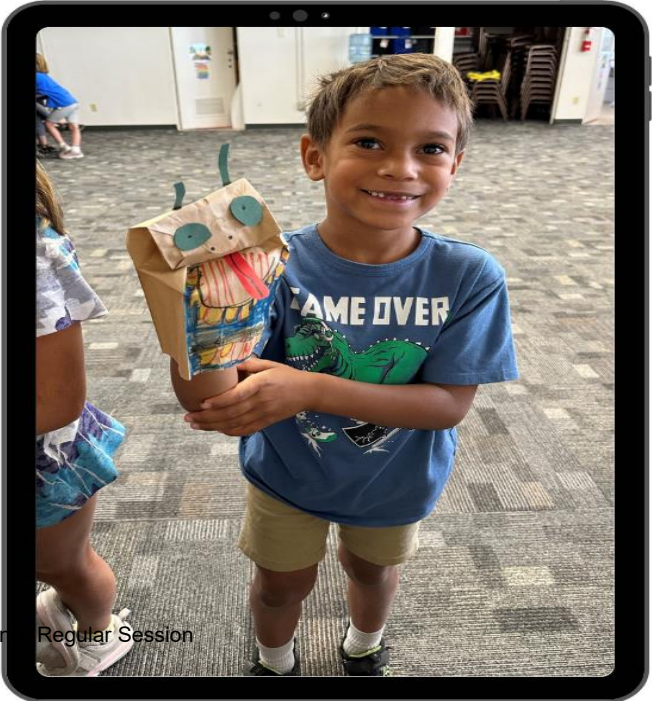
September 18, 2024





# COLLABORATION WITH THE LIBRARY!

Storytime



With Zack and Letty!

# BEARIZONA



Hollywood

Sandy,  
Utah



**Attendance : @5,000**

**Vendors : 87**

**Non-Profits : 16**

**Cornhole : 21 teams**



**Volunteers : 17 volunteers worked 48 hours**

**Staff time:**

**5 P&R Staff worked 107 hours for set-up and operation of event**

**Maintenance and Streets: \$2,700 in event overtime**

**810 Dozen ears of corn purchased ,  
up from 655 dozen last year!**

**Revenue: \$18,879**

**Expenses: \$18,200**

**CORN  
FEST**



Add second set of steps from Ramada to field

Adjust hours of operation



Bring back salsa contest, add watermelon eating /corn shucking contest

Move the event to the field

Research misting systems for tents

Ask Rangers to offer more than beer

Amend Vendor Clause re: leaving early

Find an elite vendor

Continue to work with VVFM to have more participation

Encourage more corn products and offer special signage for vendors with corn products

**CORN  
FEST**

Additional activities



**Improvement Ideas**

# **October Volunteer Opportunities!**

**Grasshopper Coaches - 12**

**Little Britches/Little Petticoats - 5**

**Fort Verde Days - 54**

**Trunk or Treat - 11**

Positions available:

**Judges, set-up/tear-down,  
parade assistance, parade announcers,  
gatekeepers,  
chili-cook off assistance, coaching**

**Kids' Adventure Zone : Camp Verde High School Student Council - 20 kids and 2 adults**

**Ninja Nation Course : Camp Verde Little League - 15 adults**

**Ax Throwing - Camp Verde High School Cheer - 15 kids and 2 adults**

**To volunteer or find out more about volunteer positions visit:**

**<https://www.campverde.az.gov/departments/parks-recreation/volunteer>**

**HOMETOWN  
HERO**

**Fort Verde Days**



**Sponsor**

**Each  
volunteer's  
name  
will be put in a  
drawing!**



**\$45.00 Gift Certificate**

## Corn Fest 2024 Event Summary

### RevenGeneral overview

- Event held July 20 on Hollamon St & adjacent Town grounds including the Gym.
  - o Vendors were in the gym, on Hollamon St., on Wood St. behind the 300 building, and all the way around the 300 building. There were a few vendors from the VV Farmer's Market that remained in Redinger Ramada after the market was over to be a part of our event.
- Redinger Ramada area was added to event area as a new space and we did have evaporative coolers in the space.
- Public hours 11 am to 7 pm
- Attendance estimated at 5,000.
  - o Highest attendance between 11am and 1pm
  - o High temp for the day was 103 degrees.
  - o Extremely hot weather affected attendance. The average stay time was 58 minutes with a median of 54 minutes.
- Added extra rental evaporative coolers and misters in entry tents due to excessive heat concerns.
- 87 vendors, 72 outside, 15 inside
  - o A few cancellations and no shows due to high heat.
- P&R volunteers staffed entrance gates (2); CV Business Alliance provided staff for one entrance gate.
- ACE Hardware supplied 3 pop up canopies for use as entrance gate keeper shade.
- AB Cornhole operated the corn hole tournament and saw an increase in teams to 21 this year.
- Town purchased 810 dozen ears of corn from Hauser & Hauser Farms for all sales, up from 655 last year.
  - o Camp Verde Recreation Association sold fresh corn to take home.
  - o One commercial vendor roasted corn to eat on-site.
- There was no homemade salsa contest this year due to staffing limitations.
- P&R Camp staff operated free Kids Activity Zone in Rm. 305 Noon – 5pm with over 100 people participating
- 17 volunteers assisted with set-up and gatekeeping for at total of 48 hours

### Non-Profit support

- 16 non-profit organizations provided free vendor space. We had 5 additional non-profits on the waitlist.
- Two non-profits were provided fund raising opportunity by Town. Not all non-profits provide information about their proceeds.
  - o Camp Verde Recreation Association sold fresh corn raising \$1,399 total with tips.
    - Town provided shade tent, tables, corn bags and banner as well as arranged to provide corn on site from Hauser & Hauser using trucks and staff to move.
  - o Camp Verde Youth Football and Cheer operated dunk tank for Town.
    - Town covered the cost \$253 to rent tank, set up, arranged for CCFMD to fill and drained and picked up after event. The made \$618 for their program.
  - o More Than Self – supports food for Guatemalan families.
    - Raised over \$1,800 profit to feed families, our events are some of her best sales.

## Corn Fest 2024 Event Summary

- Verde Valley Rangers raised an unknown amount with beer sales.

### Financial summary

#### Revenue - \$18,879

- Vendor registration fees collected - \$7,200 approx.
- Sponsorship - \$4,650
  - o Yavapai College \$1,800 Platinum level commitment for 3 events.
  - o SRP \$1,800 Platinum level commitment for 3 events.
  - o Larry Green Chevrolet \$300– Silver Sponsor
  - o Verve Events - \$750 (discounted rental fees)
- Fresh Corn Sales - \$6,271
- Roasted Corn sales - \$758

#### Expenses - \$17,833

- Verve Events rental \$7,314
  - o Reflects a \$750 discount sponsorship from Verve
- Live music -\$1,500
- ODM Law Enforcement \$1,260
- Marketing \$
  - o Juan FM - \$357
  - o Yavapai Broadcasting \$648
  - o Larson Newspaper \$303
- Hauser Corn - \$5,670
  - o \$3,542 – Fresh Corn Cost
  - o \$1,043 – Roasted Corn Cost
- Devil Dog Dumpster - \$436
- Nice Jons - \$?
  - o 2 Portajon,
  - o LooLoos 3 Handwash stations - \$285
- Supplies & material - \$60

### Staff impact

- o Maintenance and Streets overtime wages - \$2,700
  - We were missing the Old Guys who normally assist with set-up on Saturday, which caused more work for staff. Maintenance was also short-staffed for the event.
- o 5 P&R Staff worked 107 additional hours for direct event prep and operation



# 2025 Corn Fest Improvement List

1. Look at hours of operation – can we start earlier? Overnight security with set-up on Friday?
2. Look at inside arrangement to allow for more seating – make sure to utilize all of the round tables for seating. Do we need to rent additional chairs for seating?
3. Get steps onto field on south side of ramada for better traffic flow
4. Do we want to continue with seating in kitchen or use as vendor space?
5. Have a specific task list for each day for volunteers – set-up and tear down. Make sure we have more help on Saturday morning
6. Encourage vendors to have corn/VV agriculture products and give vendors with those items a special sign like P&W
7. Order hand fans like 2022
8. Have tarps in truck beds to allow for easier unloading of corn
9. Continue to work on entrances and arrangement of barricades
10. Work on a better plan for VV Farmer's Market transition and Ramada alcohol limits
11. Research misting systems for ramada and tents
12. Continue to work with VVFM to improve involvement – see how it went this year for vendors who stayed
13. Larger music tent? Move it to the field?
14. First 2 trucks should start with 100 dozen ears of corn – have group move corn out of pick-up and into red tubs to allow Maintenance to take trucks back sooner
15. Figure out a way to track corn roaster corn – what they take and what they throw away – is there a way to charge them for all of it? Is there a way we could utilize the roasted corn that they cannot sell? Maybe elote in a cup?
16. Follow-up with Fire District – was great having them here in 2023
17. Order additional A-frames
18. Bring back Salsa contest – possible watermelon/corn eating contests, corn shucking contest
19. Is there a way to have additional kids' activities outside – another tent with games like Jenga, tractor train, possibly kids' cornhole tourney?
20. Contact the misting fan vendor to see if he wants to attend event
21. Fill and stage mister buckets the night before
22. Make sure all maps are updated and printed – post day prior
23. Look at vendor clause for leaving early and determine best way to handle that – research how other event promoters handle it
24. Remove the Refreshment sign in gym
25. Look for additional roaster/elote vendor
26. Have as much as possible done on Friday night – signs, maps, banners hung – everything staged in closest areas
27. Do we need a 4<sup>th</sup> entrance? If so, where?
28. Be sure banner on 305 for kids' area gets hung up
29. Talk to Rangers about offering something besides beer

How would you rate the event overall?	What was your favorite part of the event?	Do you have any suggestions for improvements or additions?
5	Corn	Promote Shawna.
1	Other	It's too frickin hot. Period. I've had heat related illness twice from this event specifically so we can't continue to attend.
5	Other	Just keep up the good work.
5	Vendors	Keep up the good work!
5	Vendors	
5	Corn	It was perfect
4	Food	Srarr the festival at 5pm it's too hot during the day
4	Food	Free water and cooling stations
3	Food	Better parking directions
3	Corn	Most vendors seemed to have cleared out by 5. Would love for them to stay later.
4	Music	More activities!
4	Corn	Move the corn and the cooling tent to the grass. The cement from the road has just been too hot for folks with each passing year, please and thank you!
2	Tractors	Have it earlier in the day and on the field. The street was sooo hot
4	Corn	no
5	Vendors	More fun activities for kids Big jenga big connect four etc like years ago
3	Vendors	<ol style="list-style-type: none"> <li>1. (Improve) More than one booth selling corn and if they only accept cash, let's have a designated ATM. I mean if it's a "Corn Fest", why only 1 place selling corn?</li> <li>2. (Improve) More food trucks. Last year (2023) was great, this year, not so much.</li> <li>3. (Improve) ATM on site, and make sure that your volunteers and/or vendors know where it's located so they can assist.</li> <li>4. (Sustain) Vendors inside and cool off areas were great!</li> <li>5. (Sustain) Vendors were good mix. Really loved the Sadona Bee Company booth and the reptile exhibit.</li> <li>6. (Sustain) ample picture spots with the corn displays. One inside and outside were good.</li> </ol>
2	Corn	Put the music on the grass not on the dusty dirt
4	Food	Have it on the grass so it's cooler.

5	Vendors	More music
5	Vendors	No. It was great
4	Food	No cornhole. Have children's activities like in the past with sack races etc.
5	Corn	It's a great community event.
4	Food	Surround sound around Town Campus to play live music. Misters along walking corridors (Veterans Gazebo area, along the court side of the 200 building, around gym entrance). More unique things like the tractors which were awesome! Bring the salsa competition back. Maybe arrows on the gym floor for better flow inside during this event since everyone wants to be in there. Updated (shaded) play structures for parents to take kids during events when their kids get rowdy!
3	Food	move the hours to 9: 30 am to 5:00 pm
4	Vendors	No
3	Cornhole tourney	Too hot move start time to cooler time of day expand activities for public participation like years before.
2	Food	Air conditioner
3	Food	Inside vendors were lacking this year.
2	Vendors	Make it when its cooler
1	Other	You said garlic festival where was the garlic? There were hardly any vendors compared to the last two years. No corn?
3	Music	Feel like Corn Fest should feel more like a festival vs. just a larger scale farmers/artisan market. I'd like to see more activities for kids. The corn hole tournament
3	Other	Needs to be more of a festival. Less of a vendor street fair. Get some tents with misters. Focus more on corn. Get an evening carnival for the youth to enjoy. A
2	Vendors	Having misters set up
2	Music	Too hot. Too much chance of rain. Need to rethink this festival. Is there something else to celebrate at a different time of year. Hauser isn't growing as much
3	Corn	Music was too loud in that tent, had to leave and go eat in the Ramada, was really ashamed. Not enough food truck options, one had only a couple of offerings compared to their menu. Was too hot being on the hot pavement, while cars parked on the cool grass, very backwards logic, again, was ashamed. Shortened our

<p><b>How would you rate the event staff specifically in regards to registration, communication, check-in, set-up, and support?</b></p>	<p><b>Based on the score from Question 1, please explain your rating.</b></p>	<p><b>It is our policy that vendors remain for the duration of our events. It was very obvious that many vendors left the event early. Please provide feedback on why you left early if you were one who did leave early. If you stayed, please provide your feelings on vendors leaving early.</b></p>	<p><b>What was your favorite part of the event</b></p>	<p><b>Do you have ideas for improvements or additional comments?</b></p>
<p>5</p>	<p>Email was thorough and explained in detail.</p>	<p>The wind was strong and there was lightening close by. A decision was made due to the age of our workers and the severity of weather to close up, get the canopy (with metal frame) down, and prevent an unsafe event. We closed down a little after 5pm.</p>	<p>The wonderful people who visited our table.</p>	<p>All was good and thank you for understanding the early departure. We really do appreciate the opportunity to participate and made the most of the time we were able to be there.</p>

		I hate seeing vendors leave early but I can understand some of what they were feeling I'm sure. I started packing up about 15 minutes before the end time because I hadn't had a customer in over an hour. I think the event probably ran an hour longer than it probably should have but I don't know if it was just that way due to the heat or what. Seemed it really died off about 5 and then it was just sitting around bored for the next couple of hours.		
	5 Everything was easy to understand and well communicated. I had no issues.		The corn! And seeing a lot of awesome smiling faces and our return customers!	I would say maybe start at 10 and end at 5. Seemed that people were already roaming around at 10 and it was a ghost town come 5pm. That's my only thoughts, otherwise it was great as usual!
	4 they were fine	Hardly any shoppers after 6:00. Perhaps hours of event could be adjusted so that it starts earlier when it's cooler & ends earlier.	seeing people take pictures at the big corn	no
	5 They were around and friendly	That event was more based on food and adult beverages.	The end	No alcohol

	5 Everything ran so smoothly	Although I was not one of the vendors that left early, I truly don't blame the ones that actually did. I've always taken issue with the hours of the shows. I think 11 o'clock is too late to start and 7 o'clock is too late to end. Please reconsider. Buyers can't wait to get in at 11 so you know that they would desire a 10 o'clock opening. And there are no buyers between 6 and 7 PM so there's no reason to be open that late.	My booth was next to the area where people were taking pictures on the bale of hay and giant cob. I spent a good part of my day offering to take pictures so that everyone can get in the shot.	Please reconsider the hours of the show. 11:00 AM is just way too late. Especially in the heat. And by 6 o'clock the place is empty so there's no reason to stick around.
	5 Went smoothly and sent information needed for setup, etc	We stayed but in their defense it was super hot! Maybe later in the year would be better?	Sales were not too bad for a 1 day event	Just too HOT
	5 Everything was organized great.	I don't agree on leaving early. I respect the rules on staying the whole event, I stayed til designated time to pack up.	The customers were friendly and supportive. The corn was delicious. Management and vendors very friendly and helpful.	I saw many open spaces and some of my friends were interested in coming , just thought it would have been nice to get other businesses opportunity to be in those spaces.

	5 The event staff was on point, very friendly, there when you needed them.	I think it would have been safe for vendors to wait until the event was cleared out. We waited.	The favorite part for me was that everything was calm and no outbreaks. Everyone had a good time.	No. Everything was put together just right. Look forward to the next one.
	4 They were friendly and all went smooth	It could have affected overall market sales, but it had slowed down and understood thier concerns for weather. I don't think it changed much either way.	Engines were very cool, inside cool space was a life saver.	Are misters a possibility in common areas?
	5 I had absolutely no issues this year.	I know one left due to the wind blowing down thier wares and breaking them. This was thier first show so I hope they learned that wind is not thier friend. For the rest of the early leavers I find it hurts the event and the rest of us who stayed.	The people.	Have cold water/ ice available for vendors when the temperature is so high. It would be even nicer if a staff member could make water deliveries so vendors would not have to leave a booth unattended.
	4 Check in and ov er all staff great...but never introduced themselves	stayed until the end like called for. When people leave early, it interrupts the flow of the show	customers!!	the gym should be able to open before 11. People wandering outside and not allowed inside thd building
	5 Was very easy to get information	I think if it went from 9am to 5pm would be better times	Everything went well had a wonderful time	Maybe change the time.

5	N/a	If vendors leave early more sales for us.	Turn out was good	Great event .
5	There was staff all over to help with where you needed to go.	I stayed. If it's an emergency that someone left early that's fine. But the evening it had cooled down. I made a lot of sales due to being one of the only vendors from 5pm to 7pm.	Unfortunately I didn't get to see anything.	Nope I think everything went good.
5	The staff is always very accomotateng.	Family emergency	The interaction with fellow venders.	NO just keep up the good work that you are known for.
5	Great staff, volunteers and communication was excellent	Stayed the entire event	Sales and people I met	Additional cooling station. To allow more vendors to be out of the heat
5	Staff was very kind and polite.	I don't like vendor leaving early because that will make customer leaving too.	My favorite was the set up for the event and a strong atmosphere.	I don't have any.



	5 Always pleasure to ever	The heat and traffic died sown	Speaking with the fellow vendors and the corn was fantastic	If there are to be no pets allowed at the venue than it should be enforced I saw several people with dogs that were not service animals.
	5 Did lots of work to make the people visiting comfortable. The large tent was great.	The outside vendors leaving made it ok for the inside vendors to do the same. I stayed until 7.	Great food trucks was a comment I heard from people.	I wouldnt change anything. Great crowds!
	5 No issues with setup and staff	It was very hot and most of the vendors that left early were not selling products or for charity. I understood the need to leave because of the heat.	The people and the roasted corn!	More interactive shows or things to come see that are special events like music, comedy, performers etc. Something that will change great to hear to make people want to come and see.

	<p>All of my questions and concerns about my space were quickly and kindly answered. This is always a great staff to work with.</p>	<p>I think that the vendors who left early did so because of the heat and threat of rain. When one starts shutting down others do also. I have participated in shows where it clearly states in the agreement paperwork that if a vendor leaves early they will not be invited back for the next event. It shortens the day and possible sales for everyone.</p>	<p>The variety of vendors and food trucks is always interesting to see.</p>	<p>Keep up the fantastic work for everyone. A special thanks to all of the volunteers who make these events possible.</p>
<p>5</p>	<p>All good</p>	<p>Took down my pop up around 4:45 when the wind got real bad. Stayed another hour or so but the rain looked like it was going to hit hard.</p>	<p>Visiting with a lot of nice folks.</p>	<p>Start earlier. I had more shoppers before 11:00 am when it really wasn't open yet.</p>

	<p>Everyone is always so helpful and friendly when asking 5 questions or even in passing.</p>	<p>We stayed till the end but a few did leave early. I don't like when they leave that just makes it look empty.</p>	<p>all of it</p>	<p>I would like to see it start earlier so it ends earlier. I think that's why vendors leave early. People stop coming in around 5:30-6 and its hard to stay till 7 when there is no one around. Maybe if it started at 9 and ended around 5-6 might be nice</p>
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Good morning, Amazing Volunteers!!

Parks and Recreation is coming upon our busiest month - October! We are looking forward to cooler weather and pumpkin-spice everything!! We have several opportunities to volunteer! Log into your account or create an account at the link below.

[VicNet - Login \(volgistics.com\)](http://volgistics.com)

### **Grasshopper Basketball Coaches - 4 volunteers still needed – already filled 8 spots**

The Fall league, for 1st - 4th graders begin October 3rd with the skills assessment and draft with games starting October 19th. No experience is needed but coaches must submit to a fingerprint background check and training through the National Alliance of Youth Sports. Teams practice one night a week. Games are held on Saturdays for 6 weeks with a tournament for the 3rd and 4th graders on December 2nd and 3rd. If interested, please go to the Town's Parks & Recreation homepage on [www.campverde.az.gov](http://www.campverde.az.gov) and click on the blue "Volunteer With Us" button. Click on Sports Coach Volunteer Application Form.

### **Little Britches and Petticoat Contest – October 5<sup>th</sup> - 6 volunteers**

This fun event, in conjunction with the Colonel's Daughter and Fort Verde State Historic Park will take place at 1:00 pm. Judges are needed to score the contestants, aged 2 – 12 on a variety of categories using a rubric scoring system. If you can withstand cuteness overload, this volunteer position is for you!

### **Fort Verde Days – October 12 and 13th**

Many opportunities are available for one of our Town's largest events!

#### **1. Gatekeepers (4 gates) – 28 volunteers**

- a. Saturday 10:45 am – 1:00 pm / 1:00 pm – 3:00 pm / 3:00 pm – 5:00 pm / 5:00 -7:00 pm
- b. Sunday 10:45 am – 12:45 pm / 12:45 pm – 2:00 pm / 2:00 pm – 4:00 pm
  - greeting people coming to the festival.
  - tracking attendance using Tally Counter tool (clicker)
  - making sure alcohol does not leave the event area.
  - providing general event information to event goers.

#### **2. Event Set Up for Friday, October 11<sup>th</sup> – 5 volunteers**

- a. 7:00 am – 12:00 pm
  - Assist the Town of Camp Verde Parks & Recreation and Maintenance Dept. in setting up pop-up tents and tables, putting up signage, moving equipment and various other tasks.

#### **3. Event Break Down for Sunday, October 13<sup>th</sup> – 5 volunteers**

- a. 3:45 pm – 5:00 pm
  - Assist the Town of Camp Verde Parks & Recreation and Maintenance Dept. in dismantling pop-up tents, taking down signage, moving equipment, various other tasks and assisting vendors with limited mobility.

#### **4. Parade Announcer for Saturday, October 12<sup>th</sup> - 3 volunteers**

- a. 9:45 am – 11:30 am
  - Read, with enthusiasm, the parade script aloud into a microphone.
  - Be able to announce information, including unfamiliar names, clearly.

5. Parade Judge for Saturday, October 12<sup>th</sup> – **3 volunteers**
  - a. 9:45 am – 11:30 am
    - While watching the parade, objectively score the parade entries as they pass using a rubric scoring system.
  
6. Parade Check In for Saturday, October 12<sup>th</sup> – **3 volunteers**
  - a. 8:00 am – 10:30 am
    - Assist Parks and Recreation Staff with the checking in of parade participants.
    - Using a map, direct parade participants to their line up positions.
  
7. Parade Pacer for Saturday, October 12<sup>th</sup> – **1 volunteer**
  - a. 9:45 am – 11:30 am
    - Stand at the Finnie Flat Rd. and Montezuma Castle Hwy intersection. When necessary, direct parade participants to either slow down or speed up.
  
8. Chili Cook Off judges for Sunday, October 13<sup>th</sup> – **5 volunteers**
  - a. 12:45 pm – 2:00 pm
    - Assessing chili entries using a rubric scoring system.
  
9. Chili Cook Off Facilitator – **1 volunteer**
  
10. Non-Profits to assist with Kids’ Adventure Zone, Ax Throwing, and Ninja Nation course -**30 people**  
These are not true volunteers as we do offer a profit-share with them to assist with these areas. The Kids’ Adventure Zone requires 6 people at a time for the entirety of the 2 day event. This year the Camp Verde High School will be taking on the Kids’ Adventure Zone and will utilize 20 students and 2 adults. Camp Verde Little League will be helping with the Ninja Nation Course which requires 2-3 people all day on Saturday. Camp Verde Cheer/booster Club will be assisting with Ax Throwing this year for both days of the event. This will require at least 2 people for the duration of the event. Without these groups, we would not be able to offer these opportunities at events.

**Trunk or Treat for Thursday, October 31<sup>st</sup>**

1. Event Set Up – **3 volunteers**
  - a. 9:00 am – 12:00 noon
    - Set up Halloween blow ups, decorations and lighting.
  
2. Event Tear Down – **3 volunteers**
  - a. 7:00 pm – 8:30 pm
    - Dismantle and move decorations to Parks and Recreation Division Office
  
3. Judges – **5 volunteers**
  - a. 4:30 pm – 6:00 pm
    - Judge decorating spaces of Trunk or Treat participants on decor and originality.

