

RESOLUTION NO. 1723

RESOLUTION OF THE MAYOR AND COMMON COUNCIL OF THE TOWN OF PRESCOTT VALLEY, ARIZONA, A MUNICIPAL CORPORATION OF ARIZONA, APPROVING THE FORM AND AUTHORIZING THE EXECUTION AND DELIVERY OF AN ESCROW TRUST AGREEMENT TO DEFEASE PAYMENT OBLIGATIONS OF THE TOWN WITH RESPECT TO THE SECOND SERIES 2003 TOWN LEASE WITH TOWN OF PRESCOTT VALLEY MUNICIPAL PROPERTY CORPORATION; 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 Prescott Valley, Arizona (the "Town"), have determined to pay an amount pursuant to the Second Series 2003 Town Lease, dated as of September 1, 2003 (the "Town Lease"), by and between the Town and the Town of Prescott Valley Municipal Property Corporation, which, by giving effect to the earliest prepayment allowed thereby, results in the obligations of the Town thereunder being paid in full (the "Escrow Deposit"); and

WHEREAS, the Mayor and Common Council of the Town have determined that, in connection therewith, it will be necessary to establish an escrow for such purposes pursuant to an Escrow Trust Agreement, to be dated as of the first day of the month of the date in which such escrow is funded (the "Escrow Trust Agreement"), with U.S. Bank National Association (the "Trustee").

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

Section 1. The form, terms and provisions of the Escrow Trust Agreement, in substantially the form of such document (including the exhibits thereto) presented at the meeting at which this Resolution was adopted, are hereby approved, with such insertions, omissions and changes as are not inconsistent herewith and as shall be approved by the Mayor or, in the absence thereof, Vice Mayor of the Town, the execution of such document being conclusive evidence of such approval, and the Mayor or, in the absence thereof, Vice Mayor and Clerk of the Town are hereby authorized and directed, for and on behalf of the Town, to sign and attest and deliver, respectively, the Escrow Trust Agreement as well as any other documents necessary in connection therewith.

Section 2. The Escrow Deposit shall be paid to the Trustee for deposit to the trust fund established pursuant to the Escrow Trust Agreement.

Section 3. (A) If any section, paragraph, clause or provision of this Resolution shall for any reason be held to be invalid or unenforceable, the invalidity or unenforceability of such section, paragraph, clause or provision shall not affect any of the remaining provisions of this Resolution.

(B) All orders and resolutions or parts thereof, inconsistent herewith, are hereby waived to the extent only of such inconsistency. This waiver shall not be construed as reviving any order or resolution or any part thereof.

(C) The immediate operation of this Resolution is necessary for the defeasance on the most attractive terms available to the Town of portions of the amounts due with respect to the Town Lease and the resulting preservation of the public health and welfare; an emergency is hereby declared to exist. This Resolution shall be in full force and effect from and after its passage and approval by the Mayor and Common Council of the Town, as required by law and this Resolution is hereby exempt from the referendum provisions of the constitution and laws of the State of Arizona pursuant to Section 19-142(B), Arizona Revised Statutes, as amended, and Section 2-05-060, Prescott Valley Town Code.

PASSED AND ADOPTED this 28th day of October 2010.

Harvey Skoog, Mayor

ATTEST:

Diane Russell, Town Clerk

APPROVED AS TO FORM:

Ivan Legler, Town Attorney