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# Town Council Agenda Information Memorandum

**Meeting Date:** September 18, 2024

**Agenda Item Type:**

- |   |  |  |
|---|--|--|
| <input type="checkbox"/> Consent Agenda       | <input checked="" type="checkbox"/> Informational Presentation | <input type="checkbox"/> Discussion Item |
| <input type="checkbox"/> Action/Decision Item | <input type="checkbox"/> Executive Session Request             | <input type="checkbox"/> Other:          |

**Requesting Department:** Town Manager      **Staff Resource:** Town Manager Miranda Fisher

**Agenda Title:** League of Arizona Cities and Town’s Conference Takeaways

**Estimated Presentation Time:** 5 minutes      **Estimated Discussion Time:** 5 minutes

**Reviewed By:**

- |  |                                |  |                                  |                                 |
|--|--------------------------------|--|----------------------------------|---------------------------------|
| <input checked="" type="checkbox"/> Town Manager | <input type="checkbox"/> Legal | <input type="checkbox"/> Risk Management | <input type="checkbox"/> Finance | <input type="checkbox"/> Other: |
|--|--------------------------------|--|----------------------------------|---------------------------------|

**Financial Review** (if applicable): N/A

- Funding Source / GL Account Number:
- Approved in the FY25 Budget?    Yes       No       N/A       Other:
- Is this an approved CIP Project?  Yes       No       N/A       Other:

**Background Information:**

Mayor Jenkins, Councilor Baker, Councilor Escoffier, Council Godwin, Councilor McPhail, Councilor Murdock, and Town Manager Miranda Fisher all attended this year’s League of Arizona Cities and Towns (LACT) annual conference. Below are some of the takeaways from the various sessions attended by the Council and staff.

**Keynote Speaker Alison Levine: "On The Edge – Leadership Lessons from Mt. Everest and Other Extreme Environments"**

Levine emphasized that "backing up" is not the same as "backing down." Key takeaways include:

- Building relationships before you need help is crucial.
- Fear is natural, but complacency is dangerous.
- Every team member should adopt leadership qualities.
- Storms are temporary, but action based on the situation is key for survival.
- Poor decisions by one person can bring down an entire team.
- We can’t control external circumstances, but we can control our reactions.

**Advancing the Arizona We Want – Amplifying Arizonans’ Voices During Election Season**

A handout from this session has been provided to the Clerk’s Office. The survey conducted represented Republicans, Democrats, and Independents, with a minimum of 50% participation from each group to ensure data accuracy. Trust in elections has declined, dropping from 70% in 2022 to 64% in 2024. While 7 out of 10 adults in Arizona are registered to vote, fewer participate in presidential elections, and only half of those vote in gubernatorial elections. There was notable concern among voters regarding reading and math proficiency at grade level, but the issue did not make it onto the official agenda (details in the handout).



# Town Council

## Agenda Information Memorandum

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### **Clearing the Confusion on Land Use Issues**

This session was primarily focused on lawyers discussing the impact fees and the legality of such fees, which did not align with the expectations for a more practical conversation on land use issues. The session also reviewed legislation related to middle housing and adaptive reuse of commercial spaces as well as the importance of development agreements.

Handbook:

[https://docs.google.com/gview?embedded=true&url=https://www.leagueaz.org/e/24ac/pres/Clearing\\_the\\_Confusion\\_on\\_Land%20Use\\_Issues\\_Handout.pdf](https://docs.google.com/gview?embedded=true&url=https://www.leagueaz.org/e/24ac/pres/Clearing_the_Confusion_on_Land%20Use_Issues_Handout.pdf)

### **Broadband Infrastructure**

This session covered strategies for navigating BEAD funding. Since the Town is currently appealing a provider's claim of coverage in Camp Verde, we raised questions about alternative methods for introducing a fiber network into the community. The speakers advised communities to engage directly with ISP providers and not to rely solely on BEAD funding for broadband development.

### **Navigating the Regulatory Landscape**

Key takeaways from the session emphasized the importance of providing predictability and certainty to attract companies to a community. Urban planning was highlighted as a critical precursor to effective zoning. Additionally, Town staff should adopt a proactive and positive approach when working with developers, focusing on finding middle ground rather than simply stating that something cannot be done.

### **Downtown Redevelopment**

This session highlighted successful strategies for downtown revitalization, including the concept of a downtown association, separate from the Town, which included interested members of the public, not just business owners. Trust and preparedness were emphasized as critical components for success. An example from Safford involved converting a building with no roof into an outdoor theater with a covered screen. The Arizona Downtown Alliance Group can provide assistance, with Lannie Lott mentioned as a consultant resource. The Arizona Heritage Fund and Federal Historic Tax Credit programs may provide funding opportunities for properties listed on the National Register. Additionally, a Facade Grant Program can offer a 50% match, with up to \$6,000 per year. Over 15 years, Safford has made significant improvements with minimal capital outlay.

### **Lies, Damn Lies, and Statistics**

This general discussion focused on the limitations of polling numbers, particularly when margins are tight, due to the typical 5% margin of error in either direction.

### **Reading the Tea Leaves**

Polling insights centered around key issues expected to drive voter turnout. Major topics include:

- Immigration and Abortion – Predicted to be central issues.
- Water – 70% of voters are concerned about Arizona's water independence and availability.
- Economy – Economic stability remains a significant voter concern. While Democrats are winning in key areas, registration among Democrats remains low, with many independent voters contributing to Democratic wins.





Specific propositions discussed:

- Proposition 139 (Right to Abortion) – Expected to pass.
- Proposition 138 (Wage Increase for Tipped Workers) – Likely to pass.

### **City Budgets and Bond Funding 101**

The focus of this session was on understanding municipal budgets and how bonds are used to fund key projects. The speakers reviewed expenditure limit options and revenue opportunities, including a bed tax and transient lodging tax, which are two taxing structures Camp Verde might want to research further. The LACT has an “Arizona League – Municipal Budget & Finance Manual” that cities/towns were encouraged to use as a resource.

### **Financial Challenges for Small Communities**

Key challenges facing small communities like ours include:

- Loss of younger populations.
- Revenue leakage to other communities.
- Aging infrastructure.
- Difficulty in hiring and retaining qualified staff.

How to address these challenges:

- Employing grant writers to secure additional funding.
- Emphasizing local first initiatives to retain spending within the community.
- Utilizing WIFA loans (Water Infrastructure Finance Authority) for infrastructure improvements.
- Creating a long-term financial forecast to better plan for future challenges.
- Developing an inventory of assets to identify and leverage existing resources.

The session also included discussion about Guadalupe’s financial situation, where they are spending reserves on operations and expect to run out of money within five years—a position Camp Verde is determined to avoid.

### **Emergency Preparedness**

This session did not provide any new information relevant to Camp Verde’s needs, as our preparedness efforts are already comprehensive.

### **Reimagining Community Assets**

The session on repurposing community assets explored the concept of public-private partnerships for facilities like pools and community centers. However, there was no immediate applicability for Camp Verde.

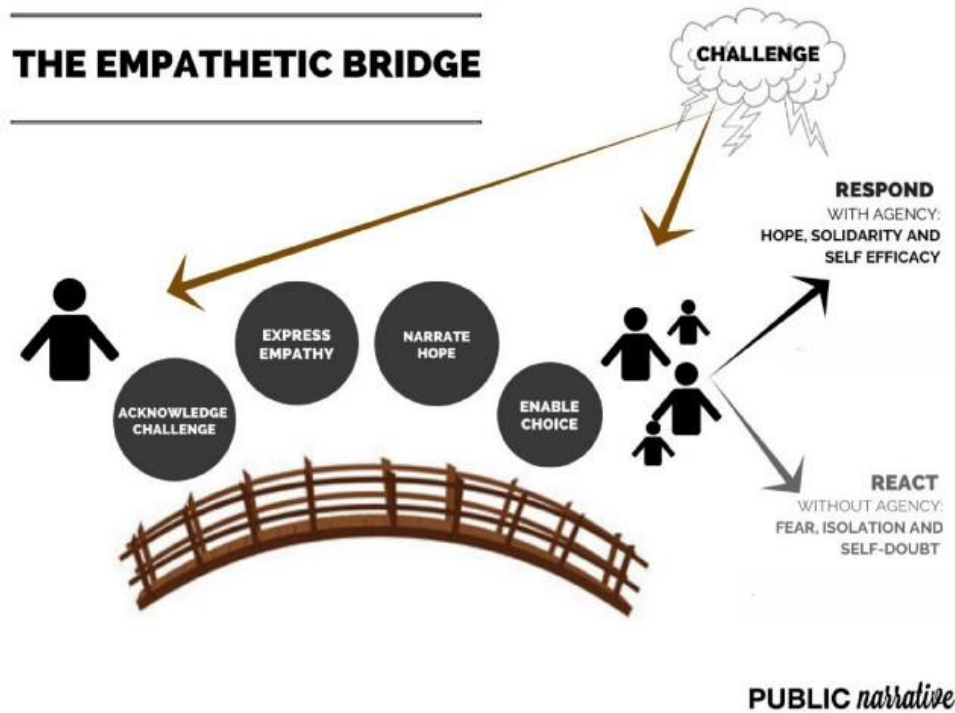
### **Talking Through the Divide**

Key strategies for effective communication during divisive times were shared:

- 70% of people are getting their news from TikTok.
- Transparency, active listening, and relationship building are essential.
- Avoid emotional responses and take breaks when discussing heated topics.
- Leaders have to be able to hold tension long enough to make people move.
- Humor can help relieve tension.
- Building trust and credibility with constituents is critical.
- Aim to get to 80% agreement, not 20% adversarial.



- The "empathetic bridge" approach involves identifying challenges, expressing empathy, and providing hope.



In media interactions:

- Stick to your talking points and avoid filling in gaps.
- Never comment on personnel issues, but offer statements like, "I can't comment on that."

**Housing Solutions and Collaboration**

Council Escoffier spent time discussing housing strategies with Sarah Darr, Housing Director for the City of Flagstaff. We reviewed successful programs for first-time homebuyers and Flagstaff's partnership with the non-profit Housing Solutions of Northern Arizona. Darr confirmed that Flagstaff collaborates with the Verde Valley, referencing past presentations made to our Council when exploring options for housing rehabilitation and workforce housing.

**Strategic Hiring Plan**

While not associated with a specific session, a strategic hiring plan was emphasized as a critical factor for Camp Verde's long-term success. Developing and maintaining a highly skilled and prepared workforce is essential to meeting the Town's goals.



# Town Council Agenda Information Memorandum

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## Connection to the [FY25-FY30 Strategic Plan](#)

By participating in the LACT Conference, the Town is advancing its focus of good governance.

### Question(s) before the Council:

- Does the Council have any other takeaways they'd like to report?

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**Meeting Date:** September 18, 2024

**Agenda Item Type:**

- |  |   |  |
|--|---|--|
| <input type="checkbox"/> Consent Agenda                  | <input type="checkbox"/> Informational Presentation | <input type="checkbox"/> Discussion Item |
| <input checked="" type="checkbox"/> Action/Decision Item | <input type="checkbox"/> Executive Session Request  | <input type="checkbox"/> Other:          |

**Requesting Department:** Water / Finance

**Staff Resource:** Finance Director Mike Showers / Utilities Director Jeff Low

**Agenda Title:** Discussion, consideration and possible adoption of resolution 2024-1152, authorizing Town staff to complete all documents as necessary to secure a loan in the amount of up to \$800,000 to cover the purchase of water meters as a matching component of the current WIFA Main Street grant, remaining within the specific parameters listed in the resolution.

**Attached Documents:**

- Resolution 2024-1152
- Sixth Purchase Agreement
- Sixth Trust Agreement
- Placement Agent Agreement

**Estimated Presentation Time:** 5 mins

**Estimated Discussion Time:** 5 mins

**Reviewed By:**

- |   |   |  |   |  |
|---|---|--|---|--|
| <input checked="" type="checkbox"/> Town Manager<br>Utilities | <input checked="" type="checkbox"/> Legal | <input type="checkbox"/> Risk Management | <input checked="" type="checkbox"/> Finance | <input checked="" type="checkbox"/> Other: |
|---|---|--|---|--|

**Financial Review** (if applicable):

- Funding Source / GL Account Number: Budgeted as Loan portion for WIFA Grant match
  - 33-495-20-804011
- Approved in the FY25 Budget?  Yes       No       N/A       Other:
- Is this an approved CIP Project?  Yes       No       N/A       Other:

**Background Information:**

On December 5, 2023, the Water Infrastructure Finance Authority of Arizona (WIFA) and the Town signed the Water Conservation Grant Fund Agreement WC3-114-2024. The total project cost under the Grant Agreement is \$3,100,000, with a grant amount of \$2,325,000. The Town is required to provide a 25% match, amounting to \$775,000. All Town expenditures must be completed by June 30, 2026. The primary cost-share expenditure for the grant match is the purchase of advanced cellular read meters.

On July 17, 2024, the Town Council awarded Contract No. 2024-189 to Metron Farnier LLC for the purchase of advanced cellular read meters, not to exceed \$800,000. These new meters transmit daily readings, which can detect leaks on the customer side of the meter and offer enhanced accuracy. Additionally, they will eliminate the need for staff to drive out or manually read meters before billing.



# Town Council Agenda Information Memorandum

The resolution will allow the town to bid out to banks and other loan agencies for the best loan interest rates for the upcoming loan needed to purchase the new meters.

## Connection to the [FY25-FY30 Strategic Plan](#) :

Community Infrastructure: Quantify water resources. This project will help eliminate numerous leakage problems and install much more efficient meters that can identify leaks/problem areas more quickly and by doing so, help better conserve water resources.

## Question(s) before the Council:

- Does the Council authorize staff to finalize the Placement Agency Agreement, Sixth Purchase Agreement, and Sixth Trust Agreement?
- Does the Council authorize the Financial Director and Town Manager to proceed with securing a loan in the amount of up to \$800,000, with a maximum interest rate of 5.5% over a payment period of 10 or 15 years?
- Does the Council allow staff to determine if the purchase of an insurance policy securing payment of the obligations or other surety bond is necessary or relevant for this loan?
- Does the Council declare an emergency to allow this resolution to take full force and effect immediately upon its passage?

## Proposed Motion:

Approve the adoption of resolution 2024-1152 approving the sale and execution and delivery of PLEDGED revenue obligations, SERIES 2024, evidencing ALL THE INTERESTS of the OWNER thereof in a purchase agreement from the TOWN; approving the form and authorizing the execution and delivery of such purchase agreement and other necessary agreements for such sale; delegating authority to determine certain matters and terms with respect to the foregoing and declaring an emergency.

RESOLUTION NO. 2024-1152

A RESOLUTION OF THE MAYOR AND COMMON COUNCIL OF THE TOWN OF CAMP VERDE, ARIZONA, APPROVING THE FORM AND AUTHORIZING THE EXECUTION AND DELIVERY BY THE TOWN OF A SIXTH PURCHASE AGREEMENT, A SIXTH TRUST AGREEMENT AND OTHER NECESSARY AGREEMENTS, INSTRUMENTS AND DOCUMENTS; APPROVING THE SALE AND EXECUTION AND DELIVERY OF PLEDGED REVENUE OBLIGATIONS, SERIES 2024, EVIDENCING ALL THE INTERESTS OF THE OWNER THEREOF IN THE PAYMENTS TO BE MADE PURSUANT TO THE PURCHASE AGREEMENT; DELEGATING AUTHORITY TO THE MAYOR, MANAGER AND FINANCE DIRECTOR OF THE TOWN TO DETERMINE CERTAIN MATTERS AND TERMS WITH RESPECT TO THE FOREGOING; AUTHORIZING THE TAKING OF ALL OTHER ACTIONS NECESSARY TO THE CONSUMMATION OF THE TRANSACTIONS CONTEMPLATED BY THIS RESOLUTION AND DECLARING AN EMERGENCY

WHEREAS, the Mayor and Common Council of the Town of Camp Verde, Arizona (the “Town”), have determined to finance the costs of improvements to the Town’s utility system (the “Project”) by entering into a Sixth Purchase Agreement, to be dated as of the first day of the month of the dated date of the hereinafter described Obligations established as provided herein (the “Purchase Agreement”), with U.S. Bank Trust Company, National Association, as trustee (the “Trustee”), in its separate capacity as “Seller”; and

WHEREAS, in connection with the Purchase Agreement, the Mayor and Common Council of the Town have deemed it necessary and desirable to provide for the sale and execution and delivery of Pledged Revenue Obligations, Series 2024, as provided for by this Resolution (the “Obligations”), pursuant to the Sixth Trust Agreement, to be dated as of the first day of the month of the dated date of the Obligations (the “Trust Agreement”), between the Trustee and the Town, evidencing all the interests of the owner of the Obligations in payments to be made pursuant to the Purchase Agreement; and

WHEREAS, the payments represented by the Obligations will be secured by amounts received under the Purchase Agreement pursuant to which the Town will pledge the Excise Tax Revenues and the State Shared Revenues (as such terms are defined in the Trust Agreement); and

WHEREAS, the Mayor and Common Council of the Town will receive a proposal from Stifel, Nicolaus & Company, Incorporated, serving in the capacity of and designated as the placement agent (the “Placement Agent”), and not acting as a municipal advisor as defined in the “Registration of Municipal Advisors” rule promulgated by the United States Securities and Exchange Commission, and has determined that the Obligations should be placed by the Placement

Agent and pursuant to the Strategic Alliance of Volume Expenditures (SAVE) Cooperative Response Proposal #C-005-1718; and

WHEREAS, the Placement Agent will submit such proposal to place the Obligations pursuant to a Placement Agent Agreement, in substantially the form presented at the meeting at which this Resolution was adopted, to be dated the date of placement of the Obligations (the “Placement Contract”), by and between the Town and the Placement Agent; and

WHEREAS, there have been presented to the Mayor and Common Council of the Town at the meeting at which this Resolution is being adopted the proposed forms of: (1) the Purchase Agreement; (2) the Trust Agreement; and (3) the Placement Contract; and

WHEREAS, financing the costs of the Project pursuant to the Purchase Agreement is in furtherance of the purposes of the Town and in the public interest;

NOW, THEREFORE, BE IT RESOLVED BY THE MAYOR AND COMMON COUNCIL OF THE TOWN OF CAMP VERDE, ARIZONA, THAT:

Section 1. (a) The execution and delivery of the Obligations by the Trustee is approved.

(b) The Mayor, the Manager and the Finance Director of the Town, or the designees of any of them (collectively, the “Authorized Representatives”), are each authorized to determine on behalf of the Town: (1) the date the Obligations are to be sold to the 2024 Purchaser (as defined herein); (2) the aggregate principal amount of the Obligations (but not to exceed \$750,000 aggregate principal amount); (3) the date the Obligations are to be dated; (4) the dates on which interest on the Obligations is to be payable and the interest rates per annum the Obligations are to bear (but not to exceed, except in case of default or taxability, 5.50% per annum); (5) the dates the Obligations are to be payable (but not later than a final payment date in 2039), the principal amounts to be payable on such dates and the provisions for prepayment thereof in advance of such dates; and (6) the terms upon which the Obligations are to be sold (including determinations of price, original issue discount and premium and placement agent compensation).

(c) The Authorized Representatives are further each hereby authorized to determine on behalf of the Town whether the purchase of an insurance policy securing payment of the Obligations or a surety bond or other reserve fund guaranty would be advantageous to the Town or the terms of the financing represented by the Obligations. The Authorized Representatives are further each hereby authorized to negotiate with and secure, with proceeds of the Obligations or otherwise, such an insurance policy or a reserve fund guaranty, or both, from one or more institutions, the claims-paying ability of which are then assigned one of the two highest rating categories by a nationally recognized credit rating agency. The Authorized Representatives are further each hereby authorized to execute and deliver any instruments or documents necessary in connection with the purchase of any such insurance policy and/or reserve fund guaranty, including those making provision for the repayment of amounts advanced by the institutions issuing such insurance policy and/or reserve fund guaranty.



(d) The form and other terms of the Obligations, including the provisions for the signatures, authentication, payment, registration, transfer, exchange, prepayment and number shall be as set forth in the Trust Agreement and are approved.

Section 2. The Obligations are to be placed by the Placement Agent with a purchaser (the “2024 Purchaser”) pursuant to the terms of the Placement Contract as such terms are to be determined as provided hereinabove.

Section 3. The forms, terms and provisions of the Purchase Agreement, the Trust Agreement and the Placement Contract, in substantially the forms of such documents (including the Obligations and other exhibits thereto) presented at the meeting of the Mayor and Common Council of the Town at which this Resolution is being adopted, are approved, with such final provisions, insertions, deletions and changes as determined as provided hereinabove and shall be approved by the Mayor of the Town, any other member of the Common Council, and, in the case of the Placement Contract, the Authorized Representatives, the execution of each such document being conclusive evidence of such approval. The Mayor of the Town or any other member of the Common Council and, in the case of the Placement Contract, the Authorized Representatives, and the Clerk of the Town, where applicable, are authorized and directed, for and on behalf of the Town, to execute and deliver and attest or approve the Purchase Agreement, the Trust Agreement and the Placement Contract and to take all action to carry out and comply with the terms of such documents.

Section 4. The Trustee (including in its capacity as Seller) is requested to take any and all action necessary in connection with the execution and delivery of the Purchase Agreement and the Trust Agreement and the sale and execution and delivery of the Obligations and is further authorized and directed to take such action as may be reasonable for the administration of the trusts so held by it.

Section 5. The covenants and agreements contained in the Purchase Agreement as to the pledge of and the lien on the Excise Tax Revenues and the State Shared Revenues and the restriction on the issuance of further parity obligations secured by the Excise Tax Revenues and the State Shared Revenues are approved and confirmed.

Section 6. The Authorized Representatives and other officers of the Town, on behalf of the Town, are authorized and directed, without further order of the Mayor and Common Council of the Town, to do all such acts and things and to execute and deliver all such certificates, proceedings, agreements and other documents as may be necessary or convenient to be executed and delivered on behalf of the Town (including entering into any agreements for administrative or procedural requirements requested by the 2024 Purchaser) to evidence compliance with, or further the purposes of, all the terms and conditions of this Resolution and the consummation of the transactions contemplated hereby and as may be necessary to carry out the terms and intent of this Resolution.

Section 7. All actions of the officers and agents of the Town which conform to the purposes and intent of this Resolution and which further the sale and execution and delivery of the Obligations as contemplated by this Resolution, whether heretofore or hereafter taken, are ratified, confirmed and approved.

Section 8. If any section, paragraph, clause or phrase of this Resolution shall for any reason be held to be invalid or unenforceable, the invalidity or unenforceability of such section, paragraph, clause or phrase shall not affect any of the remaining provisions of this Resolution. 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 9. The immediate operation of the provisions of this Resolution is necessary for the preservation of the public peace, health and safety of the Town for the reason that the Obligations authorized herein must be sold immediately to secure the best, available economic terms therefor; an emergency is, therefor, declared to exist, and this Resolution is enacted as an emergency and shall be in full force and effect immediately upon its passage by the Mayor and Common Council of the Town, as required by law, and it is hereby exempt from the referendum provisions of the Constitution and laws of the State of Arizona. After any of the Obligations are delivered by the Trustee to the 2024 Purchaser and upon receipt of payment therefor, this Resolution shall be and remain irrevocable until the Obligations and the interest and premium, if any, thereon shall have been fully paid, cancelled and discharged.

[Remainder of page left blank intentionally.]

PASSED, APPROVED and ADOPTED by the Mayor and Common Council of the Town of Camp Verde, Arizona, this 18th day of September 2024.

.....  
Mayor

ATTEST:

.....  
Town Clerk

APPROVED AS TO FORM:

.....  
Town Attorney

CERTIFICATION

I hereby certify that the foregoing Resolution No. 2024-1152 was duly passed and adopted by the Mayor and Common Council of the Town of Camp Verde, Arizona, at a regular meeting held on the 18th day of September 2024, and the vote was ..... ayes and ..... nays.

.....  
Town Clerk

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**SIXTH PURCHASE AGREEMENT**

by and between

**U.S. BANK TRUST COMPANY, NATIONAL ASSOCIATION,**  
as Seller

and

**THE TOWN OF CAMP VERDE, ARIZONA,**  
as Purchaser

Dated as of \_\_\_\_\_ 1, 2024

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SIXTH PURCHASE AGREEMENT

THIS SIXTH PURCHASE AGREEMENT, dated as of \_\_\_\_\_ 1, 2024 (this “Agreement”), by and between THE TOWN OF CAMP VERDE, ARIZONA, a municipal corporation under the laws of the State of Arizona (“Town”), as purchaser hereunder, and U.S. BANK TRUST COMPANY, NATIONAL ASSOCIATION, a national banking association (“Trustee”), in its capacity as trustee under the Sixth Trust Agreement, dated as of even date herewith (the “Trust Agreement”), by and between Trustee and Town, as seller hereunder,

WITNESSETH:

WHEREAS, the Mayor and Common Council of Town have determined that it will be beneficial for the citizens of Town for Town to finance the costs of the Project (as such term and all other undefined terms used herein are defined in the Trust Agreement); and

WHEREAS, for such purpose, the Mayor and Common Council of Town requested that Trustee sell and execute and deliver the Obligation, and the Trustee has caused deposits to be made to the Acquisition Fund and the Costs of Issuance Fund as provided in the Trust Agreement; and

WHEREAS, Town is a municipal corporation duly incorporated and validly existing under the laws of the State; the Constitution and the laws of the State authorize Town to enter into this Agreement and the transactions contemplated by this Agreement; Town has duly authorized and executed this Agreement; this Agreement is a lawful, valid and binding obligation of Town, enforceable against Town in accordance with its terms; all required procedures for execution and performance of this Agreement, including publication of notice, public hearing or competitive bidding, if applicable, have been or will be complied with in a timely manner; the Payments will be paid when due out of funds which are legally available for such purposes; neither the execution and delivery of this Agreement or the Trust Agreement, nor the fulfillment of or compliance with the terms and conditions hereof or thereof nor the consummation of the transactions contemplated hereby or thereby, conflicts with or results in a breach of the terms, conditions or provisions of any restriction or any agreement or instrument to which Town is now a party or by which Town is bound, or constitutes a default under any of the foregoing, or results in the creation or imposition of any lien, charge or encumbrance whatsoever upon any of the property or assets of Town and the Project complies with all applicable environmental laws, rules and regulations (including, without limitation, all federal, state and local laws) and with Title III of the Americans with Disabilities Act and the regulations issued thereunder by the United States Department of Justice concerning accessibility of places of public accommodation and commercial facilities if and to the extent such Act and regulations apply to the Project; and

WHEREAS, Trustee has full legal authority and is duly empowered to enter into this Agreement and has taken all actions necessary to the execution and delivery hereof;

NOW THEREFORE, PURSUANT TO LAW AND FOR AND IN CONSIDERATION OF THE MUTUAL COVENANTS HEREINAFTER CONTAINED, IT IS HEREBY AGREED AS FOLLOWS:

Section 1. Term and Payments.

(a) In order to finance the costs of the Project, Town hereby sells and conveys any interests it has in the Project to Trustee, without recourse, representation or warranty, for the sum of \$10.00 and other valuable consideration had and received. For the amounts payable pursuant hereto (including the Payments), Trustee in turn hereby sells and conveys back to Town, without recourse, representation or warranty, and Town hereby purchases and accepts, from Trustee, any interests Trustee has in the Project.

(b) Trustee shall have no further obligation to provide funds for the Project, and Town shall be entitled to sole and exclusive possession of the Project.

(c) As the purchase price, Town shall pay the Payments to Trustee. (The Interest Portion is interest for purposes of the Code.) This Agreement shall be deemed and construed to be a “*net purchase agreement*,” and the Payments shall be an absolute net return to Trustee, free and clear of any expenses or charges whatsoever, except as otherwise specifically provided herein.

Town shall also pay to Trustee its fees and expenses in accordance with the provisions of the Trust Agreement and to the United States of America any amounts required by Section 11(b)(ii).

Town shall receive a credit against amounts so due, equal to any amounts held in the Payment Fund in excess of the amount then required to be in the Payment Fund. If the balance available in the Payment Fund after a Payment is insufficient to make the next required payments of principal and interest due on the Obligation on the next date for payment thereof, Town shall pay any such deficiency in sufficient time to prevent default in the payment of principal or interest on the Obligation falling due on such date.

(d) The obligation of Town to pay the amounts described in paragraph (c) hereof (including the Payments) from the sources described herein and to comply with the other provisions hereof shall be absolute and unconditional and shall not be subject to any defense or any right of set-off, abatement, counterclaim, or recoupment arising out of any breach by Trustee of any obligation to Town or otherwise, or out of indebtedness or liability at any time owing to Town by Trustee. Until such time as all of the payments described in paragraph (c) hereof (including the Payments) shall have been fully paid or provided for, Town (i) shall not suspend or discontinue the same, (ii) shall comply with the other provisions hereof and (iii) shall not terminate this Agreement for any cause, including, without limiting the generality of the foregoing, failure of Trustee or any other person to acquire the Project, the occurrence of any acts or circumstances that may constitute failure of consideration, eviction or constructive eviction, destruction of or damage to the Project or the taking by *eminent domain* of title to or temporary use of any or all of the Project, commercial frustration of purpose, abandonment of the Project by Town, any change in the tax or other laws of the United States of America or of the State or any political subdivision of either or any failure of Trustee to perform and observe any agreement, whether express or implied, or any duty, liability or obligation arising out of or connected with the Trust Agreement or this Agreement. Nothing contained in this Section shall be construed to release Trustee from the performance of any of the agreements on its part herein or in the Trust Agreement contained



and in the event Trustee shall fail to perform any such agreements on its part, Town may institute such action against Trustee as Town may deem necessary to compel performance so long as such action does not abrogate the obligations of Town contained in the first sentence of this paragraph.

(e) Any of the payments described in paragraph (c) hereof (including the Payments) due on a day which is not a Business Day may be made on the next Business Day and will be deemed to have been made on the date due.

(f) Amounts payable to Trustee shall be paid by the means specified in writing to Town.

Section 2. Pledge; Limited Obligations.

(a) Excise Tax Revenues and State Shared Revenues are hereby pledged by Town to the payment of all amounts described in Section 1(c) hereof (including the Payments), and such amounts shall be secured by a paramount and first lien on and pledge of Excise Tax Revenues and State Shared Revenues, on parity with the pledge and lien hereby granted by Town for the payment and security of the Parity IGA, the Second Purchase Agreement, the Third Purchase Agreement, the Fourth Purchase Agreement, the Fifth Purchase Agreement and any Additional Revenue Obligations. Town shall make said payments from Excise Tax Revenues and State Shared Revenues (first making the Payments and thereafter making the other required payments). All of such payments are coequal as to the pledge of and lien on Excise Tax Revenues and State Shared Revenues pledged for the payment thereof and share ratably, without preference, priority or distinction, as to the source or method of payment from Excise Tax Revenues and State Shared Revenues or security therefor. Town intends that this pledge shall be a paramount and first lien on and pledge of Excise Tax Revenues and State Shared Revenues as will be sufficient to make such payments and payments on the Parity IGA, the Second Purchase Agreement, the Third Purchase Agreement, the Fourth Purchase Agreement, the Fifth Purchase Agreement and any Additional Revenue Obligations.

(b) Town shall remit to Trustee from Excise Tax Revenues and State Shared Revenues all amounts due under this Agreement in the amounts and at the times and for the purposes as required herein. The obligation of Town to make payments of any amounts due under this Agreement, including amounts due after default or termination hereof, is limited to payment from Excise Tax Revenues and State Shared Revenues and shall under no circumstances constitute a general obligation or a pledge of the full faith and credit of Town, the State or any of its political subdivisions, or require the levy of, or be payable from the proceeds of, any *ad valorem* property taxes.

(c) Town may, at the sole option of Town, make payments due pursuant to Section 1 hereof from its other funds as permitted by law and as Town shall determine from time to time, but Trustee acknowledges that it has no claim hereunder to such other funds. No part of the purchase price payable pursuant to this Agreement shall be payable out of any *ad valorem* property taxes imposed by Town or from bonds or other obligations, the payment of which Town's general taxing authority is pledged, unless (i) the same shall have been duly budgeted by Town according to law, (ii) such payment or payments shall be within the budget limitations of the

statutes of the State and (iii) any such bonded indebtedness or other obligation is within the debt limitations of the Constitution of the State.

Section 3. Surplus and Deficiency of Revenues from Excise Taxes and State Shared Revenues. Excise Tax Revenues and State Shared Revenues in excess of amounts, if any, required to be deposited with or held by Trustee for payments due under this Agreement shall constitute surplus revenues and may be used by Town for any lawful purpose for the benefit of Town, including the payment of obligations to which Excise Tax Revenues and State Shared Revenues may from time to time be pledged on a basis subordinate hereto. If at any time the moneys in the funds held for payment of amounts due under this Agreement are not sufficient to make the deposits and transfers required, any such deficiency shall be made up from the first moneys thereafter received and available for such transfers under the terms of this Agreement and, with respect to payment from Excise Tax Revenues and State Shared Revenues, *pro rata*, as applicable, with amounts due with respect to the Parity IGA, the Second Purchase Agreement, the Third Purchase Agreement, the Fourth Purchase Agreement, the Fifth Purchase Agreement and any Additional Revenue Obligations, and the transfer of any such sum or sums to said fund as may be necessary to make up any such deficiency shall be in addition to the then-current transfers required to be made pursuant hereto.

Section 4. Parity Lien Obligations. Additional Revenue Obligations may be incurred but only if Excise Tax Revenues plus State Shared Revenues, when combined mathematically for such purpose only, in the most recently completed fiscal year of Town, shall have amounted to at least two (2) times the highest combined interest and principal requirements for any succeeding fiscal year of Town for the Parity IGA, the Second Purchase Agreement, the Third Purchase Agreement, the Fourth Purchase Agreement, the Fifth Purchase Agreement, this Agreement and any Additional Revenue Obligations. (Town shall not incur any obligations payable from the Excise Tax Revenues and the State Shared Revenues ranking prior to the obligations of Town under this Agreement.)

Section 5. Town Control over Revenue Collection. To the extent permitted by applicable law, Excise Tax Revenues shall be retained and maintained so that the amounts received from Excise Tax Revenues and State Shared Revenues, when combined mathematically for such purpose only, all within and for the most recently completed fiscal year of Town, shall have been equal to at least two (2) times the total of interest and principal requirements for the current fiscal year of Town for the Parity IGA, the Second Purchase Agreement, the Third Purchase Agreement, the Fourth Purchase Agreement, the Fifth Purchase Agreement, this Agreement and any Additional Revenue Obligations. If the revenues from Excise Tax Revenues and State Shared Revenues for any such fiscal year shall not have been equal to at least one and one-quarter (1¼) times the total of the interest and principal requirements for the current fiscal year of Town for the Parity IGA, the Second Purchase Agreement, the Third Purchase Agreement, the Fourth Purchase Agreement, the Fifth Purchase Agreement, this Agreement and any Additional Revenue Obligations or if at any time it appears that Excise Tax Revenues and State Shared Revenues will not be sufficient to meet such requirements, Town shall, to the extent permitted by applicable law, impose new exactions of the type of the excise taxes which will be part of the excise taxes or increase the rates for the excise taxes currently imposed fully sufficient at all times, after making allowance for contingencies and errors, in each fiscal year of Town in order that (i) Excise Tax Revenues and

State Shared Revenues will be sufficient to meet all current requirements hereunder and (ii) Excise Tax Revenues and State Shared Revenues will be reasonably calculated to attain the level as required by the first sentence of this paragraph.

Section 6. Certain Matters with Respect to Project.

(a) Except with respect to its power and authority to enter into this Agreement and to perform its covenants hereunder, Trustee has made and makes no representation or warranty, express or implied, and assumes no obligation with respect to the title, merchantability, condition, quality or fitness of the Project for any particular purpose or the conformity of the Project to any plans, specifications, construction contract, purchase order, model or sample, or as to their design, construction, delivery, installation, construction oversight and operation or their suitability for use by Town after completion. All such risks shall be borne by Town without in any way excusing Town from its obligations under this Agreement, and Trustee shall not be liable to Town for any damages on account of such risks. Except with respect to any acts by Trustee which are not undertaken at the request of Town or with the prior approval of Town, Town waives all claims against Trustee growing out of the acquisition, construction, installation or otherwise of the Project. Trustee shall have no liability to Town for any failure of any contractor to perform any contract or other undertaking with respect to the Project in any respect. Trustee shall have no obligation to obtain or ensure compliance with any required permits or approval procedures with respect to the Project. In the event of any defect in any item of the Project or other claim with respect to the Project, recourse of Town shall be against the contractors, manufacturers, suppliers, etc. of the Project and, where applicable, the person selling the property to Trustee, and not against Trustee. For such purpose, Trustee hereby assigns and transfers to Town the right, title and interest of Trustee in and to all representations, warranties, guarantees and service agreements relating to the Project made or entered into by Trustee and by any contractor, manufacturers, suppliers, etc. of the Project. Trustee further designates Town as its attorney-in-fact granting to Town the right to initiate and take all actions necessary to enforce any and all construction contracts and all such warranties and service agreements. Trustee is entering into this Agreement solely as Trustee, shall not be personally liable hereunder and shall be afforded the same rights, protections, immunities and indemnities acting hereunder as afforded to it as Trustee under the Trust Agreement. Notwithstanding anything to the contrary herein, at no time shall Trustee be listed in the chain of title to the Project.

(b) Trustee hereby irrevocably appoints Town as its sole and exclusive agent to act for and on behalf of Trustee in financing the costs of the Project. As such agent, Town shall have full authority to do all things necessary to bring about the financing of the costs of the Project. Trustee shall not be liable, responsible or accountable for the acts of Town as its agent hereunder, and Town hereby assumes all responsibility for the performance of such duties.

(c) Town, by keeping and performing the covenants and agreements herein contained, shall at all times during the term of this Agreement, peaceably and quietly, have, hold and enjoy the Project, without suit, trouble or hindrance from Trustee. Town hereby grants and conveys to Trustee, and all persons claiming by, through or under Trustee, including its successors and assigns under the Trust Agreement and the Owner for whom it acts, a nonexclusive easement upon, in and to the Project for the purpose of permitting the Project to be maintained

upon the premises.

(d) Notwithstanding any other terms or provisions of this Agreement, the interest of Trustee in the Project is solely in its capacity as Trustee for the purpose of facilitating the financing the costs of the Project, and Trustee shall not have the power, authority or obligation to assume any responsibility for Project.

Section 7. Providing for Payment. Town may provide for the payment of any of the Payments in any one or more of the following ways:

(a) by paying such Payment as provided herein as and when the same becomes due and payable at its scheduled due date pursuant to Section 1 hereof or on a date on which it can be prepaid;

(b) by depositing with a Depository Trustee, in trust for such purposes, money which, together with the amounts then on deposit with Trustee and available for such Payment is fully sufficient to make, or cause to be made, such Payment at its scheduled due date or on a date on which it can be prepaid or

(c) by depositing with a Depository Trustee, in trust for such purpose, any Defeasance Obligations which are noncallable, in such amount as shall be certified to Trustee and Town, by a national firm of certified public accountants acceptable to Town, as being fully sufficient, together with the interest to accrue thereon and moneys then on deposit with Trustee and available for such Payment, to make, or cause to be made, such Payment at its scheduled due date or on a date on which it can be prepaid.

Upon any partial prepayment of a Payment, each installment of interest which shall thereafter be payable as a part of the subsequent Payments shall be reduced, taking into account the interest rate on the Obligation remaining outstanding after the partial prepayment so that the interest remaining payable as a part of the subsequent Payments shall be sufficient to pay the interest on such outstanding Obligation when due.

Section 8. Term of Agreement. This Agreement shall not terminate so long as any payments are due and owing pursuant to the Obligation. Subject to Section 7 hereof, upon full payment or provision for payment and in consideration of the timely payment of all of the amounts described in Section 1(c) hereof (including the Payments) and provided that Town has performed all the covenants and agreements required by Town to be performed, this Agreement shall cease and expire. The obligations of Town under this Agreement, including, without limitation, its obligation to pay the Payments, shall survive any action brought as provided in the next Section hereof, and Town shall continue to pay the Payments and perform all other obligations provided in this Agreement; provided, however, that Town shall be credited with any amount received by Trustee pursuant to actions brought under the next Section hereof.

Section 9. Default; Remedies Upon Default.

(a) (i) Upon (A) the nonpayment of the whole or any part of any of the amounts described in Section 1(c) hereof (including the Payments) at the time when

the same are to be paid as provided herein or in the Trust Agreement; (B) the violation by Town of any other covenant or provision of this Agreement or the Trust Agreement; (C) the occurrence of an event of default with respect to the Parity IGA, the Second Purchase Agreement, the Third Purchase Agreement, the Fourth Purchase Agreement, the Fifth Purchase Agreement or any Additional Revenue Obligations; or (D) the insolvency or bankruptcy of Town as the same may be defined under any law of the United States of America or the State, or any voluntary or involuntary action of Town or others to take advantage of, or to impose, as the case may be, any law for the relief of debtors or creditors, including a petition for reorganization, and

(ii) if such default has not been cured (A) in the case of nonpayment of any of the amounts described in Section 1(c) hereof (including the Payments) as required hereunder or under the Trust Agreement on the due date or the nonpayment of principal or interest due with respect to the Parity IGA, the Second Purchase Agreement, the Third Purchase Agreement, the Fourth Purchase Agreement, the Fifth Purchase Agreement or any Additional Revenue Obligations on their due dates; (B) in the case of the breach of any other covenant or provision of the Trust Agreement or this Agreement not cured within sixty (60) days after notice in writing from Trustee specifying such default; and (C) in the case of any other default under any of the Parity IGA, the Second Purchase Agreement, the Third Purchase Agreement, the Fourth Purchase Agreement, the Fifth Purchase Agreement or any Additional Revenue Obligations after any notice and passage of time provided for under the proceedings under which such obligations were issued then,

(iii) subject to the limitations of the Trust Agreement, Trustee may take whatever action at law or in equity, including the remedy of specific performance, may appear necessary or desirable to collect the Payments and any other amounts payable by Town under the Trust Agreement or this Agreement then due (but not the Payments and such other amounts accruing), or to enforce performance and observance of any pledge, obligation, agreement or covenant of Town under the Trust Agreement or this Agreement, and with respect to Excise Tax Revenues and State-Shared Revenues, without notice and without giving any bond or surety to Town or anyone claiming under Town, have a receiver appointed of Excise Tax Revenues and State Shared Revenues which are pledged to the payment of amounts due hereunder, with such powers as the court making such appointment shall confer (and Town does hereby irrevocably consent to such appointment); provided, however, that under no circumstances may the Payments be accelerated.

Each right, power and remedy of Trustee provided for in this Agreement shall be cumulative and concurrent and shall be in addition to every other right, power or remedy provided for herein, or, unless prohibited by the terms hereof, now or hereafter existing at law or in equity or by statute or otherwise, in any jurisdiction where such rights, powers and remedies are sought to be enforced, and the exercise or beginning of the exercise by Trustee of any one or more of the rights, powers or remedies provided for herein or now or hereafter existing at law or in equity or by statute or otherwise shall not preclude the simultaneous or later exercise by either party of any or all of such other rights, powers or remedies. The failure to insist upon strict performance of any of the covenants or agreements herein set forth shall not be considered or taken as a waiver or

relinquishment for the future of the rights of Trustee to insist upon a strict compliance by Town with all the covenants and conditions hereof. Town shall, upon not less than 10 days' prior request by Trustee, execute, acknowledge and deliver to Trustee a statement in writing certifying that this Agreement is unmodified and in full force and effect (or, if this Agreement has been modified, that it is in full force and effect except as modified, and stating the modification), and the dates to which the amounts payable hereunder have been paid in advance, if any.

(b) Trustee shall in no event be in default in the performance of any of its obligations hereunder unless and until Trustee shall have failed to perform such obligation within 30 days or such additional time as is reasonably required to correct any such default after notice by Town properly specifying wherein Trustee has failed to perform any such obligation. No default by Trustee shall relieve Town of its obligations to make the various payments herein required, so long as the Obligation remains outstanding; however, Town may exercise any other remedy available at law or in equity to require Trustee to remedy such default so long as such remedy does not interfere with or endanger the payments required to be made to Trustee under the Trust Agreement.

Section 10. Assignment.

(a) Except as otherwise provided herein, Town shall not assign, transfer, pledge or hypothecate or otherwise dispose of this Agreement or any interest therein and any assignment in contravention hereof shall be void.

(b) Subject to the terms of the Trust Agreement, all and every part of the right, title and interest in and to this Agreement and all payments of any kind due or which become due to Trustee hereunder are sold, pledged, assigned and transferred pursuant to the Trust Agreement.

Section 11. Federal Law Provisions.

(a) (i) As described in further detail in the Tax Certificate, no direction for the making of any investment or other use of the proceeds of the Obligation or of the Project shall be made, permitted to be made or omitted from being made which would cause the Obligation to be an "arbitrage bond" as that term is defined in Section 148 (or any successor provision thereto) of the Code or a "private activity bond" as that term is defined in Section 141 (or any successor provision thereto) of the Code, and the requirements of such sections and related regulations of the Code shall be complied with throughout the term of the Obligation. (Particularly, Town shall be the owner of the Project for federal income tax purposes. Town shall not enter into any management or service contract with any entity other than a governmental entity for the operation of any portion of the Project unless the management or service contract complies with the requirements of such authority as may control at the time or any lease or other arrangement with any entity other than a governmental entity that gives such entity special legal entitlements with respect to any portion of the Project). Also, the payment of principal and interest with respect to the Obligation shall not be guaranteed (in whole or in part) by the United States or any agency or instrumentality of the United States. The proceeds of the Obligation, or amounts treated as proceeds of the Obligation, shall not be invested (directly or indirectly) in federally insured

deposits or accounts, except to the extent such proceeds may be so invested for an initial temporary period until needed for the purpose for which the Obligation is being executed and delivered, may be so used in making investments in a *bona fide* debt service fund or may be invested in obligations issued by the United States Treasury. Town shall comply with the procedures and covenants contained in any arbitrage rebate provision or separate agreement executed in connection with the execution and delivery of the Obligation (initially those in subsection (b)) for so long as compliance is necessary in order to maintain the exclusion from gross income for federal income tax purposes of the Interest Portion. In consideration of the purchase and acceptance of the Obligation by the owners from time to time thereof and of retaining such exclusion and as authorized by Title 35, Chapter 3, Article 7, Arizona Revised Statutes, Town shall, and the appropriate officials of Town are hereby directed, to take all action required to retain such exclusion or to refrain from taking any action prohibited by the Code which would adversely affect in any respect such exclusion.

(ii) (A) Town shall take all necessary and desirable steps, as determined by the Mayor and Common Council of Town, to comply with the requirements hereunder in order to ensure that the Interest Portion is excluded from gross income for federal income tax purposes under the Code; provided, however, compliance with any such requirement shall not be required in the event Town receives a Special Counsel's Opinion that either compliance with such requirement is not required to maintain the exclusion from gross income of the Interest Portion or compliance with some other requirement will meet the requirements of the Code relating to such exclusion. In the event Town receives such a Special Counsel's Opinion, the parties agree to amend this Agreement to conform to the requirements set forth in such opinion.

(B) If for any reason any requirement hereunder is not complied with, Town shall take all necessary and desirable steps, as determined by Town, to correct such noncompliance within a reasonable period of time after such noncompliance is discovered or should have been discovered with the exercise of reasonable diligence and Town shall pay any required interest or penalty under hereinafter described Regulations section 1.148-3(h) with respect to the Code.

(C) Written procedures have been established for Town to ensure that all nonqualified obligations are remediated according to the requirements under the Code and related Regulations and to monitor the requirements of Section 148 of the Code relating to arbitrage, with which Town will comply.

(D) The procedures required by any arbitrage rebate provision or separate agreement executed in connection with the issuance of the Obligation (initially, those in the next subsection) shall be complied with for so long as compliance is necessary pursuant to the Code.

[(E) Town designates the Obligation as a "qualified tax-exempt obligation" for purposes of Section 265(b)(3) of the Code. In that connection, it is hereby represented and covenanted that Town, together with all its subordinate entities or entities that issue obligations on its behalf, or on behalf of which it issues obligations, during the current

calendar year have not issued and will not issue tax-exempt obligations designated as qualified tax-exempt obligations in an aggregate amount, including the Obligation, exceeding \$10,000,000.]

(b) (i) Undefined terms used in this subsection shall have the meanings given to them in the Code and the Regulations.

(ii) Unless an exception available pursuant to the Regulations applies as indicated in a Special Counsel's Opinion or a written statement of an expert consultant employed pursuant to paragraph (vii) hereof, within 60 days after the end of each Bond Year, Town shall cause the Rebate Requirement to be calculated and shall pay to the United States of America:

(A) not later than 60 days after the end of the fifth Bond Year and every fifth Bond Year thereafter, an amount which, when added to the future value of all previous Rebate Payments with respect to the Obligation (determined as of such Computation Date), is equal to at least 90% of the sum of the Rebate Requirement (determined as of the last day of such Bond Year) plus the future value of all previous Rebate Payments with respect to the Obligation (determined as of the last day of such Bond Year); and

(B) not later than 60 days after the retirement of the last Obligation, an amount equal to 100% of the Rebate Requirement (determined as of the date of retirement of the last Obligation).

Each Rebate Payment required to be made under this Section shall be filed on or before the date such payment is due, with the Internal Revenue Service at the appropriate location and with required forms and other materials, currently by addressing it to IRS Service Center, Ogden, Utah 84201, and accompanying it with IRS Form 8038-T.

(iii) No Nonpurpose Investment shall be acquired for an amount in excess of its fair market value. No Nonpurpose Investment shall be sold or otherwise disposed of for an amount less than its fair market value.

(iv) For purposes of paragraph (iii), whether a Nonpurpose Investment has been purchased or sold or disposed of for its fair market value shall be determined as follows:

(A) The fair market value of a Nonpurpose Investment generally shall be the price at which a willing purchaser would purchase the Nonpurpose Investment from a willing seller in a bona fide arm's length transaction. Fair market value shall be determined on the date on which a contract to purchase or sell the Nonpurpose Investment becomes binding.

(B) Except as provided in Subsection (v) or (vi), a Nonpurpose Investment that is not of a type traded on an established securities market, within the meaning of Code Section 1273, is rebuttably presumed to be acquired or disposed of for a price that is not equal to its fair market value.



(C) If a United States Treasury obligation is acquired directly from or sold or disposed of directly to the United States Treasury, such acquisition or sale or disposition shall be treated as establishing the fair market value of the obligation.

(v) The purchase price of a certificate of deposit that has a fixed interest rate, a fixed payment schedule and a substantial penalty for early withdrawal is considered to be its fair market value if the yield on the certificate of deposit is not less than:

(A) the yield on reasonably comparable direct obligations of the United States; and

(B) the highest yield that is published or posted by the provider to be currently available from the provider on reasonably comparable certificates of deposit offered to the public.

(vi) A guaranteed investment contract shall be considered acquired and disposed of for an amount equal to its fair market value if:

(A) A bona fide solicitation in writing for a specified guaranteed investment contract, including all material terms, is timely forwarded to all potential providers. The solicitation must include a statement that the submission of a bid is a representation that the potential provider did not consult with any other potential provider about its bid, that the bid was determined without regard to any other formal or informal agreement that the potential provider has with Town or any other person (whether or not in connection with the Obligation), and that the bid is not being submitted solely as a courtesy to Town or any other person for purposes of satisfying the requirements in the Regulations that Town receive bids from at least one reasonably competitive provider and at least three providers that do not have a material financial interest in the Obligation.

(B) All potential providers have an equal opportunity to bid, with no potential provider having the opportunity to review other bids before providing a bid.

(C) At least three reasonably competitive providers (i.e. having an established industry reputation as a competitive provider of the type of investments being purchased) are solicited for bids. At least three bids must be received from providers that have no material financial interest in the Obligation (e.g., a lead underwriter within 15 days of the issue date of the Obligation or a financial advisor with respect to the investment) and at least one of such three bids must be from a reasonably competitive provider. If Town uses an agent to conduct the bidding, the agent may not bid.

(D) The highest-yielding guaranteed investment contract for which a qualifying bid is made (determined net of broker's fees) is purchased.

(E) The determination of the terms of the guaranteed investment contract takes into account as a significant factor the reasonably expected deposit and drawdown schedule for the amounts to be invested.

(F) The terms for the guaranteed investment contract are commercially reasonable (i.e. have a legitimate business purpose other than to increase the purchase price or reduce the yield of the guaranteed investment contract).

(G) The provider of the investment contract certifies the administrative costs (as defined in Regulations Section 1.148-5(e)) that it pays (or expects to pay) to third parties in connection with the guaranteed investment contract.

(H) Town retains until three years after the last outstanding Obligation is retired, (1) a copy of the guaranteed investment contract, (2) a receipt or other record of the amount actually paid for the guaranteed investment contract, including any administrative costs paid by Town and a copy of the provider's certification described in (G) above, (3) the name of the person and entity submitting each bid, the time and date of the bid, and the bid results and (4) the bid solicitation form and, if the terms of the guaranteed investment contract deviate from the bid solicitation form or a submitted bid is modified, a brief statement explaining the deviation and stating the purpose of the deviation.

(vii) Such experts and consultants shall be employed by Town to make, as necessary, any calculations in respect of rebates to be made to the United States of America in accordance with Section 148(f) of the Code with respect to the Obligation.

Section 12. Covenant as to Conflict of Interest; Other Statutory Restrictions.

(a) To the extent applicable by provision of law, Trustee acknowledges that this Agreement is subject to cancellation pursuant to Section 38-511, Arizona Revised Statutes, the provisions of which are incorporated herein and which provides that Town may within three (3) years after its execution cancel any contract (including this Agreement) without penalty or further obligation made by Town if any person significantly involved in initiating, negotiating, securing, drafting or creating the contract on behalf of Town is at any time while the contract or any extension of the contract is in effect, an employee or agent of any other party to the contract in any capacity or a consultant to any other party to the contract with respect to the subject matter of the contract. The cancellation shall be effective when written notice is received by all other parties to the contract unless the notice specifies a later time. To the best knowledge of Town and Trustee, no basis exists for Town to cancel this Agreement pursuant to Section 38-511, Arizona Revised Statutes, as of the date hereof.

(b) To the extent applicable under Section 41-4401, Arizona Revised Statutes, Trustee shall comply with all federal immigration laws and regulations that relate to its employees and its compliance with the "e-verify" requirements under Section 23-214(A), Arizona Revised Statutes. The breach by Trustee of the foregoing shall be deemed a material breach of this Agreement and may result in the termination of the services of Trustee by Town. Town retains the legal right to randomly inspect the papers and records of Trustee to ensure that Trustee is complying with the above-mentioned warranty. Trustee shall keep such papers and records open for random inspection during normal business hours by Town. Trustee shall cooperate with the random inspections by Town including granting Town entry rights onto its property to perform such random inspections and waiving its respective rights to keep such papers and records

confidential. To the extent permitted by law, Town shall preserve the confidentiality of any information, records or papers Town views, accesses or otherwise obtains during any and every such random inspection.

(c) To the extent applicable under Section 35-393, et. seq., Arizona Revised Statutes, Trustee hereby certifies it is not currently engaged in, and for the duration of this Agreement shall not engage in, a boycott of Israel. The term “boycott” has the meaning set forth in Section 35-393, Arizona Revised Statutes. If Town determines that Trustee’s certification above is false or that it has breached such agreement, Town may impose remedies as provided by law.

(d) To the extent applicable under Section 35-394, Arizona Revised Statutes, Trustee hereby certifies it does not currently, and for the duration of this Agreement shall not use: (i) the forced labor of ethnic Uyghurs in the People’s Republic of China, (ii) any goods or services produced by the forced labor of ethnic Uyghurs in the People’s Republic of China, and (iii) any contractors, subcontractors or suppliers that use the forced labor or any goods or services produced by the forced labor of ethnic Uyghurs in the People’s Republic of China. The foregoing certification is made to the best knowledge of Trustee without any current independent investigation or without any future independent investigation for the duration of this Agreement. If Trustee becomes aware during the duration of this Agreement that it is not in compliance with such certification, Trustee shall take such actions as provided by law, including providing the required notice to Town. If Town determines that Trustee is not in compliance with the foregoing certification and has not taken remedial action, Town shall terminate Trustee’s role as Trustee hereunder pursuant to Article VII of the Trust Agreement.

Section 13. Miscellaneous.

(a) No covenant or obligation herein to be performed by Town may be waived except by the written consent of Trustee, and a waiver of any such covenant or obligation or a forbearance to invoke any remedy on any occasion shall not constitute or be treated as a waiver of such covenant or obligation as to any other occasion and shall not preclude Trustee from invoking such remedy at any later time prior to the cure by Town of the condition giving rise to such remedy.

(b) This Agreement shall be construed and governed in accordance with the laws of the State in effect from time to time.

(c) The recitals set forth at the beginning of this Agreement are incorporated in this Agreement by this reference. This Agreement constitutes the entire agreement between the parties and shall not be modified, waived, discharged, terminated, amended, supplemented, altered or changed in any respect except by a written document signed by both Trustee and Town, subject to the restrictions with regard thereto provided by the Trust Agreement.

(d) Any term or provision of this Agreement found to be prohibited by law or unenforceable or which would cause this Agreement to be invalid, prohibited by law or unenforceable shall be ineffective to the extent of such prohibition or unenforceability without, to

the extent reasonably possible, causing the remainder of this Agreement to be invalid, prohibited by law or unenforceable.

(e) The captions set forth herein are for convenience of reference only and shall not define or limit any of the terms or provisions hereof.

(f) Except as otherwise provided herein, this Agreement shall be binding upon and inure to the benefit of the parties and their respective heirs, successors, assigns and personal representatives, as the case may be. Any person or entity acquiring any interest in or to the right, title or interest of Trustee herein shall be and have the rights of a third-party beneficiary hereunder.

(g) This Agreement may be executed in any number of counterparts, each of which shall be regarded as an original and all of which shall constitute but one and the same instrument.

[Signature page follows.]

IN WITNESS WHEREOF, the parties have executed this Agreement as of the day and year first above written.

Trustee:

U.S. BANK TRUST COMPANY, NATIONAL ASSOCIATION, as seller

By .....  
Authorized Representative

Town:

TOWN OF CAMP VERDE, ARIZONA, a municipal corporation under the laws of the State of Arizona, as purchaser

By .....  
Mayor

ATTEST:

.....  
Town Clerk

[Signature page to Fifth Purchase Agreement]

**SCHEDULE**

Payment Date	Principal	Interest	Total Payment
08/01/20			
02/01/20			
<hr/>			
<b>TOTAL</b>			

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**SIXTH TRUST AGREEMENT**

by and between

**U.S. BANK TRUST COMPANY, NATIONAL ASSOCIATION,**  
as Trustee

and

**THE TOWN OF CAMP VERDE, ARIZONA**

Dated as of \_\_\_\_\_ 1, 2024

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\* \* \*

## SIXTH TRUST AGREEMENT

THIS SIXTH TRUST AGREEMENT, dated as of \_\_\_\_\_ 1, 2024 (together with any duly authorized, executed and delivered supplement thereto, this “Trust Agreement”), by and between U.S. BANK TRUST COMPANY, NATIONAL ASSOCIATION, a national banking association, as trustee, or any successor thereto acting as trustee pursuant to this Trust Agreement and in its capacity as “Seller” pursuant to the hereinafter described Purchase Agreement (the “Trustee”), and THE TOWN OF CAMP VERDE, ARIZONA, a municipal corporation under the laws of the State of Arizona (the “Town”);

### WITNESSETH:

WHEREAS, the Mayor and Common Council of the Town have determined that it will be beneficial to the citizens of the Town to finance the costs of the Project (as such term and all other terms not otherwise defined hereinabove are hereinafter defined); and

WHEREAS, for purposes of financing the costs of the Project, the Mayor and Common Council of the Town requested that the Trustee sell and execute and deliver the Town of Camp Verde, Arizona Pledged Revenue Obligation, Series 2024, in the principal amount of \$\_\_\_\_,000 (the “Obligation”); and

WHEREAS, the Town and the Trustee will enter into this Trust Agreement to facilitate the administration of the financing of the costs of the Project, and the Trustee has full legal authority and is duly empowered to enter into this Trust Agreement and has taken all actions necessary to authorize the execution and delivery hereof;

NOW, THEREFORE, in consideration for the Obligation executed and delivered under this Trust Agreement; the acceptance by the Trustee of the trusts created herein; the purchase and acceptance of the Obligation by the Owner, and to secure the payment of principal and interest (to the extent provided herein) represented by the Obligation, the rights of the Owner of the Obligation and the performance and the observance of the covenants and conditions contained in the Obligation, the Purchase Agreement and herein, and the performance and the observance of all of the covenants and conditions contained therein, the Town absolutely and irrevocably pledges and assigns to the Trustee, and the Trustee hereby declares an irrevocable trust and acknowledges its acceptance of all right, title and interest in and to the following described trust estate, which shall be administered by the Trustee according to the provisions of this Trust Agreement:

A. All right, title and interest of the Seller in, under and pursuant to the Purchase Agreement, the Payments and any other amounts payable by the Town under the Purchase Agreement and the present and continuing right to (i) make claim for, collect or cause to be collected, receive or cause to be received all such revenues, receipts and other sums of money payable or receivable thereunder, including Excise Tax Revenues and State Shared Revenues, (ii) bring actions and proceedings thereunder or for the enforcement of such rights, and (iii) do any and all other things which the Seller is or may become entitled to do thereunder;

B. Amounts on deposit from time to time in the funds created pursuant hereto, subject to the provisions of this Trust Agreement permitting the application thereof for the purposes and on the terms and conditions set forth herein; and

C. Any and all other real or personal property of any kind from time to time hereafter by delivery or by writing of any kind specifically conveyed, pledged, assigned or transferred, as and for additional security hereunder for the Obligation, by the Seller or by anyone on its behalf or with its written consent, in favor of the Trustee, which is hereby authorized to receive any and all such property at any and all times and to hold and apply the same subject to the terms hereof,

TO HAVE AND TO HOLD, all and singular, the trust estate, including all additional property which by the terms hereof has or may become subject to the encumbrance of this Trust Agreement, unto the Trustee and its successors and assigns, forever, subject, however, to the rights of the Town, its successors and assigns, under the Purchase Agreement;

IN TRUST, however, for the benefit and security of the Owner. conditioned, however, that if the Town shall well and truly pay or cause to be paid fully and promptly when due all indebtedness, liabilities, obligations and sums at any time secured hereby, including interest and attorneys' fees, and shall promptly, faithfully and strictly keep, perform and observe or cause to be kept, performed and observed all of its covenants, warranties and agreements contained herein, this Trust Agreement shall be and become void and of no further force and effect; otherwise, the same shall remain in full force and effect, and upon the trust and subject to the covenants and conditions hereinafter set forth. For such purposes, the Town and the Trustee hereby agree as follows:

## ARTICLE I DEFINITIONS

Section 1.1. Definitions. In addition to the terms defined in the first paragraph hereof and in the Recitals hereto and in the Purchase Agreement and unless the context otherwise requires, the terms defined in this Section shall, for all purposes of this Trust Agreement, have the meanings herein specified.

“Acquisition Fund” means the fund of that name established pursuant to Article III and held by the Trustee.

“Additional Revenue Obligations” means any additional obligations which may hereafter be issued or incurred by the Town (or any financing conduit acting on behalf of the Town) having a lien upon and payable from the Excise Tax Revenues and the State Shared Revenues on a parity with, and in compliance with the terms of, the Parity IGA, the Second Purchase Agreement, the Third Purchase Agreement, the Fourth Purchase Agreement, the Fifth Purchase Agreement and the Purchase Agreement.

“Authorized Officer” means an officer of the Town authorized to give Instructions; provided, however, that the Town shall provide to the Trustee an incumbency

certificate listing Authorized Officers and containing specimen signatures of such Authorized Officers, which incumbency certificate shall be amended by the Town, whenever a person is to be added or deleted from the listing.

“Bond Year” means each one-year period beginning on the day after the expiration of the preceding Bond Year. The first Bond Year shall begin on the date of issue of the Obligation and shall end on the date selected by the Town, provided that the first Bond Year shall not exceed one calendar year. The last Bond Year shall end on the date of retirement of the Obligation.

“Bond Yield” means the discount rate that produces a present value equal to the Issue Price of all unconditionally payable payments of principal, interest and fees for qualified guarantees within the meaning of Regulations Section 1.148-4(f) and amounts reasonably expected to be paid as fees for qualified guarantees in connection with the Obligation as determined under Regulations Section 1.148-4(b), recomputed if required by Regulations Section 1.148-4(b)(4) or 4(h)(3). The present value of all such payments shall be computed as of the date of issue of the Obligation and using semiannual compounding on the basis of a 360-day year.

“Business Day” means any day of the week other than a Saturday, Sunday or a day which shall be in the State a legal holiday or a day on which the Trustee is authorized or obligated by law or executive order to close or a day on which the Federal Reserve is closed as modified by the effect of Section 9.6.

“Certificate of Completion” means the notice of completion, filed with the Trustee by the Town Representative, stating that the Project has been substantially completed.

“Closing Date” means \_\_\_\_\_, 2024.

“Code” means the Internal Revenue Code of 1986, as amended. References to the Code and sections thereof include applicable regulations and temporary regulations thereunder and any successor provisions to those sections, regulations or temporary regulations and any applicable regulations or temporary regulations issued pursuant to the Internal Revenue Code of 1954.

“Completion Date” means the date on which the Certificate of Completion is filed with the Trustee by the Town Representative.

“Corporate Trust Office” means the office of the Trustee designated in Section 12.2 or any successor corporate trust office; provided, however, that with respect to payments on the Obligation and any exchange, transfer, or other surrender of the Obligation, the Corporate Trust Office shall mean the corporate trust operations office of the Trustee in St. Paul, Minnesota or such other office or location designated by the Trustee by written notice.

“Costs of Issuance Fund” means the fund of that name established pursuant to Article III and held by the Trustee.

“Defaulted Interest” has the meaning provided in Section 2.10(b).

“Defeasance Obligations” means, to the extent permitted by law, (1) cash, (2) non-callable direct obligations of the United States of America (“Treasuries”), (3) evidences of ownership of proportionate interests in future interest and principal payments on Treasuries held by a bank or trust company as custodian, under which the owner of the investment is the real party in interest and has the right to proceed directly and individually against the obligor and the underlying Treasuries are not available to any person claiming through the custodian or to whom the custodian may be obligated, (4) pre-refunded municipal obligations rated “AAA” and “Aaa” by S&P and Moody’s, respectively, (5) securities eligible for “AAA” defeasance under then-existing criteria of S&P or (6) any combination of the foregoing.

“Delivery Costs” means all items of expense directly or indirectly payable by or reimbursable to the Town or the Trustee relating to the sale and execution and delivery of the Purchase Agreement, this Trust Agreement and the Obligation, including but not limited to filing and recording costs, settlement costs, printing costs, reproduction and binding costs, initial fees and charges of the Trustee, financing discounts, legal fees and charges, insurance fees and charges, financial and other professional consultant fees, costs of rating agencies for credit ratings, fees for execution, transportation and safekeeping of the Obligation and charges and fees in connection with the foregoing.

“Depository Trustee” means any bank or trust company, which may include the Trustee, designated by the Town, with a combined capital and surplus of at least Fifty Million Dollars (\$50,000,000) and subject to supervision or examination by federal or State of Arizona authority.

“Designated Office” means the office designated as such by the Trustee in writing to the Town.

“Electronic Means” means the following communications methods: a portable document format (“pdf”) or other replicating image attached to an e-mail, facsimile transmission, secure electronic transmission containing applicable authorization codes, passwords and/or authentication keys issued by the Trustee, or another method or system specified by the Trustee as available for use in connection with its services hereunder.

“Event of Default” means an event of default under the Purchase Agreement as provided in Section 9 thereof.

“Excise Tax Revenues” means revenues from the unrestricted transaction privilege (sales) tax, business license and franchise fees, parks and recreation fees and permits and fines and forfeitures which the Town imposes; provided that the Mayor and Common Council of the Town may impose other transaction privilege taxes in the future, the uses of revenue from which will be restricted, at the discretion of such Council.

“Fifth Purchase Agreement” means the Fifth Purchase Agreement, dated as of September 1, 2022, by and between U.S. Bank Trust Company, National Association, as seller, and the Town, as purchaser.

“Fourth Purchase Agreement” means the Fourth Purchase Agreement, dated as of July 1, 2020, by and between U.S. Bank Trust Company, National Association (successor in interest to U.S. Bank National Association), as seller, and the Town, as purchaser.

“Gross Proceeds” means:

(i) any amounts actually or constructively received by the Town from the sale of the Obligation but excluding amounts used to pay accrued interest on the Obligation within one year of the date of issuance of the Obligation;

(ii) transferred proceeds of the Obligation under Regulations Section 1.148-9;

(iii) any amounts actually or constructively received from investing amounts described in (i), (ii) or this (iii); and

(iv) replacement proceeds of the Obligation within the meaning of Regulations Section 1.148-1(c). Replacement proceeds include amounts reasonably expected to be used directly or indirectly to pay debt service on the Obligation, pledged amounts where there is reasonable assurance that such amounts will be available to pay principal or interest on the Obligation in the event the Town or the Trustee encounters financial difficulties and other replacement proceeds within the meaning of Regulations Section 1.148-1(c)(4). Whether an amount is Gross Proceeds is determined without regard to whether the amount is held in any fund or account established under this Trust Agreement.

“Independent Counsel” means an attorney duly admitted to the practice of law before the highest court of the state in which such attorney maintains an office and who is not an employee of the Town or the Trustee and which may include the counsel giving a Special Counsel’s Opinion.

“Instructions” means instructions including funds transfer instructions given pursuant to this Trust Agreement.

“Interest Payment Date” means each February 1 and August 1, commencing February 1, 2025, provided that, pursuant to Section 9.6, if any such day is not a Business Day, any payment due on such date may be made on the next Business Day, without additional interest and with the same force and effect as if made on the specified date for such payment.

“Interest Portion” means the amounts of each of the Payments in the column in the Schedule attached to the Purchase Agreement designated “Interest,” denominated as and comprising interest pursuant to the Purchase Agreement and received by the Owner.

“Investment Property” means any security, obligation (other than a tax-exempt bond within the meaning of Code Section 148(b)(3)(A)), annuity contract or investment-type property within the meaning of Regulations Section 1.148-1(b).

“Issue Price” means the price determined as provided in Regulations Section 1.148-1(b).

“Market Value” means the indicated bid value of the investment or investments to be valued as shown in The Wall Street Journal or any publication having general acceptance as a source of valuation of the same or similar types of securities or any securities pricing service available to or used by the Trustee (including brokers and dealers in securities) and generally accepted as a source of valuation on which the Trustee may conclusively rely, without liability.

“Moody’s” means Moody’s Investors Service, Inc., a corporation organized and existing under the laws of the State of Delaware, its successors and assigns, and, if such corporation shall be dissolved or liquidated or shall no longer perform the functions of a securities rating agency, “Moody’s” shall be deemed to refer to any other nationally recognized securities rating agency designated by the Town by notice to the Trustee.

“Nonpurpose Investment” means any Investment Property acquired with Gross Proceeds and which is not acquired to carry out the governmental purposes of the Obligation.

“Notification” shall have the meaning provided in Section 10.3.

“Owner” or any similar term, when used with respect to an Obligation means \_\_\_\_\_, or the entity provided in Section 2.8.

“Parity IGA” means the Amendment to and Restatement of the Intergovernmental Agreement, dated as of July 24, 2009, between the Town and the Camp Verde Sanitary District.

“Payment Fund” means the fund of that name established pursuant to Article V and held by the Trustee.

“Payment Request Form” means the form set forth in Exhibit B attached hereto.

“Payments” means the “Payments” required to be paid by the Town pursuant to Section 1(c) of the Purchase Agreement and as set forth in the Schedule to the Purchase Agreement, subject to the provisions of Section 5.2(b).

“Permitted Investments” means any investment permitted by applicable law, including Section 35-323, Arizona Revised Statutes including the following:

A. Direct obligations of, and obligations fully and unconditionally guaranteed as to timely payment by, the United States government and any agency, instrumentality, or establishment of the United States government (“Government Securities”).

B. Commercial paper having, at the time of investment or contractual commitment to invest therein, a rating from Moody’s and S&P, of A1 and P1, respectively.



C. Repurchase and reverse repurchase agreements collateralized with Government Securities, including those of the Trustee or any of its affiliates.

D. Investment in money market mutual funds having a rating in the highest investment category granted thereby from S&P or Moody's including those for which the Trustee or an affiliate receives and retains a fee for services provided to the fund, whether as a custodian, transfer agent, investment advisor or otherwise.

E. Bank deposit products, demand deposits, including interest bearing money market accounts, time deposits, trust funds, trust accounts, overnight bank deposits, interest-bearing deposits, and certificates of deposit, including those placed by a third party pursuant to an agreement between the Trustee and the Town, or bankers acceptances of depository institutions, including the Trustee or any of its affiliates which are fully FDIC-insured.

“Project” means financing the costs of improvements to the Town’s utility system.

“Project Costs” means all architectural, engineering, soils, survey, archaeology, demolition, construction management fees, development fees, contingencies and other related costs of installation, construction and other matters necessary for the Project and all costs incurred by the Trustee or the Town with respect to the transaction to which this Trust Agreement pertains.

“Purchase Agreement” means the Sixth Purchase Agreement, dated as of \_\_\_\_\_ 1, 2024, by and between the Trustee, as seller, and the Town, as purchaser.

“Rebate Payment” means any payment within the meaning of Regulations Section 1.148-3(d)(1) with respect to a Nonpurpose Investment.

“Rebate Requirement” means, for each Bond Year and for the Obligation, at any time the excess of the future value of all Receipts over the future value of all Rebate Payments. For purposes of calculating the Rebate Requirement the Bond Yield shall be used to determine the future value of Receipts and Rebate Payments in accordance with Regulations Section 1.148-3(c). The Rebate Requirement is zero for any Nonpurpose Investment meeting the requirements of a rebate exception under Section 148(f)(4) of the Code or Regulations Section 1.148-7.

“Receipt” means any receipt within the meaning of Regulations Section 1.148-3(d)(2) with respect to a Nonpurpose Investment.

“Regular Record Date” means the close of business on the fifteenth day of the month preceding each Interest Payment Date.

“Regulations” means Sections 1.148-1 through 1.148-11 and Section 1.150-1 of the regulations of the United States Department of the Treasury promulgated under the Code, including and any amendments thereto or successor regulations.

“Reimbursement Request Form” means the form set forth in Exhibit C attached hereto.

“Responsible Officer” means, when used with respect to the Trustee, the president, any vice president, any assistant vice president, the secretary, any assistant secretary, the treasurer, any assistant treasurer, any senior associate, any associate or any other officer of the Trustee within the Corporate Trust Office customarily performing functions similar to those performed by the persons who at the time shall be such officers, respectively, or to whom any corporate trust matter is referred because of such person’s knowledge of and familiarity with the particular subject and having direct responsibility for the administration of this Trust Agreement.

“S&P” means Standard & Poor’s Financial Services, LLC, a limited liability company organized and existing under the laws of the State of New York, its successors and assigns, and, if such company shall be dissolved or liquidated or shall no longer perform the functions of a securities rating agency, “S&P” shall be deemed to refer to any other nationally recognized securities rating agency designated by the Town by notice to the Trustee.

“Second Purchase Agreement” means the Second Purchase Agreement, dated as of October 1, 2014, by and between The Bank of New York Mellon Trust Company, N.A., as seller, and the Town, as purchaser.

“Special Counsel’s Opinion” means an opinion signed by an attorney or firm of attorneys of nationally recognized standing in the field of law relating to municipal bonds selected by the Town.

“Special Record Date” has the meaning provided in Section 2.11(d).

“State” means the State of Arizona.

“State Shared Revenues” means any amounts of excise taxes, transaction privilege (sales) taxes and income taxes imposed by the State or any agency thereof and returned, allocated or apportioned to the Town, except the Town’s share of any such taxes which by State law, rule or regulation must be expended for other purposes, such as motor vehicle fuel taxes.

“Tax Certificate” means the Certificate Relating To Federal Tax Matters, dated the Closing Date, with respect to the Obligation.

“Third Purchase Agreement” means the Third Purchase Agreement, dated as of December 1, 2017, by and between The Bank of New York Mellon Trust Company, N.A., as seller, and the Town, as purchaser.

“Town Representative” means the Town Manager, the Town Finance Director or any other person authorized by the Town Manager or the Mayor and Common Council of the Town to act on behalf of the Town with respect to this Trust Agreement.

## Section 1.2. Interpretation.

(a) Any reference herein to the Mayor and Common Council of the Town or any officer of the Town shall include those succeeding to their functions, duties or responsibilities pursuant to or by operation of law or who are lawfully performing their functions.

(b) Unless the context otherwise indicates, words importing the singular shall include the plural and vice versa and the use of the neuter, masculine or feminine gender is for convenience only and shall be deemed to mean and include the neuter, masculine or feminine gender. Words importing persons include firms, associations and corporations, and the singular and plural forms of words shall be deemed interchangeable wherever appropriate.

(c) Headings of articles and sections herein and the table of contents hereof are solely for convenience of reference, do not constitute a part hereof and shall not affect the meaning, construction or effect hereof. References to “Articles” and “Sections” are to those in this Agreement.

Section 1.3. Obligation Not General Obligation of the Town. The Obligation shall be payable solely out of the revenues and other security pledged hereby and shall not constitute an indebtedness or general obligation of the Town within the meaning of any State constitutional provision or statutory limitation and shall never constitute or give rise to a pecuniary liability of the Town or be a charge against the Town’s general credit or a charge against the general credit or the taxing powers of the State or any political subdivision thereof.

## ARTICLE II SPECIAL REVENUE OBLIGATION

Section 2.1. Authorization of the Obligation. The Trustee is hereby authorized and directed to execute and deliver to the Owner, the Obligation in the form of a single, certificated Obligation, registered in the name of the Owner, in the principal amount of \$\_\_\_\_,000, evidencing all of the ownership interests in the Payments. In no event shall the Obligation be deemed a liability, debt or obligation of the Trustee.

Section 2.2. Date; Interest Accrual. The Obligation shall be dated the Closing Date, and interest represented thereby shall be payable from such date or from the most recent Interest Payment Date to which interest has previously been paid or made available for payment with respect to the Obligation.

Section 2.3. Payment Amount and Date and Interest Rate. The stated payment date of the Obligation shall be August 1, 20\_\_ (subject to annual principal installments as described in Section 4.1(b) hereof), and interest with respect thereto shall be computed at the rate of \_\_\_\_% per annum.

Section 2.4. Interest on Obligation. Interest represented by the Obligation shall be payable semiannually on February 1 and August 1 of each year commencing February 1, 2025, to and including the date of payment or prepayment of the amount of principal represented by the Obligation. Except for the initial period, said interest shall represent the portion of the Payments designated as interest and coming due during the six-month period preceding each Interest

Payment Date with respect to the Obligation. The proportionate share of the portion of the Payments designated as interest with respect to the Obligation shall be computed by multiplying the portion of Payments designated as principal with respect to the Obligation by the rate of interest applicable to the Obligation (on the basis of a 360-day year of twelve 30-day months), except that the first portion of the Payments designated as interest shall be for interest from the date of initial execution and delivery to February 1, 2025.

Section 2.5. Form. The Obligation shall be in the form of one fully registered, physically certificated Obligation registered in the name of the Owner, substantially in the form set forth in Exhibit A hereto.

Section 2.6. Execution. The Obligation shall be executed by and in the name of the Trustee by the manual signature of an authorized representative of the Trustee. If any representative whose signature appears on the Obligation ceases to be such representative before the Closing Date, such signature shall nevertheless be as effective as if the representative had remained in office until the Closing Date. The Obligation may be executed on behalf of the Trustee by such person as at the actual date of the execution of such Obligation shall be the proper authorized representative of the Trustee although at the nominal date of the Obligation such person shall not have been such authorized representative of the Trustee. The Obligation shall not be valid or become obligatory for any purpose or be entitled to any security or benefit under this Trust Agreement unless and until executed and delivered by the Trustee. The execution by the Trustee of the Obligation shall be conclusive evidence that the Obligation has been duly authorized and delivered hereunder and is entitled to the security and benefit of this Trust Agreement.

Section 2.7. Application of Proceeds. The proceeds received by the Trustee from the sale of the Obligation (\$\_\_\_\_,000.00) shall forthwith be applied by the Trustee as follows:

- (1) \$\_\_\_\_\_ shall be deposited in the Costs of Issuance Fund; and
- (2) \$\_\_\_\_\_ shall be deposited in the Acquisition Fund.

Section 2.8. Transfer and Exchange.

(a) The Obligation may, in accordance with its terms, be transferred upon the registration books for the Obligation required to be kept pursuant to the provisions of Section 2.12 by the person in whose name it is registered, in person or by his duly authorized attorney, upon surrender of such Obligation for cancellation, accompanied by delivery of a written instrument of transfer in a form approved by the Trustee, duly executed; provided, that the transferee represents to the Trustee in writing that: (i) it has sufficient knowledge and experience in financial and business matters to be able to evaluate the risks and merits of the investment in the Obligation; (ii) it understands that neither this Trust Agreement nor the Obligation will be registered pursuant to the Securities Act of 1933, as amended; (iii) it is (A) an affiliate of \_\_\_\_\_, or (B) a “Bank” as defined in Section 3(a)(2) of the Securities Act of 1933, as amended; and (iv) its present intention is to acquire such interest (A) for its own account, or (B) for resale in a transaction exempt from registration under the Securities Act of 1933, as amended; *provided, however*, that there shall be only be one outstanding Obligation at any time. The foregoing transfer restriction shall be set forth by reference on the face of each Obligation.

Whenever the Obligation shall be surrendered for transfer, the Trustee shall execute and deliver a new Obligation in fully registered, physically certificated form for the payment amount then remaining unpaid with respect to such Obligation. The Trustee shall have no duty or obligation to determine whether or not any transferee meets the requirements set forth herein and shall be fully protected in relying on the representations of such transferee in accordance herewith.

(b) The Obligation may be exchanged at the Corporate Trust Office for a like aggregate principal amount of Obligation. In connection with any such exchange or transfer of an Obligation, the Owner requesting such exchange or transfer shall, as a condition precedent to the exercise of the privilege of making such exchange or transfer, remit to the Trustee an amount sufficient to pay any tax or other governmental charge required to be paid, other than one imposed by the Town (which will not be payable by the Trustee), or any fee or expense of the Trustee or the Town with respect to such exchange or transfer.

(c) The Trustee may, but shall not be obligated to, exchange or register the transfer of an Obligation (i) if principal represented by the Obligation is to be prepaid, or (ii) during a period of fifteen (15) days preceding the giving of a notice of prepayment. Any notice of prepayment which has been given to the transferor shall be binding on the transferee and a copy of the notice of prepayment shall be delivered by the Trustee to the transferee along with the duly registered Obligation.

Section 2.9. Obligations Mutilated, Lost, Destroyed or Stolen. If the Obligation shall become mutilated, the Trustee, at the expense of the Owner, shall execute and deliver a new Obligation of like tenor and amount in exchange and substitution for the Obligation so mutilated, but only upon surrender to the Trustee of the Obligation so mutilated. Any mutilated Obligation so surrendered to the Trustee shall be cancelled by it and redelivered to the Owner. If the Obligation shall be lost, destroyed or stolen, evidence of such loss, destruction or theft may be submitted to the Trustee, and, if such evidence is satisfactory to the Trustee and, if an indemnity satisfactory to the Trustee shall be given, the Trustee, at the expense of the Owner, shall execute and deliver a new Obligation to the Owner of like tenor and amount and numbered as the Trustee shall determine in lieu of and in substitution for the Obligation so lost, destroyed or stolen. The Trustee may require payment of an appropriate fee for each new Obligation delivered under this Section and of the expenses which may be incurred by the Trustee in carrying out the duties under this Section. The Trustee shall not be required to treat both the original Obligation and any replacement Obligation as being outstanding. Notwithstanding any other provision of this Section, in lieu of delivering a new Obligation for an Obligation which has been mutilated, lost, destroyed or stolen, and which has matured, the Trustee may make payment with respect to such Obligation upon receipt of the aforementioned indemnity.

Section 2.10. Payment.

(a) The principal (except the final payment thereof whether because of payment or prepayment) and interest due with respect to the Obligation (except that due upon such final payment) shall be payable without surrender in lawful money of the United States of America by wire transfer as instructed by the Owner by written request of the Trustee at least twenty (20) days before the Interest Payment Date specifying the account address. The final payment of principal of the Obligation plus accrued interest to the date of payment thereof shall be paid in

lawful money of the United States of America upon surrender when due at the Corporate Trust Office.

(b) Any interest represented by the Obligation which is payable on, but is not punctually paid or duly provided for on, any Interest Payment Date (“Defaulted Interest”) shall forthwith cease to be payable to the Owner on the relevant Regular Record Date solely by virtue of such Owner having been such Owner. Such Defaulted Interest shall thereupon be paid, together with interest thereon at the same rate per annum as such Defaulted Interest, by the Trustee (out of funds provided to it by the Town) to the Owner at the close of business on a special record date for the payment of such portion of Defaulted Interest as may then be paid from the sources herein provided (the “Special Record Date”). When the Trustee has funds available to pay the Defaulted Interest and interest thereon, the Trustee shall fix a Special Record Date for the payment of such Defaulted Interest and interest thereon which shall be not more than fifteen (15) nor less than ten (10) days prior to the date of the proposed payment by the Trustee. The Trustee shall promptly cause notice of the proposed payment of such Defaulted Interest and interest thereon and the Special Record Date therefor to be mailed, first class postage prepaid, to the Owner not less than ten (10) days prior to such Special Record Date. Notice of the proposed payment of such Defaulted Interest and interest thereon and the Special Record Date therefor having been mailed as aforesaid, such Defaulted Interest and interest thereon shall be paid to the Owner on such Special Record Date.

(c) In the event the Obligation is not presented for final payment thereof (whether because of payment or prepayment), if moneys sufficient to pay the principal and interest related to the Obligation have been deposited pursuant hereto for such payment, all liability to the Owner thereof for the payment thereof will forthwith cease and be completely discharged, and thereupon it will be the duty of the Trustee to hold such moneys as provided herein, without liability for interest thereon, for the benefit of the Owner, who will thereafter be restricted exclusively to such moneys, for any claim of whatever nature on his part hereunder or on, or with respect to, the Obligation. The obligation of the Trustee to hold such funds shall continue for two years and six months (subject to applicable escheat laws) following the date on which such interest or principal payment became due, whether at the payment date or otherwise, at which time the Trustee shall surrender such unclaimed funds so held to the Town, whereupon any claim of whatever nature by the Owner of such Obligation arising under such Obligation shall be made upon the Town.

#### Section 2.11. Execution of Documents and Proof of Ownership.

(a) Any request, direction, consent, revocation of consent or other instrument in writing required or permitted by this Trust Agreement to be signed or executed by the Owner may be in any number of concurrent instruments of similar tenor, and may be signed or executed by the Owner in person or by its attorneys or agents appointed by an instrument in writing for that purpose. Proof of the execution of any such instrument, or of any instrument appointing any such attorney or agent, and of the ownership of the Obligation shall be sufficient for any purpose of this Trust Agreement (except as otherwise herein provided), if the fact and date of the execution by the Owner or the attorney or agent thereof of any such instrument and of any instrument appointing any such attorney or agent, may be proved by a certificate, which need not

be acknowledged or verified, of an officer of any bank or trust company located within the United States of America, or of any notary public, or other officer authorized to take acknowledgments of deeds to be recorded in such jurisdictions, that the persons signing such instruments acknowledged the execution thereof. Where any such instrument is executed by an officer of a corporation or association or a member of a partnership on behalf of such corporation, association or partnership, such certificate shall also constitute sufficient proof of his authority. The fact of the ownership of the Obligation by any person and the amount and stated payment date of such Obligation and the date of such person's holding the same shall be proved on the registration books maintained pursuant to Section 2.12.

(b) Nothing contained in this Article II shall be construed as limiting the Trustee to such proof, it being intended that the Trustee may accept any other evidence of the matters herein stated which the Trustee may deem sufficient. Any request or consent of the Owner shall bind every future Owner of the Obligation in respect of anything done or suffered to be done by the Trustee in pursuance of such request or consent.

Section 2.12. Obligation Register. The Trustee will keep or cause to be kept, at the Corporate Trust Office, sufficient books for the registration and transfer of the Obligation which shall at all times during regular business hours on any Business Day be open to inspection by the Town and, upon presentation for such purpose, the Trustee shall, under such reasonable regulations as it may prescribe, register or transfer or cause to be registered or transferred, on said books, the Obligation as hereinbefore provided.

### ARTICLE III ACQUISITION FUND; COSTS OF ISSUANCE FUND

#### Section 3.1. Establishment and Application of Acquisition Fund.

(a) The Trustee shall establish a special trust fund designated as the "Town of Camp Verde Series 2024 Acquisition Fund" (herein referred to as the "Acquisition Fund"), shall keep such fund separate and apart from all other funds and moneys held by it and shall administer such fund as provided in this Trust Agreement.

(b) (1) Upon receipt of a duly executed, applicable Payment Request Form (on which the Trustee is entitled to conclusively rely), the Trustee shall remit to the payee designated in the Payment Request Form, the amount requested to be paid in such Payment Request Form for Project Costs within three (3) Business Days following submission of such Payment Request Form. Notwithstanding the foregoing, the Trustee shall apply moneys on deposit in the Acquisition Fund to reimburse the Town for any Project Costs with respect to the Project incurred or advanced by the Town within three (3) Business Days of receipt of a duly executed Reimbursement Request Form. The Trustee has no duty or obligation to confirm that such disbursements constitute Project Costs.

(2) On the Completion Date, the Trustee shall transfer any remaining amounts in the Acquisition Fund to the Payment Fund to be applied only to the

Payments due from the Town on the next succeeding Interest Payment Date and the Acquisition Fund shall be closed.

(3) Any amount remaining in the Acquisition Fund upon the occurrence of an Event of Default of which a Responsible Officer of the Trustee has actual knowledge shall not be disbursed as provided in this Section, but shall be immediately transferred to the Payment Fund and used only to pay principal and interest represented by the Obligation.

Section 3.2. Establishment and Application of Costs of Issuance Fund.

(a) The Trustee shall establish a special trust fund designated as the “Town of Camp Verde Series 2024 Costs of Issuance Fund” (herein referred to as the “Costs of Issuance Fund”), shall keep such fund separate and apart from all other funds and moneys held by it and shall administer such fund as provided in this Trust Agreement.

(b) Amounts in the Costs of Issuance Fund shall be disbursed for Delivery Costs. Disbursements from the Costs of Issuance Fund shall be made by the Trustee upon receipt of a requisition for disbursement (on which the Trustee is entitled to conclusively rely) executed or approved by the Town Representative. Each such certificate shall set forth the amounts to be disbursed for payment, or reimbursement of previous payments, of Delivery Costs and the person or persons to whom said amounts are to be disbursed. The Trustee has no duty or obligation to confirm that such disbursements constitute Delivery Costs.

(c) On the earlier of December 1, 2024, or when all Delivery Costs associated with the Obligation have been paid (as shown by a certificate of a Town Representative, if requested by the Trustee), the Trustee shall transfer any amounts remaining in the Costs of Issuance Fund to the Payment Fund, and the Costs of Issuance Fund shall be closed.

ARTICLE IV  
PREPAYMENT OF OBLIGATION

Section 4.1. Prepayment Provisions.

(a) Principal represented by the Obligation is subject to optional prepayment from prepayments made by the Town pursuant to Section 7 of the Purchase Agreement, in whole or in part on any date, at a price equal to the principal amount thereof to be prepaid, together with accrued interest to the date fixed for prepayment, but without premium. The Town shall, at least forty-five (45) days prior to an optional prepayment date, notify the Trustee of such prepayment date and the principal amount of the Obligation to be prepaid on such date.

(b) Principal represented by the Obligation shall be prepaid on August 1 of the years indicated and in the amounts indicated at a price equal to the amount thereof plus interest accrued to the date of prepayment, but without premium:



A remaining principal amount of \$\_\_\_\_,000 of the Obligation shall be paid on August 1, 20\_\_.

(c) Whenever the Obligation is purchased, prepaid (other than pursuant to mandatory prepayment) or delivered by the Town to the Trustee for cancellation, the principal amount of the Obligation represented thereby so retired shall satisfy and be credited against the mandatory prepayment requirements for the Obligation for such years as the Town may direct in writing.

Section 4.2. Notice of Prepayment; Effect.

(a) The Trustee shall cause notice of any optional prepayment hereunder to be transmitted by Electronic Means to the Owner. Such notice shall (1) be sent no more than 60 nor less than 30 calendar days prior to the prepayment date, (2) specify with respect to the Obligation the prepayment date and the prepayment price, (3) set forth the name, address and telephone number of the person from whom information pertaining to the prepayment may be obtained, and (4) state that on the prepayment date the Obligation will be payable at the Corporate Trust Office and that from that date interest will cease to accrue.

(b) If at the time of giving of notice of the optional prepayment of principal represented by the Obligation, there has not been deposited with the Trustee or a Depository Trustee moneys or Defeasance Obligations sufficient to prepay the Obligation or the portion thereof to be prepaid and the requirements of (d) below are not satisfied, then such notice shall state that the prepayment is conditional upon the deposit of moneys or Defeasance Obligations sufficient for the prepayment with the Trustee or a Depository Trustee and satisfaction of such requirements not later than the opening of business on the prepayment date, and such notice will be of no effect and such Obligation shall not be prepaid unless such moneys or Defeasance Obligations are so deposited and such requirements in (d) below are met.

(c) Notice having been provided in the manner provided in (b) above, the Obligation shall become due and payable on the prepayment date and shall be paid at the prepayment price, plus accrued interest to the prepayment date.

(d) If the money or Defeasance Obligations for the prepayment of the Obligation to be prepaid, together with interest accrued thereon to the prepayment date, is held by the Trustee or a Depository Trustee on the prepayment date, so as to be available therefor on that date, then from and after the prepayment date such principal thereof to be prepaid shall cease to bear interest and no longer shall be considered to be outstanding hereunder. If those moneys shall not be so available on the prepayment date, such principal shall continue to bear interest, until paid, at the same rate as they would have borne otherwise.

(e) Moneys deposited in the Payment Fund and held by the Trustee for the prepayment of the Obligation shall be held in trust for the account of the Owner and shall be paid when due.

Section 4.3. Partial Prepayment of Obligation. Upon surrender of the Obligation, the principal portion of which has been optionally prepaid in part only, the Trustee shall execute and deliver to the Owner thereof, at the expense of the Town, a new Obligation equal in aggregate payment amount to the unpaid portion of the Obligation surrendered and the Town shall provide the Trustee within thirty (30) days of such optional prepayment a recomputed Schedule to be attached to the Purchase Agreement.

## ARTICLE V PAYMENT FUND

Section 5.1. Trustee's Rights in Purchase Agreement. The Trustee holds in trust hereunder all of its rights and duties in the Purchase Agreement, including but not limited to all of the rights to receive and collect all of the Payments and all other amounts required to be deposited in the Payment Fund pursuant to the Purchase Agreement or pursuant hereto. All of the Payments and such other amounts to which the Seller may at any time be entitled shall be paid directly to the Trustee in trust, and all of the Payments collected or received by the Trustee shall be held by the Trustee in trust hereunder in the Payment Fund for the benefit of the Owner.

### Section 5.2. Establishment and Application of Payment Fund.

(a) The Trustee shall establish a special trust fund designated as the "Town of Camp Verde Series 2024 Payment Fund" (herein referred to as the "Payment Fund"). So long as the Obligation is outstanding, the Town shall have no beneficial right or interest in the Payment Fund or the moneys deposited therein, except only as provided in this Trust Agreement, and such moneys shall be used and applied by the Trustee as hereinafter set forth.

(b) Subject to the limitations pursuant to the Purchase Agreement with respect to the Excise Tax Revenues and the State Shared Revenues, the Town shall be required to make the Payments, taking into account any funds on deposit in the Payment Fund as a credit towards any Payment then due. Not less than ten (10) Business Days prior to each Interest Payment Date, the Trustee shall notify the Town of the amount required to be paid, after taking into account amounts which will be transferred to the Payment Fund in accordance herewith, on or before such Interest Payment Date, so that a sufficient amount will then be on deposit for both principal and interest represented by the Obligation then due. All amounts received by the Trustee as Payments

pursuant to the Purchase Agreement or as transfers pursuant hereto shall be deposited in the Payment Fund.

(c) All amounts in the Payment Fund shall be used and withdrawn by the Trustee solely for the purpose of paying the principal, interest and premium, if any, represented by the Obligation as the same shall become due and payable, in accordance with the provisions of Articles II and IV.

Section 5.3. Transfers of Investment Earnings to Payment Fund. With the same limitation described in Section 3.1(b)(3), except as otherwise directed by the Town, the Trustee shall, on or before the next Interest Payment Date occurring on August 1, transfer any income or profit on the investment of moneys in the funds hereunder to the Payment Fund.

Section 5.4. Surplus. Any surplus remaining in any of the funds created hereunder, after prepayment and payment or provision for prepayment and payment of the Obligation, including accrued interest and payment of any applicable fees, expenses or indemnities to the Trustee, or provision for such prepayment and payment having been made to the satisfaction of the Trustee, shall be withdrawn by the Trustee and remitted to the Town.

## ARTICLE VI MONEYS IN FUNDS; INVESTMENT; CERTAIN TAX COVENANTS

Section 6.1. Held in Trust. The moneys and investments held by the Trustee under this Trust Agreement are irrevocably held in trust for the benefit of the Owner and for the purposes herein specified, and such moneys, and any income or interest earned thereon, shall be expended only as provided in this Trust Agreement and shall not be subject to levy or attachment or lien by or for the benefit of any creditor of the Town or the Owner.

Section 6.2. Investments Authorized. Upon written order of the Town Representative and subject to the limitations provided herein, moneys held by the Trustee hereunder shall be invested and reinvested by the Trustee, to the maximum extent practicable in Permitted Investments. The Town Representative shall direct such investment in specific Permitted Investments. Such investments, if registrable, shall be registered in the name of the Trustee and shall be held by the Trustee. The Trustee may purchase or sell to itself or any affiliate, as principal or agent, investments authorized by this Section. Such investments and reinvestments shall be made giving full consideration to the time at which funds are required to be available. The Trustee may act as purchaser or agent in the making or disposing of any investment. The Trustee shall have no obligation to invest and reinvest any cash held by it hereunder in the absence of timely and specific written direction from the Town Representative. In no event shall the Trustee be liable for the selection of investments. The Trustee may conclusively rely upon such written direction from the Town Representative as to both the suitability and legality of the directed investments and such written direction shall be deemed to be a certification that such directed investments constitute Permitted Investments. The Town acknowledges that regulations of the Comptroller of the Currency grant the Town the right to receive brokerage confirmations of the security transactions as they occur, at no additional cost. To the extent permitted by law, the Town specifically waives compliance with 12 Code of Federal Regulations 12 and hereby notifies the

Trustee that no brokerage confirmations need be sent relating to the security transactions as they occur. The Trustee may elect, but shall not be obligated, to credit the funds and accounts held by it with moneys representing income or principal payments due on, or sales proceeds due in respect of, Permitted Investments in such funds and accounts, or to credit to Permitted Investments intended to be purchased with such moneys, in each case before actually receiving the requisite moneys from the payment source, or to otherwise advance funds for account transactions. The Town acknowledges that the legal obligation to pay the purchase price of any Permitted Investment arises immediately at the time of the purchase. Notwithstanding anything else in this Trust Agreement, (i) any such crediting of funds or assets shall be provisional in nature, and the Trustee shall be authorized to reverse any such transactions or advances of funds in the event that it does not receive good funds with respect thereto, and (ii) nothing in this Trust Agreement shall constitute a waiver of any of the Trustee's rights as a securities intermediary under Uniform Commercial Code Section 9-206.

Section 6.3. Accounting. The Trustee shall furnish to the Town, not less than semiannually, an accounting (which may be in the form of its customary statement) of all investments made by the Trustee. The Trustee shall not be responsible or liable for any loss suffered in connection with any investment of funds made by it in accordance with Section 6.2.

Section 6.4. Allocation of Earnings. Any income, profit or loss on such investments shall be deposited in or charged to the respective funds from which such investments were made, and any interest on any deposit of funds shall be deposited in the fund from which such deposit was made, except as otherwise provided herein. At the direction of the Town Representative, any such income, profit or interest shall be transferred and applied if necessary to pay amounts due pursuant to Section 148 of the Code.

Section 6.5. Valuation and Disposition of Investments. For the purpose of determining the amount in any fund, all Permitted Investments credited to such fund shall be valued at Market Value. The Trustee may sell or present for redemption, any Permitted Investment so purchased by the Trustee whenever it shall be necessary in order to provide moneys to meet any required payment, transfer, withdrawal or disbursement from the fund to which such Permitted Investment is credited, and the Trustee shall not be liable or responsible for any loss resulting from such investment.

Section 6.6. Limitation of Investment Yield. In the event the Town is of the opinion that it is necessary to restrict or limit the yield on the investment of any amounts paid to or held by the Trustee hereunder in order to avoid the Obligation being considered an "arbitrage bond" within the meaning of Section 148 of the Code, the Town Representative may issue to the Trustee a written certificate to such effect (along with appropriate instructions), in which event the Trustee will take such action as is instructed so to restrict or limit the yield on such investment in accordance with the specific instructions contained in such certificate.

Section 6.7. Other Tax Covenants. In consideration of the acceptance and execution of the Purchase Agreement by the Trustee and the purchase by the Owner, and in consideration of retaining the exclusion of the portion of each Payment denominated as and comprising interest pursuant to the Purchase Agreement and received by the Owner for federal income tax purposes, the Town shall, from time to time, neither take nor fail to take any action, which action or failure to act is within its power and authority and would result in such portion of each such Payment becoming subject to inclusion in gross income for federal income tax purposes under either laws existing on the date of execution of the Purchase Agreement or such laws as they may be modified or amended or tax laws later adopted. The Town shall comply with such requirement(s) and will take any such action(s) as are necessary to prevent such portion of each such Payment 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 required by any Special Counsel's Opinion; to pay to the United States of America any required amounts representing rebates of arbitrage profits relating to the Obligation; filing forms, statements and supporting documents as may be required under the federal tax laws; limiting the term of and yield on investments made with moneys held pursuant to this Trust Agreement and limiting the use of the proceeds of the Obligation and property financed or refinanced thereby.

## ARTICLE VII THE TRUSTEE

Section 7.1. Appointment of Trustee. The Town hereby authorizes and directs the Trustee to, and the Trustee shall, execute and deliver the Purchase Agreement, as Seller, and receive all moneys required to be deposited with the Trustee hereunder and shall allocate, use and apply the same as provided in this Trust Agreement. The Town shall maintain as the Trustee a bank or trust company with a combined capital and surplus of at least Fifty Million Dollars (\$50,000,000), and subject to supervision or examination by federal or State authority, so long as the Obligation is outstanding. If such bank or trust company publishes a report of condition at least annually pursuant to law or to the requirements of any supervising or examining authority above referred to then for the purpose of this Section the combined capital and surplus of such bank or trust company shall be deemed to be its combined capital and surplus as set forth in its most recent report of condition so published.

Section 7.2. Liability of Trustee; Standard of Care. Except with respect to its authority and power generally and authorization to execute this Trust Agreement, the recitals of facts, covenants and agreements herein, in the Purchase Agreement and in the Obligation shall be taken as statements, covenants and agreements of the Town, and the Trustee assumes no responsibility for the correctness of the same, or makes any representations as to the validity hereof or sufficiency of this Trust Agreement, the Purchase Agreement or of the Obligation or shall incur any responsibility in respect hereof or thereof, other than in connection with the duties or obligations herein or in the Obligation assigned to or imposed upon it. Prior to the occurrence of an Event of Default, or after the timely cure of an Event of Default, the Trustee shall perform only such duties as are specifically set forth in this Trust Agreement and no implied obligations or covenants should be read into this Trust Agreement against the Trustee. After the occurrence of

an Event of Default, the Trustee shall exercise such of the rights and powers vested in it, and use the same degree of care and skill in such exercise, as a prudent person would exercise under the circumstances in the conduct of its own affairs.

Section 7.3. Merger or Consolidation. Any company into which the Trustee may be merged or converted or with which it may be consolidated or any company resulting from any merger, conversion or consolidation to which it shall be a party or any company to which the Trustee may sell or transfer all or substantially all of its corporate trust business, provided that such company shall be eligible under Section 7.1, shall be the successor to the Trustee without the execution or filing of any paper or further act, anything herein to the contrary notwithstanding.

Section 7.4. Protection and Rights of the Trustee.

(a) The Trustee shall be protected and shall incur no liability in acting or proceeding in good faith upon any resolution, notice, telegram, request, consent, waiver, certificates, statements, affidavit, voucher, bond, requisition or other paper or document which it shall in good faith believe to be genuine and to have been passed or signed by the proper board or person or to have been prepared and furnished pursuant to any of the provisions of this Trust Agreement, and the Trustee shall be under no duty to make any investigation or inquiry as to any statements contained or matters referred to in any such instrument, but may accept and rely upon the same as conclusive evidence of the truth and accuracy of such statements. The Trustee shall not be bound to take any action at the request of the Owner unless the Obligation shall be deposited with the Trustee. The Trustee may consult with counsel with regard to legal questions, and the advice or opinion of such counsel shall be full and complete authorization and protection in respect of any action taken or suffered by it hereunder in good faith in accordance therewith.

(b) Whenever in the administration of its duties under this Trust Agreement, the Trustee shall deem it necessary or desirable that a matter be proved or established prior to taking or suffering any action hereunder, such matter (unless other evidence in respect thereof be herein specifically prescribed) shall be deemed to be conclusively proved and established by the certificate of the Town Representative and such certificate shall be full warranty to the Trustee for any action taken or suffered under the provisions of this Trust Agreement upon the faith thereof, but in its discretion the Trustee may, in lieu thereof, accept other evidence of such matter or may require such additional evidence as to it may seem reasonable.

(c) The recitals, statements and representations by the Town contained in this Trust Agreement, the Purchase Agreement and the Obligation shall be taken and construed as made by and on the part of the Town and not by the Trustee, and the Trustee does not assume, and shall not have, any responsibility or obligation for the correctness of any thereof.

(d) The Trustee may execute any of the trusts or powers hereof and perform the duties required of it hereunder by or through attorneys, agents, or receivers, and shall be entitled to advice of counsel concerning all matters of trust and its duty hereunder, and the Trustee shall not be answerable for the default or misconduct of any such attorney, agent, or receiver selected by it with reasonable care. The Trustee shall not be answerable for the exercise of any discretion or power under this Trust Agreement or for anything whatever in connection with

the funds and accounts established hereunder, except only for its own willful misconduct or negligence.

(e) No provision in this Trust Agreement shall require the Trustee to risk or expend its own funds or otherwise incur any financial liability (including, without limitation, any and all environmental liability) in the performance of any of its duties hereunder or in the exercise of any of its rights or powers, if it shall have reasonable grounds for believing that repayment of such funds or indemnity satisfactory to it against such risk or liability is not reasonably assured to it.

(f) The Trustee shall not be accountable for the use or application by the Town or any other party of the Obligation proceeds or any other funds which the Trustee has released in accordance with the terms of this Trust Agreement.

(g) The Trustee makes no representation or warranty, express or implied, as to the title, value, design, compliance with specifications or legal requirements, quality, durability, operation, condition, merchantability or fitness for any particular purpose or fitness for the use contemplated by the Town of the Project. In no event shall the Trustee be liable for incidental, indirect, special or consequential damages in connection with or arising from the Purchase Agreement or this Trust Agreement for the acquisition of the Project.

(h) Notwithstanding any provision in this Trust Agreement or the Purchase Agreement to the contrary, the Trustee shall not be required to take notice or be deemed to have notice of an Event of Default, except an Event of Default under Section 9(a)(i)(A) of the Purchase Agreement, solely with respect to payments of principal of and interest on the Obligation, unless a Responsible Officer of the Trustee has actual notice thereof or is specifically notified in writing of such default by the Town or the Owner.

(i) The Trustee shall have the right to accept and act upon Instructions, delivered using Electronic Means. If the Town elects to give the Trustee Instructions using Electronic Means and the Trustee in its discretion elects to act upon such Instructions, the Trustee's understanding of such Instructions shall be deemed controlling. The Town understands and agrees that the Trustee cannot determine the identity of the actual sender of such Instructions and that the Trustee shall conclusively presume that Instructions that purport to have been sent by an Authorized Officer listed on the incumbency certificate provided to the Trustee have been sent by such Authorized Officer. The Town shall be responsible for ensuring that only Authorized Officers transmit such Instructions to the Trustee and that the Town and all Authorized Officers are solely responsible to safeguard the use and confidentiality of applicable user and authorization codes, passwords and/or authentication keys upon receipt by the Town. The Trustee shall not be liable for any losses, costs or expenses arising directly or indirectly from the Trustee's reliance upon and compliance with such Instructions notwithstanding such directions conflict or are inconsistent with a subsequent written instruction. The Town agrees: (i) to assume all risks arising out of the use of Electronic Means to submit Instructions to the Trustee, including without limitation the risk of the Trustee acting on unauthorized Instructions, and the risk of interception and misuse by third parties; (ii) that it is fully informed of the protections and risks associated with the various methods of transmitting Instructions to the Trustee and that there may be more secure methods of transmitting Instructions than the method(s) selected by the Town; (iii) that the security

procedures (if any) to be followed in connection with its transmission of Instructions provide to it a commercially reasonable degree of protection in light of its particular needs and circumstances; and (iv) to notify the Trustee immediately upon learning of any compromise or unauthorized use of the security procedures.

(j) The Trustee shall not be liable to the parties hereto or deemed in breach or default hereunder if and to the extent its performance hereunder is prevented by reason of force majeure. The term “force majeure” means an occurrence that is beyond the control of the Trustee and could not have been avoided by exercising due care. Force majeure shall include acts of God, terrorism, war, riots, strikes, fire, floods, earthquakes, epidemics or other similar occurrences.

(k) The Trustee shall have no responsibility or liability with respect to any information, statements or recitals in any offering memorandum or other disclosure material prepared or distributed with respect to the execution and delivery of the Obligation.

(l) The permissive right of the Trustee to do things enumerated in this Trust Agreement shall not be construed as a duty, and the Trustee shall not be answerable for other than its negligence or willful default. The Trustee shall not be required to give any bond or surety in respect of the execution of the said trusts and powers or otherwise in respect of the Project.

(m) Before taking any action under this Trust Agreement relating to an Event of Default or in connection with its duties under this Trust Agreement other than making payments of principal and interest represented by the Obligation as they become due, the Trustee may require that a satisfactory indemnity bond be furnished for the reimbursement of all expenses to which it may be put and to protect it against all liability, including, but not limited to, any liability arising directly or indirectly under any federal, state or local statute, rule, law or ordinance related to the protection of the environment or hazardous substances and except liability which is adjudicated, to have resulted from its negligence or willful default in connection with any action so taken.

(n) The Trustee shall not be liable with respect to any action taken or omitted to be taken by it in good faith in accordance with the direction of the Owner relating to the time, method and place of conducting any proceeding for any remedy available to the Trustee, or exercising any trust or power conferred upon the Trustee, under this Trust Agreement.

(o) In acting or omitting to act pursuant to the Purchase Agreement or any other documents executed in connection herewith or therewith, the Trustee shall be entitled to all of the rights, immunities and indemnities accorded to it under this Trust Agreement, including, but not limited to, this Article VII.

Section 7.5. Compensation of Trustee. The Town shall from time to time, pursuant to a fee schedule agreed to between the Town and the Trustee (which schedule may be amended in writing), pay to the Trustee reasonable compensation for its services, including but not limited to advances to, and reasonable fees and expenses of, independent appraisers, accountants, consultants, counsel, agents and attorneys-at-law or other experts employed by it in the exercise and performance of its powers and duties hereunder. When the Trustee incurs



expenses or renders services after the occurrence of an Event of Default, such expenses and the compensation for such services are intended to constitute expenses of administration under any federal or state bankruptcy, insolvency, arrangement, moratorium, reorganization or other debtor relief law.

Section 7.6. Removal and Resignation of Trustee.

(a) The Town (but only if no Event of Default has occurred and is continuing) or the Owner, at any time upon thirty (30) days' prior written notice, and for any reason, may remove the Trustee and any successor thereto, but any such successor shall be a bank or trust company having a combined capital (exclusive of borrowed capital) and surplus of at least Fifty Million Dollars (\$50,000,000) and subject to supervision or examination by federal or State authority. If such bank or trust company publishes a report of condition at least annually, pursuant to law or the requirements of any supervising or examining authority above referred to, then, for the purposes of this Section, the combined capital and surplus of such bank or trust company shall be deemed to be its combined capital and surplus as set forth in its most recent report of condition so published.

(b) The Trustee may at any time resign by giving written notice to the Town. Upon receiving such notice of resignation, the Town shall promptly appoint a successor trustee by an instrument in writing; provided, however, that in the event that the Town does not appoint a successor trustee within thirty (30) days following receipt of such notice of resignation or its giving notice of removal, the retiring Trustee may petition the appropriate court having jurisdiction to appoint a successor trustee. Any resignation or removal of the Trustee and appointment of a successor trustee shall become effective upon acceptance of appointment by the successor trustee. The Trustee and the Town shall execute any documents reasonably required to effect the transfer of rights and obligations of the Trustee to the successor trustee subject, however, to the terms and conditions herein set forth, including, without limitation, the right of the predecessor Trustee to be paid and reimbursed in full for its reasonable charges and expenses (including reasonable fees and expenses of its counsel) and the indemnification under Sections 7.4 and 10.3. Upon such acceptance, the successor trustee shall mail notice thereof to the Owner.

Section 7.7. Appointment of Agent. The Trustee may appoint an agent or agents to exercise any of the powers, rights or remedies granted to the Trustee under this Trust Agreement and to hold title to property or to take any other action which may be desirable or necessary.

Section 7.8. Commingling. The Trustee may commingle any of the funds held by it pursuant to this Trust Agreement in a separate fund or funds for investment purposes only; provided, however, that all funds or accounts held by the Trustee hereunder shall be accounted for separately notwithstanding such commingling by the Trustee.

Section 7.9. Records. The Trustee shall keep complete and accurate records of all moneys received and disbursed under this Trust Agreement, which shall be available for inspection by the Town, or any of its agents, at any time, upon reasonable prior notice, during regular business hours. The Trustee shall provide the Town Representative with semiannual reports of funds transactions and balances.

ARTICLE VIII  
MODIFICATION OR AMENDMENT OF AGREEMENTS

Section 8.1. Amendments Permitted.

(a) This Trust Agreement and the rights and obligations of the Owner and the Purchase Agreement and the rights and obligations of the parties thereto, may be modified or amended at any time by a supplemental or amending agreement which shall become effective when the written consent of the Owner shall have been filed with the Trustee. No such modification or amendment shall modify any of the rights or obligations of the Trustee without its written assent thereto. Any such supplemental or amending agreement shall become effective as provided in Section 8.2.

(b) This Trust Agreement and the rights and obligations of the Owner, and the Purchase Agreement and the rights and obligations of the parties thereto, may be modified or amended at any time by a supplemental or amending agreement, without the consent of the Owner, but only (1) to add to the covenants and agreements of any party, other covenants to be observed, or to surrender any right or power herein reserved to the Trustee (for its own behalf) or the Town, (2) to secure additional revenues or provide additional security or reserves for payment of the Obligation, (3) to comply with the requirements of any state or federal securities laws or the Trust Indenture Act of 1939, as from time to time amended, if required by law or regulation lawfully issued thereunder, (4) to provide for the appointment of a successor trustee pursuant to the terms hereof, (5) to preserve the power of the Town to continue to issue bonds or incur obligations the interest on which is exempt from federal and State taxes; (6) to cure, correct or supplement any ambiguous or defective provision contained herein or therein or (7) in regard to questions arising hereunder or thereunder, as the parties hereto or thereto may deem necessary or desirable and which shall not materially adversely affect the interests of the Owner as evidenced by a Special Counsel's Opinion delivered by the Town to the Trustee. Any such supplemental or amending agreement shall become effective upon execution and delivery by the parties hereto or thereto as the case may be. The Trustee may rely upon a Special Counsel's Opinion as conclusive evidence that any such supplemental or amending agreement under Section 8.1 or Section 8.2 complies with this Article.

Section 8.2. Procedure for Amendment With Written Consent of Owner.

(a) This Trust Agreement and the Purchase Agreement may be amended by supplemental or amending agreement as provided in this Section in the event the consent of the Owner is required pursuant to Section 8.1. A copy of such supplemental or amending agreement, together with a request to the Owner for its consent thereto, shall be mailed by the Trustee to the Owner, but failure to mail copies of such supplemental or amending agreement and request shall not affect the validity of the supplemental or amending agreement when assented to as provided in this Section 8.2.

(b) Such supplemental or amending agreement shall not become effective unless there shall be filed with the Trustee the written consent of the Owner and a notice shall have been mailed as hereinafter in this Section provided. The consent of the Owner shall be effective only if accompanied by proof of ownership of the Obligation, which proof shall be such

as is permitted by Section 2.11. Any such consent shall be binding upon the Owner and on any subsequent Owner (whether or not such subsequent Owner has notice thereof) unless such consent is revoked in writing by the Owner or a subsequent Owner by filing such revocation with the Trustee prior to the date when the notice hereinafter in this Section provided for has been mailed.

(c) After the Owner shall have filed its consent to such supplemental or amending agreement, the Trustee shall mail a notice to the Owner in the manner hereinbefore provided in this Section for the mailing of such supplemental or amending agreement of the notice of adoption thereof, stating in substance that such supplemental or amending agreement has been consented to by the Owner and will be effective as provided in this Section (but failure to mail copies of said notice shall not affect the validity of such supplemental agreement or consents thereto). A record, consisting of the papers required by this Section to be filed with the Trustee, shall be conclusive proof of the matters therein stated. Such supplemental or amending agreement shall become effective upon the mailing of such last-mentioned notice, and such supplemental or amending agreement shall be deemed conclusively binding upon the parties hereto and the Owner after such filing, except in the event of a final decree of a court of competent jurisdiction setting aside such consent in a legal action or equitable proceeding for such purpose commenced within sixty (60) days.

Section 8.3. Effect of Supplemental Trust Agreement. From and after the time any supplemental or amending agreement becomes effective pursuant to this Article VIII, this Trust Agreement or the Purchase Agreement, as the case may be, shall be deemed to be modified and amended in accordance therewith, the respective rights, duties and obligations of the parties hereto or thereto and the Owner, as the case may be, shall thereafter be determined, exercised and enforced hereunder subject in all respects to such modification and amendment, and all the terms and conditions of any supplemental or amending agreement shall be deemed to be part of the terms and conditions of this Trust Agreement or the Purchase Agreement, as the case may be, for any and all purposes.

Section 8.4. Endorsement or Replacement of Obligations Delivered After Amendments. The Trustee may determine that any Obligation delivered after the effective date of any action taken as provided in this Article shall bear a notation, by endorsement or otherwise, in form approved by the Trustee, as to such action. In that case, upon demand of the Owner, a suitable notation shall be made on such Obligation. The Trustee may determine that the delivery of a substitute Obligation, so modified as in the opinion of the Trustee is necessary to conform to the Owner's action, which substitute Obligation shall thereupon be prepared, executed and delivered. In that case, upon demand of the Owner, such substitute Obligation shall be exchanged at the Corporate Trust Office of the Trustee, without cost to the Owner, for the Obligation then outstanding, upon surrender of such outstanding Obligation.

Section 8.5. Amendatory Endorsement of Obligations. The provisions of this Article shall not prevent the Owner from accepting any amendment or supplement as to the Obligation, provided that proper notation thereof is made on the Obligation.

ARTICLE IX  
COVENANTS, NOTICES

Section 9.1. Compliance With and Enforcement of Purchase Agreement. The Town shall perform all obligations and duties imposed on it under the Purchase Agreement and shall not do or permit anything to be done, or omit or refrain from doing anything, in any case where any such act done or permitted to be done, or any such omission of or refraining from action, would or might be an Event of Default. The Town, immediately upon receiving or giving any notice, communication or other document in any way relating to or affecting any such action will deliver the same, or a copy thereof, to the Trustee.

Section 9.2. Observance of Laws and Regulations. The Town shall well and truly keep, observe and perform all valid and lawful obligations or regulations now or hereafter imposed on it by contract, or prescribed by any law of the United States of America, or of the State, or by any officer, board or commission having jurisdiction or control, as a condition of the continued enjoyment of any and every right, privilege or franchise now owned or hereafter acquired by the Town, including its right to exist and carry on business as a political subdivision, to the end that such rights, privileges and franchises shall be maintained and preserved, and shall not become abandoned, forfeited or in any manner impaired.

Section 9.3. Recordation and Filing. The Town shall file this Trust Agreement (or a memorandum thereof or a financing statement with respect thereto), and all such documents as may be required by law (and shall take all further actions which may be necessary or be reasonably required by the Trustee which has no duty or obligation to impose such requirements), all in such manner, at such times and in such places as may be required by law in order fully to preserve, protect and perfect the security of the Trustee and the Owner.

Section 9.4. Further Assurances. The Trustee (at the reasonable request of the Town) and the Town shall make, execute and deliver any and all such further resolutions, instruments and assurances as may be reasonably necessary or proper to carry out the intention or to facilitate the performance of this Trust Agreement and the Purchase Agreement and for the better assuring and confirming unto the Owner the rights and benefits provided herein.

Section 9.5. Notification to the Town of Failure to Make Payments. The Trustee shall notify the Town of any failure by the Town to make any Payment or other payment required under the Purchase Agreement to be made to the Trustee, in writing and within one (1) Business Day of any such failure. Such notice shall not be a prerequisite for the occurrence of an Event of Default.

Section 9.6. Business Days. Except as otherwise required herein, if this Trust Agreement or the Purchase Agreement requires any party to act on a specific day and such day is not a Business Day, such party need not perform such act until the next succeeding Business Day, and such act shall be deemed to have been performed on the day required.

ARTICLE X  
LIMITATION OF LIABILITY

Section 10.1. Limited Liability of the Town. Except for the payment of Payments from the Excise Tax Revenues and the State Shared Revenues when due in accordance with the Purchase Agreement and the performance of the other covenants and agreements of the Town contained in the Purchase Agreement and herein, the Town shall have no pecuniary obligation or liability to any of the other parties or to the Owner with respect to this Trust Agreement or the terms, execution, delivery or transfer of the Obligation or the distribution of Payments to the Owner by the Trustee.

Section 10.2. No Liability of the Town for Trustee Performance. The Town shall have no obligation or liability to any of the other parties or to the Owner with respect to the performance by the Trustee of any duty imposed upon it under this Trust Agreement.

Section 10.3. Indemnification of the Trustee.

(a) To the extent permitted by law, the Town shall indemnify and save the Trustee and its officers, directors, agents and employees, harmless for, from and against all claims, losses, costs, expenses, liability and damages, including legal fees and expenses, arising out of: (1) any breach or default on the part of the Town in the performance of any of its obligations under this Trust Agreement and any other agreement made and entered into for purposes of the Project or any interest therein; (2) any act of negligence of the Town or of any of its agents, contractors, servants, employees or licensees with respect to the Project; (3) any act of negligence of any assignee of, or purchaser from, the Town or of any of its or their agents, contractors, servants, employees or licensees with respect to the Project; or (4) the exercise and performance by the Trustee of its powers and duties hereunder, under the Purchase Agreement or the Obligation or in connection with any document or transaction contemplated herewith or therewith. No indemnification will be made under this Section or elsewhere in this Trust Agreement for willful misconduct or negligence under this Trust Agreement by the Trustee, or by its officers, agents, employees, successors or assigns. As security for the payment of amounts due under Section 7.5 and this Section, the Trustee shall be secured under this Trust Agreement by a lien prior to that for the Obligation. The obligations of the Town hereunder for indemnification under this Section shall remain valid and binding notwithstanding, and shall survive, the payment or prepayment of principal represented by the Obligation or resignation or removal of the Trustee or the termination of this Trust Agreement.

(b) Promptly after determining that any event or condition which requires or may require indemnification by the Town hereunder exists or may exist, or after receipt of notice of the commencement of any action in respect of which indemnity may be sought hereunder, the Trustee shall notify the Town in writing of such circumstances or action (the "Notification"). Failure to give such notification shall not affect the right of the Trustee to receive the indemnification provided for herewith. Upon giving of the Notification, the Trustee shall cooperate fully with the Town in order that the Town may defend, compromise or settle any such matters or actions which may result in payment by the Town hereunder. The Town shall give the Trustee notice of its election within fifteen (15) days after receiving the Notification whether the Town, at its sole cost and expense, shall represent and defend the Trustee in any claim or action

which may result in a request for indemnification hereunder. If the Town timely gives the notice that it will represent and defend the Trustee thereafter, the Trustee shall not settle or compromise or otherwise interfere with the defense or undertakings of the Town hereunder; provided, however, the Trustee may retain its own counsel and still be indemnified against the cost of employing counsel and all other reasonable expenses despite an assumption of the defense by the Town if the Trustee believes in good faith that there are defenses available to it which are adverse to or in conflict with those available to the Town and which the Trustee believes in good faith cannot be effectively asserted by common counsel. The Trustee always has the right to employ separate legal counsel but, subject to the preceding sentence, the fees and expenses of its separate legal counsel must be paid by the Trustee unless the Town and the Trustee have mutually agreed to the employment of the Trustee's separate legal counsel. The Town shall not settle or compromise any claim or action against the Trustee without the written approval of the Trustee, except to the extent that the Town shall pay all losses and the Trustee shall be fully released from such claim or action. If the Town either fails to timely give its notice or notifies the Trustee that the Town will not represent and defend the Trustee, the Trustee may defend, settle, compromise or admit liability as it shall determine in the reasonable exercise of its discretion, at the expense of the Town. In the event the Town is required to and does indemnify the Trustee as herein provided, the rights of the Town shall be subrogated to the rights of the Trustee to recover such losses or damages from any other person or entity.

Section 10.4. Opinion of Counsel. Before being required to take any action, the Trustee may require an opinion of Independent Counsel acceptable to the Trustee, which opinion shall be made available to the other parties hereto upon request, or a verified certificate of any party hereto, or both, concerning the proposed action. If it does so in good faith, the Trustee shall be absolutely protected in relying thereon.

## ARTICLE XI EVENTS OF DEFAULT AND REMEDIES OF OBLIGATION OWNER

Section 11.1. Seller's Rights Held in Trust. As provided herein, the Trustee holds in trust hereunder all of the Seller's rights in and to the Purchase Agreement, including without limitation all of the Seller's rights to exercise such rights and remedies conferred on the Seller pursuant to the Purchase Agreement as may be necessary or convenient to enforce payment of the Payments and any other amounts required to be deposited in the Payment Fund and enforcement of the pledge of the Excise Revenues and the State Shared Revenues for the payment of the Obligation.

Section 11.2. Remedies Upon Default; No Acceleration. If an Event of Default shall happen, then and in each and every such case during the continuance of such Event of Default, the Trustee may, or upon request of the Owner and receiving indemnity satisfactory to it shall, exercise one or more of the remedies granted pursuant to the Purchase Agreement; provided, however, that notwithstanding anything herein or in the Purchase Agreement to the contrary, there shall be no right under any circumstances to accelerate the payment dates of the Obligation or otherwise to declare any of the Payments not then past due or in default to be immediately due and payable.

Section 11.3. Application of Funds. All moneys received by the Trustee pursuant to any right given or action taken pursuant to the provisions of this Article XI or Section 9 of the Purchase Agreement and all moneys otherwise than held by the Trustee shall be applied by the Trustee in the order following, in the case of the Obligation, upon presentation of the Obligation, and the stamping thereon of the payment if only partially paid, or upon the surrender thereof if fully paid:

First, to the payment of the fees, costs and expenses of the Trustee and then of the Owner in declaring such Event of Default, including reasonable compensation to its or their agents, attorneys and counsel and the creation of a reasonable reserve for anticipated fees, costs and expenses and

Second, to the payment of the whole amount then owing and unpaid with respect to the Obligation and, in case such moneys shall be insufficient to pay in full the whole amount so owing and unpaid with respect to the Obligation, then to the payment of such principal and interest without preference or priority of principal over interest, or of interest over principal, or of any installment of interest over any other installment of interest, ratably to the aggregate of such principal and interest.

Section 11.4. Institution of Legal Proceedings. If one or more Events of Default shall happen and be continuing, the Trustee in its discretion may, and upon the written request of the Owner, and upon being indemnified to its satisfaction therefor, shall, proceed to protect or enforce its rights or the rights of the Owner by a suit in equity or action at law for the specific performance of any covenant or agreement contained herein. Nothing herein shall be deemed to authorize the Trustee to authorize or consent to or accept or adopt on behalf of the Owner any plan of reorganization, arrangement, adjustment, or composition affecting the Obligation or the rights of the Owner, or to authorize the Trustee to vote in respect of the claim of the Owner in any such proceeding without the approval of the Owner.

Section 11.5. Non-waiver. Except as otherwise provided in this Article, the Owner has the right to institute suit to enforce and collect the Payments as provided in the Purchase Agreement. No delay or omission of the Trustee or of the Owner to exercise any right or power arising upon the happening of any Event of Default shall impair any such right or power or shall be construed to be a waiver of any such Event of Default or an acquiescence therein, and every power and remedy given by this Article to the Trustee or the Owner may be exercised from time to time and as often as shall be deemed expedient by the Trustee or the Owner.

Section 11.6. Power of Trustee to Control Proceedings. In the event that the Trustee, upon the happening of an Event of Default, shall have taken any action, by judicial proceedings or otherwise, pursuant to its duties hereunder, whether upon its own discretion or upon the request of the Owner, it shall have full power, in the exercise of its discretion for the best interests of the Owner, with respect to the continuance, discontinuance, withdrawal, compromise, settlement or other disposal of such action; provided, however, that the Trustee shall not discontinue, withdraw, compromise or settle, or otherwise dispose of any litigation pending at law or in equity, without the consent of the Owner.

Section 11.7. Limitation on Obligation Owner's Right to Sue. The Owner shall not have the right to institute any suit, action or proceeding at law or in equity, for any remedy under or upon this Trust Agreement, unless (1) the Owner shall have previously given to the Trustee written notice of the occurrence of an Event of Default hereunder; (2) the Owner shall have made written request upon the Trustee to exercise the powers hereinbefore granted or to institute such action, suit or proceeding in its own name; (3) the Owner shall have tendered to the Trustee indemnity satisfactory to it against the costs, expenses, and liabilities to be incurred in compliance with such request; and (4) the Trustee shall have refused or omitted to comply with such request for a period of sixty (60) days after such written request shall have been received by, and said tender of indemnity shall have been made to, the Trustee.

## ARTICLE XII MISCELLANEOUS

### Section 12.1. Defeasance.

(a) If and when the Obligation or a portion thereof shall be paid and discharged in any one or more of the following ways:

(1) By paying or causing to be paid the principal, interest and premium, if any, represented by such Obligation, as and when the same become due and payable;

(2) By depositing with a Depository Trustee, in trust for such purpose, at or before the payment date therefor, money which, together with the amounts then on deposit in the Payment Fund is fully sufficient to pay or cause to be paid all principal, interest and premium, if any, due represented by the Obligation; or

(3) By depositing with a Depository Trustee, in trust for such purpose, any Defeasance Obligations which are noncallable in such amount as shall be certified to the Town in a report by an independent firm of nationally recognized certified public accountants acceptable to the Trustee and the Town, as being fully sufficient, together with the interest to accrue thereon and moneys then on deposit in the Payment Fund together with the interest to accrue thereon, to pay and discharge or cause to be paid and discharged all principal, interest and premium, if any represented by the Obligation at its payment or prepayment dates, which deposit may be made in accordance with the provisions of Section 7 of the Purchase Agreement;

notwithstanding that the Obligation shall not have been surrendered for payment, all obligations of the Trustee and the Town shall cease and terminate, except only the obligation of the Trustee to pay or cause to be paid, from funds deposited pursuant to subsections (2) or (3) of this Section and paid to the Trustee by the Depository Trustee, to the Owner all sums due with respect thereto, and in the event of deposits pursuant to subsections (2) or (3), the Obligation shall continue to represent direct and proportionate interests of the Owner in such funds.

(b) Any funds held by the Trustee, at the time of one of the events described in paragraph (a) of this Section, which are not required for the payment to be made to



Owner or for the payment of any other amounts due and payable by the Town hereunder or under the Purchase Agreement, shall be paid over to the Town.

(c) The Obligation or any portion thereof may be paid and discharged as provided in this Section; provided however, that if principal represented by the Obligation is to be prepaid, notice of such prepayment shall have been given in accordance with the provisions hereof or the Town shall have submitted to the Trustee instructions to be irrevocable as to the date upon which the Obligation or portion thereof is to be prepaid and as to the giving of notice of such prepayment; and provided further, that if the Obligation or portion thereof will not be payable within sixty (60) days of the deposit referred to in subsections (2) or (3) of this Section, the Trustee shall give notice of such deposit by Electronic Means to the Owner.

(d) No Obligation may be provided for as described in this Section if, as a result thereof, or of any other action in connection with which the provisions for payment of the Obligation is made, the interest payable on any Obligation is thereby made includable in gross income for federal income tax purposes. The Trustee, the Depository Trustee, and the Town may rely upon a Special Counsel's Opinion to the effect that the provisions of this subsection will not be breached by so providing for the payment of the Obligation.

Section 12.2. Notices. All written notices to be given under this Trust Agreement shall be given by overnight delivery or courier or by mail or personal delivery to the party entitled thereto at its address set forth below, or at such address as the party may provide to the other party in writing from time to time. Notice shall be effective upon deposit in the United States of America mail, postage prepaid or, in the case of personal delivery, upon delivery to the address set forth below:

If to the Town:                      Town of Camp Verde, Arizona  
473 South Main Street  
Camp Verde, Arizona 86322  
Attention: Town Manager

If to the Trustee:                    U.S. Bank Trust Company, National Association  
2222 East Camelback Road, Suite 110  
Phoenix, Arizona 85016  
Attention: Global Corporate Trust

All notices, approvals, consents, requests and any communications to the Trustee hereunder must be in writing in English and must be in the form of a document that is signed manually or by way of an electronic signature (including electronic images of handwritten signatures and digital signatures provided by DocuSign, Orbit, Adobe Sign or any other electronic signature provider acceptable to the Trustee). Electronic signatures believed by the Trustee to comply with the ESIGN ACT of 2000 or other applicable law shall be deemed original signatures for all purposes. If the Town chooses to use electronic signatures to sign documents delivered to the Trustee, the Town agrees to assume all risks arising out of its use of electronic signatures, including without limitation the risk of the Trustee acting on an unauthorized document and the risk of interception or misuse by third parties. Notwithstanding the foregoing, the Trustee may in any instance and in its sole

discretion require that an original document bearing a manual signature be delivered to the Trustee in lieu of, or in addition to, any document signed via electronic signature.

Section 12.3. Incorporation of State Statutes.

(a) As required by the provisions of Section 38-511, Arizona Revised Statutes, notice is hereby given that the Town may, within three years after its execution, cancel any contract, without penalty or further obligation, made by the Town if any person significantly involved in initiating, negotiating, securing, drafting or creating the contract on behalf of the Town is, at any time while the contract or any extension of the contract is in effect, an employee or agent of any other party to the contract in any capacity or a consultant to any other party of the contract with respect to the subject matter of the contract. The cancellation shall be effective when written notice is received by all other parties to the contract unless the notice specifies a later time. To the best knowledge of the Town and the Trustee, no basis exists for the Town to cancel this Trust Agreement pursuant to Section 38-511, Arizona Revised Statutes, as of the date hereof.

(b) To the extent applicable under Section 41-4401, Arizona Revised Statutes, the Trustee shall comply with all federal immigration laws and regulations that relate to its employees and its compliance with the “e-verify” requirements under Section 23-214(A), Arizona Revised Statutes. The breach by the Trustee of the foregoing shall be deemed a material breach of this Trust Agreement and may result in the termination of the services of the Trustee. The Town retains the legal right to randomly inspect the papers and records of the Trustee to ensure that the Trustee is complying with the above-mentioned warranty. The Trustee shall keep such papers and records open for random inspection during normal business hours by the Trustee. The Trustee shall cooperate with the random inspections by the Town including granting the Town entry rights onto its property to perform such random inspections and waiving its respective rights to keep such papers and records confidential. The Town shall preserve the confidentiality of any information, records or papers the Town views, accesses or otherwise obtains during any and every such random inspection.

(c) To the extent applicable under Section 35-393, et. seq., Arizona Revised Statutes, Trustee hereby certifies it is not currently engaged in, and for the duration of this Agreement shall not engage in, a boycott of Israel. The term “boycott” has the meaning set forth in Section 35-393, Arizona Revised Statutes. If Town determines that Trustee’s certification above is false or that it has breached such agreement, Town may impose remedies as provided by law.

(d) To the extent applicable under Section 35-394, Arizona Revised Statutes, the Trustee hereby certifies it does not currently, and for the duration of this Trust Agreement shall not use: (i) the forced labor of ethnic Uyghurs in the People’s Republic of China, (ii) any goods or services produced by the forced labor of ethnic Uyghurs in the People’s Republic of China, and (iii) any contractors, subcontractors or suppliers that use the forced labor or any goods or services produced by the forced labor of ethnic Uyghurs in the People’s Republic of China. The foregoing certification is made to the best knowledge of the Trustee without any current independent investigation or without any future independent investigation for the duration of this Trust Agreement. If the Trustee becomes aware during the duration of this Trust Agreement that it is not in compliance with such certification, the Trustee shall provide the required notice to

the Town and resign as Trustee hereunder in accordance with the provisions of Article VII. If the Town determines that the Trustee is not in compliance with the foregoing certification and has not taken remedial action, the Town shall terminate the Trustee's role as the Trustee hereunder pursuant to Article VII.

Section 12.4. Governing Law. This Trust Agreement shall be construed and governed in accordance with the laws of the State.

Section 12.5. Binding Effect and Successors. This Trust Agreement shall be binding upon and inure to the benefit of the parties and their respective successors and assigns. Whenever in this Trust Agreement either the Town or the Trustee is named or referred to, such reference shall be deemed to include successors or assigns thereof, and all the covenants and agreements in this Trust Agreement contained by or on behalf of the Town or the Trustee shall bind and inure to the benefit of the respective successors and assigns thereof whether so expressed or not.

Section 12.6. Execution in Counterparts. This Trust Agreement may be executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same Trust Agreement.

Section 12.7. Destruction of Cancelled Obligations. Whenever in this Trust Agreement provision is made for the surrender to or cancellation by the Trustee and the delivery to the Town of the Obligation, the Trustee may destroy the Obligation and deliver a certificate of such destruction to the Town instead.

Section 12.8. Headings. The headings or titles of the several Articles and Sections hereof, and any table of contents appended to copies hereof, shall be solely for convenience of reference and shall not affect the meaning, construction or effect of this Trust Agreement. All references herein to "Articles", "Sections", and other subdivisions are to the corresponding Articles, Sections or subdivisions of this Trust Agreement; and the words "herein", "hereof", "hereunder" and other words of similar import refer to this Trust Agreement as a whole and not to any particular Article, Section or subdivision hereof.

Section 12.9. Parties Interested Herein. Nothing in this Trust Agreement or the Obligation, expressed or implied, is intended or shall be construed to confer upon, or to give or grant to, any person or entity, other than the Town, the Trustee and the Owner, any legal or equitable right, remedy or claim under or by reason of this Trust Agreement or any covenant, condition or stipulation hereof, and all covenants, stipulations, provisions and agreements in this Trust Agreement contained by and on behalf of the Town shall be for the sole and exclusive benefit of the Town, the Trustee and the Owner.

Section 12.10. Waiver of Notice. Whenever in this Trust Agreement the giving of notice by mail or otherwise is required, the giving of such notice may be waived in writing by the person entitled to receive such notice and in any case the giving or receipt of such notice shall not be a condition precedent to the validity of any action taken in reliance upon such waiver.

Section 12.11. Severability of Invalid Provisions. In case any one or more of the provisions contained in this Trust Agreement or in the Obligation shall for any reason be held to be invalid, illegal or unenforceable in any respect, then such invalidity, illegality or unenforceability shall not affect any other provision of this Trust Agreement, and this Trust Agreement shall be construed as if such invalid or illegal or unenforceable provision had never been contained herein. The parties hereto hereby declare that they would have entered into this Trust Agreement and each and every other section, paragraph, sentence, clause or phrase hereof and authorized the delivery of the Obligation pursuant thereto irrespective of the fact that any one or more sections, paragraphs, sentences, clauses or phrases of this Trust Agreement may be held illegal, invalid or unenforceable.

[Signature page follows.]

IN WITNESS WHEREOF, the parties have executed this Trust Agreement as of the day and year first above written.

U.S. BANK TRUST COMPANY, NATIONAL ASSOCIATION, as Trustee

By.....  
Authorized Representative

TOWN OF CAMP VERDE, ARIZONA

By.....  
Mayor

ATTEST:

.....  
Town Clerk

[Signature page to Fifth Trust Agreement]

EXHIBIT A

(Form of Obligation)

Number: R-.....

Principal Amount: \$.....

**THIS OBLIGATION IS SUBJECT TO RESTRICTIONS  
ON TRANSFER PROVIDED IN SECTION 2.8(a) OF  
THE HEREIN DESCRIBED TRUST AGREEMENT**

PLEGGED REVENUE OBLIGATION, SERIES 2024  
Evidencing a Proportionate Interest of the Owner  
Hereof in Payments to be Made by

THE TOWN OF CAMP VERDE, ARIZONA

to

.....,  
as Trustee

Interest Rate:                      Payment Date:                      Dated Date:  
.....%                      August 1, 20....                      \_\_\_\_\_, 2024

REGISTERED OWNER: .....

PRINCIPAL AMOUNT: ..... DOLLARS

THIS IS TO CERTIFY THAT the registered owner identified above, as the registered owner of this Pledged Revenue Obligation, Series 2024 (this "Obligation"), is the owner of all of the interests in the right to receive certain "Payments" under and defined in that certain Sixth Purchase Agreement, dated as of \_\_\_\_\_ 1, 2024 (the "Purchase Agreement"), by and between ..... (the "Trustee"), and the Town of Camp Verde, Arizona, a municipal corporation under the laws of the State of Arizona (the "Town"), which Payments and other rights and interests under the Purchase Agreement are held by the Trustee in trust under that certain Sixth Trust Agreement, dated as of \_\_\_\_\_ 1, 2024 (the "Trust Agreement"), by and between the Town and the Trustee. The Trustee maintains a corporate trust office for payment and transfer of this Obligation (the "Designated Office").

The registered owner of this Obligation is entitled to receive, subject to the terms of the Purchase Agreement, on the payment date set forth above, the principal amount set forth above, representing a portion of the payments due designated as principal coming due and to receive semiannually on February 1 and August 1 of each year commencing February 1, 2025 (the "Interest Payment Dates"), until payment in full of said portion of principal or prepayment prior thereto, the registered owner's proportionate share of the payments designated as interest coming due during the period commencing on the last date on which interest was paid and ending on the

day prior to the Interest Payment Date or, if no interest has been paid, from the Dated Date specified above. Said interest is the result of the multiplication of said principal by the interest rate per annum set forth above. Interest shall be calculated on the basis of a 360-day year composed of twelve (12) months of thirty (30) days each.

Principal and interest related to this Obligation shall be payable from the Payments, which shall be secured by a paramount and first lien on and pledge of Excise Tax Revenues and State Shared Revenues (each as defined in the Trust Agreement) on parity with the pledge and lien granted by the City for the payment and security of the Parity IGA, the Second Purchase Agreement, the Third Purchase Agreement, the Fourth Purchase Agreement, the Fifth Purchase Agreement and any Additional Revenue Obligations (each as defined in the Trust Agreement).

Principal and interest related to this Obligation and the other amounts due with respect hereto are payable in lawful money of the United States of America by wire transfer in immediately available funds without surrender of the Obligation, except that the final payment of principal and interest, when due, will be paid upon surrender of this Obligation at the Designated Office.

The Trustee has no obligation or liability to the registered owner of this Obligation for the payment of interest or principal related to this Obligation. The Trustee's sole obligations are to administer, for the benefit of the registered owner of this Obligation, the various funds and accounts established pursuant to the Trust Agreement. (The recitals, statements, covenants and representations made in this Obligation shall be taken and construed as made by and on the part of the Town, and not by the Trustee, and the Trustee does not assume, and shall not have, any responsibility or obligation for the correctness of any thereof.)

This Obligation has been executed and delivered by the Trustee pursuant to the terms of, and for the purposes described in, the Trust Agreement. The Town is authorized to enter into the Purchase Agreement and the Trust Agreement under the laws of the State of Arizona and by a resolution of the Mayor and Common Council of the Town adopted on September 18, 2024. Reference is hereby made to the Purchase Agreement and the Trust Agreement (copies of which are on file at the Designated Office) for further definitions, the terms, covenants and provisions pursuant to which this Obligation is delivered, the rights thereunder of the registered owner of this Obligation, the terms under which the Trust Agreement or the Purchase Agreement may be modified or supplemented, the rights, duties and immunities of the Trustee and the security for, and the rights and obligations of the Town under the Purchase Agreement (including with respect to certain obligations secured and to be secured on a parity lien basis with the security for the Payments and to certain limitations on such security), to all of the provisions of which Purchase Agreement and Trust Agreement the registered owner of this Obligation, by acceptance hereof, assents and agrees. (To the extent and in the manner permitted by the terms of the Trust Agreement, the provisions of the Trust Agreement and the Purchase Agreement may be amended by the parties thereto with the written consent of the owner this Obligation, and may be amended without such consent under certain circumstances but in no event such that the interest of the owner of this Obligation is adversely affected, provided that no such amendment shall impair the right of the owner to receive in any case the owner's proportionate share of any Payment thereof in accordance with this Obligation.)

The obligation of the Town to make the Payments does not represent or constitute a general obligation of the Town for which the Town is obligated to levy or pledge any form of taxation nor does the obligation to make the Payments under the Purchase Agreement constitute an indebtedness of the Town, the State of Arizona or any of its political subdivisions within the meaning of any constitutional or statutory debt limitation or restriction or otherwise.

Neither the Trustee nor the registered owner of this Obligation shall have any right under any circumstances to accelerate the payment date of this Obligation or otherwise declare any of the Payments not then past due or in default to be immediately due and payable. (This Obligation represents an interest in a limited obligation of the Town (as described herein), and no member of the Mayor and Common Council, officer or agent, as such, past, present or future, of the Town shall be personally liable for the payment hereof.)

This Obligation is executed and delivered only in fully registered form and shall not be transferable or exchangeable, except as provided in the Trust Agreement.

The Trustee may require a registered owner, among other things, to furnish appropriate endorsements and transfer documents and to pay any taxes or governmental charges required by law in connection with the exchange or transfer.

The Trustee may, but shall not be obligated to, exchange or register the transfer of this Obligation (i) if this Obligation has been selected for prepayment, or (ii) during a period of fifteen (15) days preceding the giving of a notice of prepayment. If this Obligation is so transferred, any notice of prepayment which has been given to the transferor shall be binding on the transferee, and a copy of the notice of prepayment shall be delivered by the Trustee to the transferee along with the duly registered Obligation.

The registered owner of this Obligation shall have no right to enforce the provisions of the Trust Agreement or the Purchase Agreement or to institute any action to enforce the covenants thereof, or to take any action with respect to a default thereunder or hereunder, or to institute, appear in or defend any suit or other proceedings with respect thereto, except as provided in the Trust Agreement.

Principal represented by this Obligation is subject to optional prepayment in such order and from such principal amounts payable as may be selected by the Town, in whole or in part on any date, at a price equal to the principal amount to be prepaid, together with accrued interest to the date fixed for prepayment but without premium.

Principal represented by this Obligation, shall be prepaid on August 1 of the years indicated and in the principal amounts indicated at a price equal to the amount thereof plus interest accrued to the date of prepayment, but without premium:



A remaining principal amount of \$\_\_\_\_,000 of this Obligation shall be paid on August 1, 20\_\_.

Whenever this Obligation is purchased, prepaid (other than pursuant to mandatory prepayment) or delivered by the Town to the Trustee for cancellation, the principal amount so retired shall satisfy and be credited against the mandatory prepayment requirements for this Obligation for such years as the Town may direct.

The Trustee shall give notice of any optional prepayment of this Obligation as provided above no more than 60 nor less than 30 calendar days prior to the prepayment date to the registered owner at its address provided to the Trustee. A certificate of the Trustee shall conclusively establish the mailing of any such notice for all purposes.

If at the time of giving of the notice of prepayment there has not been deposited with the Trustee moneys or eligible securities sufficient to prepay and other requirements set forth in the Trust Agreement are not met, such notice shall state that it is conditional, subject to the deposit of moneys sufficient for the prepayment and satisfaction of such conditions. If the principal of this Obligation is subject to prepayment and if on the prepayment date moneys for the prepayment thereof are held by the Trustee and those other conditions are met, thereafter such principal to be prepaid shall cease to bear interest, and shall cease to be secured by, and shall not be deemed to be outstanding under, the Trust Agreement. The failure to receive any notice of prepayment, or any defect in such notice in respect of any Obligation, shall not affect the validity of prepayment of any Obligation.

It is hereby certified, recited and declared that all conditions, acts and things required by the Constitution and laws of the State of Arizona to happen, to be done, to exist and to be performed precedent to and in the execution and delivery of this Obligation have happened, have been done, do exist and have been performed in regular and due form and time as required by law.

This Obligation shall not be entitled to any security or benefit under the Trust Agreement until executed by the Trustee.

IN WITNESS WHEREOF, this Obligation has been executed and delivered by the Trustee, acting pursuant to the Trust Agreement.

Date of Execution: .....

.....,  
as Trustee

By.....  
Authorized Representative

ASSIGNMENT

FOR VALUE RECEIVED, the undersigned ..... (the "Transferor"), hereby sells, assigns and transfers unto ..... (the "Transferee"), whose address is ..... and whose social security number (or other federal tax identification number) is

PLEASE INSERT SOCIAL SECURITY OR OTHER  
IDENTIFYING NUMBER OF TRANSFEREE

.....  
.....

the within certificate and all rights thereunder, and hereby irrevocably constitutes and appoints ..... as attorney to register the transfer of the within certificate on the books kept for registration and registration of transfer thereof, with full power of substitution in the premises.

Date: .....

.....  
NOTICE: No transfer will be registered and no new certificate will be issued in the name of the Transferee, unless that signature(s) to this assignment correspond(s) with the name as it appears on the face of the within certificate in every particular, without alteration or enlargement or any change whatever and name, address and the Social Security Number or federal employee identification number of the Transferee is supplied

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

- TEN COM - as tenants in common
- TEN ENT - as tenants by the entireties
- JT TEN - as joint tenants with right of survivorship and not as tenants in common

UNIF GIFT/TRANS MIN ACT - ..... Custodian for .....  
(Cust.) (Minor)

under Uniform Gifts/Transfers to Minors Act of .....  
(State)

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

EXHIBIT B

(Form of Payment Request Form)

Payment Request Form

Application No. ....

The Trustee is hereby requested to pay from the "Acquisition Fund" established by the Sixth Trust Agreement, dated as of \_\_\_\_\_ 1, 2024 (the "Trust Agreement"), between the Town of Camp Verde, Arizona (the "Town"), and ....., as trustee (the "Trustee") to the person or corporation designated below as "Payee," the sum set forth below such designation, in payment of the Project Costs (as such term and other undefined terms used herein are defined in the Trust Agreement) with respect to the Project described below. The amount shown below is due and payable under a purchase order or contract with respect to such costs described below and has not formed the basis of any prior request for payment.

Payee: .....

Address or Wiring Instructions: .....

Amount: .....

Description of costs or portion thereof authorized to be paid to the Payee: .....

The Town acknowledges that it has received and inspected items related to such costs and has found each item thereof so described to be in good condition, in conformity with the Town's specifications and satisfactory for the Town's purposes and in accordance with the applicable purchase order or contract. Notwithstanding anything herein to the contrary, the Town shall not be deemed to have waived or released the Payee from any liability or obligation to the Town in the event the Town's acknowledgment herein is discovered to be inaccurate in any respect as to any item described above.

By execution of this Payment Request Form, the Town requests and approves the payment of the amount stated above to Payee set forth above.

DATED: ....., 20....

.....  
Town Representative

Please forward payment to Payee at the following address:

EXHIBIT C

(Form of Reimbursement Request Form)

Reimbursement Request Form

Application No. ....

The Trustee is hereby requested to pay from the "Acquisition Fund" established by the Sixth Trust Agreement, dated as of \_\_\_\_\_ 1, 2024 (the "Trust Agreement"), between the Town of Camp Verde, Arizona (the "Town"), and ....., as trustee (the "Trustee"), to the Town, the sum set forth below as reimbursement of (all/a portion) of the Project Costs (as such term and other undefined terms used herein are defined in the Trust Agreement) with respect to the Project described below. Payment of the amount, shown below was made by the Town on ....., 20....., as evidenced by ..... attached hereto, as full/partial payment of ....., also attached hereto. The amount shown below was paid by the Town and has not formed the basis of any prior request for payment.

The Town acknowledges that it has received and has inspected items related to such costs and has found each item thereof so described to be in good condition, in conformity with the Town's specifications and satisfactory for the Town's purposes. Notwithstanding anything herein to the contrary, the Town shall not be deemed to have waived or released any entity named on the attached documentation, from any liability or obligation to the Town in the event the Town's acknowledgment herein is discovered to be inaccurate in any respect as to any item described below.

Amount: .....

Description of costs or portion thereof for which reimbursement is hereby requested:

DATED: ....., 20....

.....  
Town Representative

Dated Received: ....., 20....

PLACEMENT AGENT AGREEMENT

September 18, 2024

Town of Camp Verde, Arizona  
473 South Main Street  
Camp Verde, Arizona 86322

Re: Town of Camp Verde, Arizona Pledged Revenue Obligation, Series 2024

The Town of Camp Verde, Arizona (the “Issuer”) proposes to cause the execution and delivery in a private placement of the above-referenced obligation of the Issuer (the “Obligation”), the Obligation to be executed and delivered for the purposes described in the hereinafter defined Resolution, and to pay costs incurred in connection with the execution and delivery of the Obligation. The Obligation is authorized to be executed and delivered pursuant to a Resolution of the Mayor and Common Council of the Issuer (the “Council”) adopted on September 18, 2024 (the “Resolution”).

This Placement Agent Agreement (this “Agreement”) confirms the agreement between the Issuer and Stifel, Nicolaus & Company, Incorporated (the “Placement Agent”) as follows:

1. Engagement. The Issuer hereby engages the Placement Agent as its exclusive agent to assist the Issuer in placing the Obligation on a best efforts basis with one or more purchasers, each a “qualified institutional buyer” as defined in Rule 144A under the Securities Act of 1933 (the “Securities Act”) or an “accredited investor,” as defined in Rule 501(a)(1), (2), (3), or (7) under the Securities Act, as represented by each purchaser in an executed Investor Letter in the form attached as Exhibit C hereto (the “Purchaser,” or the “Purchasers”), on a private placement basis (the “Placement”). Sale and delivery of the Obligation by the Issuer and purchase by the Purchasers will occur on the day of closing (“Closing Date”). The Issuer acknowledges and agrees that the Placement Agent’s engagement hereunder is not an agreement by the Placement Agent or any of its affiliates to underwrite or purchase the Obligation or otherwise provide any financing to the Issuer. The Placement Agent hereby accepts this engagement upon the terms and conditions set forth in this Agreement.
2. Fees and Expenses.
  - (a) For its services under this Agreement, the Issuer agrees to pay the Placement Agent:
    - (1) a placement fee for its services under this Agreement of \$ \_\_\_\_\_, payable on the Closing Date; and

- (2) as reimbursement payable on the Closing Date, the reasonable expenses incurred by the Placement Agent in preparing to market and marketing the Obligation, including, but not limited to, travel and printing and distribution of the Placement Materials (as defined herein); provided that the Placement Agent shall be under no obligation to pay any expenses incident to this Agreement.
- (b) In the event the Issuer terminates this Agreement and within twelve (12) months thereafter sells the Obligation to an investor identified by the Placement Agent to the Issuer prior to such termination, the amounts payable under (a)(2) above shall be immediately due and payable by the Issuer.

3. Disclosure and Due Diligence.

- (a) The Issuer has furnished the Placement Agent with a term sheet in the form of the Request for Proposals to Purchase the Obligations – Proposed General Terms and Conditions, the Issuer’s comprehensive annual financial reports and budgets for the fiscal years indicated in such term sheet and the forms of the Resolution, the Purchase Agreement (as defined in the Resolution) and the Trust Agreement (as defined in the Resolution) (together with all supplements, modifications, and additions thereto prior to the Closing Date, the “Placement Materials”). The Issuer acknowledges and agrees that it has, with the assistance of the Placement Agent, prepared and is solely responsible for the completeness, truth, and accuracy of the Placement Materials and that the Placement Agent and each Purchaser may rely upon, as complete, true, and accurate, the Placement Materials and all information provided by the Issuer to the Placement Agent for use in connection with the Placement and that the Placement Agent does not assume any responsibility therefor.
- (b) Prior to the Closing Date, the Issuer will make available to each Purchaser and the Placement Agent such documents and other information which the Purchaser or the Placement Agent reasonably deems appropriate with respect to the transaction contemplated hereby, will provide access to its officers, directors, employees, accountants, counsel and other representatives, and will provide each Purchaser and the Placement Agent the opportunity to ask questions and receive answers from knowledgeable individuals, including Greenberg Traurig, LLP, special counsel to the Issuer (“Special Counsel”) (whose opinion each shall receive and upon which they may rely) concerning the Issuer, the Obligation, and the security therefor; it being understood that the Purchasers and the



Placement Agent will rely solely upon such information supplied by the Issuer and its representatives without assuming any responsibility for independent investigation or verification thereof.

- (c) In the event that the Placement Agent is unable to complete “due diligence” in order to form a reasonable basis for recommending the Obligation to Purchasers either (1) because of the Issuer’s failure to comply with paragraph (a) or (b) of this paragraph or (2) because the Placement Agent uncovers “red flags” about the Issuer that cause the Placement Agent to be not satisfied that the Placement Agent can in good faith recommend the Obligation to Purchasers, the Placement Agent may terminate this Agreement without further obligation on the part of the Placement Agent to proceed with the Placement and without any obligation on the part of the Placement Agent to reimburse to the Issuer any monies advanced by the Issuer to the Placement Agent.

4. Representations, Warranties, and Agreements of the Issuer. As of the date of this Agreement, unless otherwise stated, the undersigned, on behalf of the Issuer, but not individually, represents, warrants, and agrees with the Placement Agent that:

- (a) The Issuer is duly organized and validly existing under the laws of the State of Arizona (the “State”) with the power to adopt the Resolution, perform the agreements on its part contained therein and in the agreements approved thereby and cause the execution and delivery of the Obligation.
- (b) The Issuer will not cause or permit any action to be taken in the placement of the Obligation in violation of the requirements for exemption from registration or qualification of the Obligation under all federal and applicable state securities laws and regulations.
- (c) The Issuer has complied materially, and in all respects on the Closing Date will be in material compliance, with all of the provisions of applicable law of the State.
- (d) The Issuer: (1) has duly authorized and approved the execution and delivery of this Agreement, the Purchase Agreement and the Trust Agreement (collectively, the “Documents”); (2) will have duly adopted the Resolution prior to the Closing Date; (3) will duly authorize and approve the Placement Materials and the delivery thereof to prospective Purchasers; and (4) will duly authorize and approve the execution and delivery of all financing or operative documents, including the Obligation and the Documents, relating to the execution and delivery and security for the Obligation, as such documents are amended and supplemented to the Closing Date,

including but not limited to any trust indenture, loan agreement, or security instrument (collectively, the “Financing Documents”), and the performance of its obligations and the consummation by it of all other transactions contemplated thereby.

- (e) On the Closing Date, the Financing Documents will have been duly authorized, executed, and delivered by the Issuer, and, assuming due authorization, execution and delivery by the other parties thereto, as applicable, constitute legal, valid and binding agreements of the Issuer enforceable in accordance with their respective terms, except as the enforcement thereof may be limited by bankruptcy, insolvency, moratorium, reorganization, fraudulent conveyance or other laws affecting the enforcement of creditors’ rights generally and by the application of equitable principles if sought and by the limitations on legal remedies imposed on actions against the Issuer in the State.
- (f) The Issuer is not, and on the Closing Date will not be, in breach of or default under any applicable law or administrative regulation of the State or any department, division, agency or instrumentality thereof, or of the United States, or any applicable judgment or decree or any loan agreement, note, resolution, certificate, agreement or other instrument to which the Issuer is a party or is otherwise subject, which breach or default would materially and adversely affect the Issuer or its ability to perform its duties and obligations under the Financing Documents, and the execution and delivery of the Financing Documents, the adoption of the Resolution and the execution and delivery of the Financing Documents and the Obligation and compliance with the provisions of each will not conflict with or constitute a breach of or default under any applicable law or administrative regulation of the State or under any certificate, agreement or other instrument to which the Issuer is a party or is otherwise subject, which breach or default would materially and adversely affect the Issuer or its ability to perform its duties and obligations under the Financing Documents and the Obligation.
- (g) No action, suit, proceeding or investigation at law or in equity before or by any court, governmental agency, public board or body is, or on the Closing Date will be, pending or, to the knowledge of the Issuer, threatened: (i) in any way affecting the existence of the Issuer or the titles of the members of the Council to their respective offices, (ii) seeking to prohibit, restrain or enjoin the execution, sale or delivery of the Obligation or the levy, assessment or collection of taxes or collection or payment by the Issuer of any amounts pledged or to be pledged as security to pay the principal of and interest on Obligation, (iii) in any way contesting or affecting the validity or

enforceability of, or the power or authority of the Issuer to execute and deliver, adopt or to enter into (as applicable), the Obligation, the Resolution or the Financing Documents, (iv) contesting in any way the completeness, truth, or accuracy of the Placement Materials, or (v) except as disclosed in the Placement Materials, wherein an unfavorable decision, ruling or finding would materially adversely affect the financial position or condition of the Issuer or would result in any material adverse change in the ability of the Issuer to pledge or apply the security or source of payment of, or to pay debt service on, the Obligation, or (vi) contesting the status of the interest on the Obligation as excludable from gross income for federal income tax purposes or as exempt from any applicable state tax, in each case as described in the Placement Materials.

(h) Regarding information provided by the Issuer to the Placement Agent:

- (1) The Issuer will furnish the Placement Agent and the Purchaser with the Placement Materials. The Issuer represents and warrants that all information made available to the Placement Agent by the Issuer or contained in the Placement Materials, when provided will be, and will be at all times thereafter during the period of the engagement of the Placement Agent hereunder, complete, true, and accurate in all material respects and will not contain any untrue statement of a material fact or omit to state a material fact necessary in order to make the statements therein not misleading in light of the circumstances under which such statements are made;
- (2) except as otherwise indicated to the contrary in the Issuer's financial statements, all historical financial statements of the Issuer provided to the Placement Agent and each Purchaser have been prepared in accordance with generally accepted accounting principles and practices then in effect in the United States and will fairly present the financial condition and operations of the entities covered thereby in all material respects; and
- (3) any forecasted financial or market information with respect to the Issuer or its market provided to the Placement Agent and each Purchaser by the Issuer has been or will be prepared in good faith with a reasonable basis for the assumptions and the conclusions reached therein.

- (i) On the Closing Date, the Issuer will deliver or cause to be delivered to the Placement Agent:
  - (1) The opinion of Special Counsel, dated the Closing Date, relating to:
    - (i) the validity of the Obligation;
    - (ii) exemption from registration and qualification under federal and state securities law; and
    - (iii) the tax-exempt status of the Obligation, together with a reliance letter from such counsel, dated the Closing Date and addressed to the Placement Agent, in the form attached to this Agreement as Exhibit A, or such other form as is acceptable to the Placement Agent;
  - (2) A certificate of the Issuer, dated the Closing Date, in the form attached to this Agreement as Exhibit B, stating:
    - (i) the representations and warranties of the Issuer contained in this Agreement are true and correct as if made on the Closing Date;
    - (ii) the Issuer has complied with and fully satisfied all of its agreements with and obligations to the Placement Agent under this Agreement; and
    - (iii) as of its date and the Closing Date, the information contained in the Placement Materials is complete, true, and accurate and such information does not contain any untrue statement of a material fact or omit to state any material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading;
  - (3) An Investor Letter, in the form attached to this Agreement as Exhibit C, executed by each Purchaser and addressed to the Issuer and the Placement Agent; and
  - (4) Such additional legal opinions, certificates, proceedings, instruments and other documents as the Placement Agent and Special Counsel may reasonably request to evidence compliance by the Issuer with legal requirements, the truth and accuracy, as of the Closing Date, of the representations of the Issuer, and the due performance or satisfaction by the

Issuer at or prior to such time of all agreements then to be performed and all conditions then to be satisfied by the Issuer.

5. Termination. This Agreement may be terminated by either party upon ten (10) business days' prior written notice; provided that the provisions of Paragraph 2 and obligations thereunder shall not be affected by such termination.
6. Regulatory Disclosure. The Issuer acknowledges, in connection with the purchase and sale of the Obligation, the offering of the Obligation for sale and the discussions and negotiations relating to the terms of the Obligation pursuant to and as set forth in this Agreement, that:
  - (a) the Placement Agent has acted at arm's length, is acting solely for its own account and is not an agent of or an advisor to (including, without limitation, a Municipal Advisor (as such term is defined in Section 975(e) of the Dodd-Frank Wall Street Reform and Consumer Protection Act)), and owes no fiduciary duty to the Issuer or any other person;
  - (b) the Placement Agent's duties and obligations to the Issuer shall be limited to those contractual duties and obligations set forth in this Agreement;
  - (c) the Placement Agent may have interests that differ from those of the Issuer; and
  - (d) the Issuer has consulted its legal and financial advisors to the extent it deemed appropriate in connection with the offering and sale of the Obligation. The Issuer further acknowledges and agrees that it is responsible for making its judgment with respect to the offering and sale of the Obligation and the process leading thereto. The Issuer agrees that it will not claim that the Placement Agent acted as a Municipal Advisor to the Issuer or rendered advisory services of any nature or respect, or owes a fiduciary or similar duty to the Issuer, in connection with the offering or sale of the Obligation or the process leading thereto.

The Placement Agent hereby further provides the Issuer with certain disclosures relating to Obligation, as required by the Municipal Securities Rulemaking Board (MSRB) Rule G-17 as set forth in MSRB Notice 2012-25 (May 7, 2012)<sup>1</sup>:

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<sup>1</sup> Interpretive Notice Concerning the Application of MSRB Rule G-17 to Underwriters of Municipal Securities (effective August 2, 2012).

- (e) The Placement Agent intends to serve as a placement agent, and not as a financial advisor or municipal advisor in connection with the execution and delivery of the Obligation. As part of our services as the Placement Agent we may provide advice concerning the structure, timing, terms, and other similar matters concerning the execution and delivery of the Obligation.
- (f) Concerning our role as the Placement Agent:
  - (i) Municipal Securities Rulemaking Board Rule G-17 requires us to deal fairly at all times with both municipal issuers and investors;
  - (ii) our primary role in this transaction is to facilitate the sale and purchase of your Obligation between you and one or more investors for which we will receive compensation;
  - (iii) unlike a municipal advisor, we do not have a fiduciary duty to you under the federal securities laws and are, therefore, not required by federal law to act in your best interests without regard to our own financial or other interests;
  - (iv) we have a duty to use our commercially reasonable efforts to arrange the purchase of the Obligation from you by investors at a fair and reasonable price, but must balance that duty with our duty to arrange the sale to investors at prices that are fair and reasonable; and
  - (v) we will review the Placement Materials for your Obligation in accordance with, and as part of, our responsibilities to investors under the federal securities laws, as applied to the facts and circumstances of the transaction.
- (g) Concerning our compensation, we will be compensated pursuant to the terms set forth in Paragraph 2 of this Agreement. A portion of our compensation may be based in whole or in part upon the principal amount of the Obligation sold in the Placement. While this form of compensation is customary in the municipal securities market, it presents a conflict of interest because the Placement Agent may have an incentive to recommend to you a transaction that is unnecessary or to recommend that the size of the transaction be larger than is necessary.

7. Survival of Certain Representations and Agreements. The respective agreements, covenants, representations, warranties and other statements of the Issuer and its officers set forth in or made pursuant to this Agreement shall survive delivery of and payment for the Obligation and shall remain

in full force and effect, regardless of any investigation, or statements as to the results thereof, made by or on behalf of the Placement Agent.

8. Notices. Any notice or other communication to be given to the Issuer under this Agreement may be given by delivering the same in writing to the Issuer at its address set forth above. Any notice or other communication to be given to the Placement Agent under this Agreement may be given by delivering the same in writing to Stifel, Nicolaus & Company Incorporated, 2801 East Camelback Road, Suite 300, Phoenix, Arizona 85016, Attention: B. Mark Reader, Managing Director.
9. No Boycott of Israel. By entering into this Agreement, the Placement Agent certifies that it and its parent company, wholly or majority-owned subsidiaries, and other affiliates, if any, are not currently engaged in, and for the duration of this Agreement will not engage in, a boycott of goods or services from the State of Israel, companies doing business in or with the State of Israel or authorized by, licensed by, or organized under the laws of the State of Israel, or persons or entities doing business in the State of Israel. The Placement Agent understands that “boycott” means refusing to deal with, terminating business activities with, or otherwise taking any action that is intended to penalize, inflict economic harm on, or limit commercial relations, but does not include an action made for ordinary business purposes.
10. No Assignment. This Agreement has been made by the Issuer and the Placement Agent, and no person, other than the foregoing, shall acquire or have any right under or by virtue of this Agreement.
11. Applicable Law. This Agreement shall be interpreted, governed and enforced in accordance with the laws of the State.
12. Effectiveness. This Agreement shall become effective upon its execution by duly authorized officials of all parties hereto and shall be valid and enforceable from and after the time of such execution.
13. Severability. In the event any provision of this Agreement shall be held invalid or unenforceable by any court of competent jurisdiction, such holding shall not invalidate or render unenforceable any other provision hereof.
14. Counterparts. This Agreement may be executed in several counterparts (including counterparts exchanged by email in PDF format), each of which shall be an original and all of which shall constitute but one and the same instrument.
15. Cancellation of Contracts. As required by the provisions of Section 38-511, Arizona Revised Statutes, notice is hereby given that the State, its political

subdivisions (including the Issuer) or any department or agency of either may, within three (3) years after its execution, cancel any contract (including this Agreement), without penalty or further obligation, made by the State, its political subdivisions or any of the departments or agencies of either if any person significantly involved in initiating, negotiating, securing, drafting or creating the contract on behalf of the State, its political subdivisions or any of the departments or agencies of either is, any time while the contract or any extension of the contract is in effect, an employee or agent of any other party to the contract in any capacity or a consultant to any other party of the contract with respect to the subject matter of the contract. The cancellation shall be effective when written notice from the Governor or the chief executive officer or governing body of the political subdivision is received by all other parties to the contract unless the notice specifies a later time. The State, its political subdivisions or any department or agency of either may recoup any fee or commission paid or due to any person significantly involved in initiating, negotiating, securing, drafting or creating the contract on behalf of the State, its political subdivisions or any department or agency of either from any other party to the contract arising as the result of the contract. This paragraph is not intended to expand or enlarge the rights of the Issuer hereunder except as required by Section 38-511, Arizona Revised Statutes. Each of the parties hereto hereby certifies that it is not presently aware of any violation of Section 38-511, Arizona Revised Statutes which would adversely affect the enforceability of this Agreement and covenants that it shall take no action which would result in a violation of Section 38-511, Arizona Revised Statutes.

[Signature page follows.]



Respectfully submitted,

STIFEL, NICOLAUS & COMPANY, INCORPORATED

.....  
B. Mark Reader, Managing Director

ACCEPTED this 18th of September 2024.

TOWN OF CAMP VERDE, ARIZONA

By .....  
Mayor

ATTEST:

By .....  
Town Clerk

[Signature page to Placement Agent Agreement]

EXHIBIT A

FORM OF RELIANCE LETTER TO THE PLACEMENT AGENT

Stifel, Nicolaus & Company, Incorporated

[Date of Closing]

Re: Town of Camp Verde, Arizona  
Pledged Revenue Obligation, Series 2024

Ladies and Gentlemen:

We have acted as special counsel to the Town of Camp Verde, Arizona (the “Issuer”), in connection with the execution and delivery of the above-referenced Obligation (the “Obligation”).

Reference is hereby made to our opinion letter as special counsel addressed to the Issuer dated of even date herewith and delivered with respect to the Obligation. Please be advised that you are entitled to rely on said letter as if the same had been addressed to you.

This letter is furnished by us to you in our capacity as special counsel to the Issuer pursuant to Paragraph 4(i)(1) of the Placement Agent Agreement with respect to the Obligation, dated September 18, 2024, between the Issuer and you. No attorney-client relationship has existed or exists between our firm and you or any other party in connection with the Obligation or by virtue of this letter. Our opinion may be relied upon only by the addressee hereof and may not be used or relied upon by any other person for any purpose whatsoever without, in each instance, our prior written consent.

Very truly yours,

EXHIBIT B

FORM OF ISSUER CLOSING CERTIFICATE

Pursuant to the Placement Agent Agreement, dated September 18, 2024 (the “Agreement”), between the Town of Camp Verde, Arizona (the “Issuer”), and Stifel, Nicolaus & Company, Incorporated (the “Placement Agent”), as [title] of the Issuer duly authorized to execute this certificate on behalf of the Issuer, I hereby certify:

1. the representations and warranties of the Issuer contained in the Agreement are true and correct as if made on the date hereof;
2. the Issuer has complied with and fully satisfied all of its agreements with and obligations to the Placement Agent under the Agreement; and
3. as of its date and the date hereof, the information contained in the Placement Materials (as defined in the Agreement) is complete, true, and accurate and such information does not contain any untrue statement of a material fact or omit to state any material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading.

[Name] .....

[Title] .....

[Date] .....

EXHIBIT C

FORM OF INVESTOR LETTER

Town of Camp Verde, Arizona

Stifel, Nicolaus & Company, Incorporated

Re: Town of Camp Verde, Arizona Pledged Revenue Obligation, Series 2024

Ladies and Gentlemen:

The undersigned (the “Investor”) hereby acknowledges that it is purchasing the \$..... aggregate principal amount Town of Camp Verde, Arizona Pledged Revenue Obligation, Series 2024 (the “Obligation”), authorized to be executed and delivered pursuant to a Resolution (the “Resolution”) adopted by the Mayor and Common Council of the Town of Camp Verde, Arizona (the “Issuer”) on September 18, 2024. The Obligation will be executed and delivered pursuant to the Sixth Trust Agreement, dated as of \_\_\_\_\_ 1, 2024 (the “Trust Agreement”), by and between the Issuer and U.S. Bank Trust Company, National Association, as trustee. Capitalized terms not otherwise defined herein shall have the meanings ascribed thereto in the Resolution, the Trust Agreement and the Placement Materials (as defined in the hereinafter defined Placement Agreement).

This letter is being provided pursuant to a Placement Agent Agreement, dated September 18, 2024 (the “Placement Agreement”), between the Issuer and Stifel, Nicolaus & Company, Incorporated (the “Placement Agent”).

The Investor acknowledges that the proceeds of the Obligation will be used for the purposes described in the Resolution. The Obligation shall be payable from the sources described in the Trust Agreement.

In connection with the sale of the Obligation to the Investor, the Investor hereby makes the following representations upon which you may rely:

1. The Investor has the authority and is duly authorized to purchase the Obligation and to execute this letter and any other instruments and documents required to be executed by the Investor in connection with its purchase of the Obligation. The Investor (a) is a bank, any entity directly or indirectly controlled by the bank or under common control with the bank, other than a broker, dealer or municipal securities dealer registered under the Securities Exchange Act of 1934, or a consortium of such entities; and (b) has the present intent to hold the Obligation to maturity or earlier redemption or mandatory tender.
2. The Investor is (a) a “qualified institutional buyer” as that term is defined in Rule 144A under the Securities Act of 1933, as amended (the “Securities Act”), or (b)

an “accredited investor” as that term is defined in Rule 501(a)(1), (2), (3), or (7) under the Securities Act.

3. The Investor is not purchasing the Obligation for more than one account or with a view to distributing the Obligation.
4. The Investor understands that the Obligation is not, and is not intended to be, registered under the Securities Act and that such registration is not legally required as of the date hereof, and further understands that the Obligation (a) is not being registered or otherwise qualified for sale under the “Blue Sky” laws and regulations of any state, (b) will not be listed in any stock or other securities exchange, (c) will not carry a rating from any rating agency or a CUSIP identification number, and (d) will be delivered in a form that may not be readily marketable.
5. The Investor acknowledges that it has either been supplied with or been given access to information, including the Placement Materials, which it has requested from the Issuer and to which a reasonable investor would attach significance in making investment decisions, and the Investor has had the opportunity to ask questions and receive answers from knowledgeable individuals, including its own counsel, concerning the Issuer and the Obligation and the security therefor so that, as a reasonable investor, the Investor has been able to make a decision to purchase the Obligation. The Investor has such knowledge and experience in financial and business matters that it is capable of evaluating the merits and risks of its prospective investment in the Obligation.
6. The Investor acknowledges that the obligations of the Issuer with respect to the Obligation are payable solely from the sources described in the Trust Agreement.
7. The Investor has made its own inquiry and analysis with respect to the Obligation and the security therefor, and other material factors affecting the security and payment of the Obligation. The Investor is aware that there are certain economic and regulatory variables and risks that could adversely affect the security for the Obligation. The Investor has reviewed the documents executed in conjunction with the execution and delivery of the Obligation, or summaries thereof, including, without limitation, the Resolution.
8. The Investor acknowledges and agrees that the Placement Agent and the Issuer take no responsibility for, and make no representation to the Investor, or any subsequent purchaser, with regard to, a sale, transfer or other disposition of the Obligation in violation of the provisions of the Trust Agreement, or any securities law or income tax law consequences thereof. The Investor also acknowledges that, with respect to the Issuer’s obligations and liabilities, the Investor is solely responsible for compliance with the sales restrictions on the Obligation in connection with any subsequent transfer of the Obligation made by the Investor.
9. The Investor agrees that it is bound by and will abide by the provisions of the Trust Agreement relating to transfer, the restrictions noted on the face of the Obligation

and this Investor Letter. The Investor also covenants to comply with all applicable federal and state securities laws, rules and regulations in connection with any resale or transfer of the Obligation by the Investor.

10. The Investor acknowledges that the sale of the Obligation to the Investor is made in reliance upon the certifications, representations, and warranties herein made to the addressees hereto.
11. The interpretation of the provisions hereof shall be governed and construed in accordance with State of Arizona law without regard to principles of conflicts of laws.
12. All representations of the Investor contained in this letter shall survive the execution and delivery of the Obligation to the Investor as representations of fact existing as of the date of execution and delivery of this Investor Letter.

Date: ....., 2024

Very truly yours,

Investor: .....

By:.....

Printed Name:.....

Title: .....