

SERIES ORDINANCE NO. 1248

AN ORDINANCE OF THE CITY OF KETCHUM, BLAINE COUNTY, IDAHO, AUTHORIZING THE ISSUANCE OF ITS WASTEWATER REVENUE BONDS, SERIES 2023, TO PROVIDE FUNDS NECESSARY TO FINANCE IMPROVEMENTS TO THE CITY'S WASTEWATER SYSTEM; FIXING THE FORM OF THE BONDS TO BE ISSUED; AUTHORIZING EXECUTION AND DELIVERY OF A BOND PURCHASE AGREEMENT, AN OFFICIAL STATEMENT, A CONTINUING DISCLOSURE AGREEMENT; DELEGATING AUTHORITY TO APPROVE THE TERMS AND PROVISIONS OF THE SALE OF THE BONDS PURSUANT TO A BOND PURCHASE AGREEMENT; PROVIDING FOR THE REGISTRATION AND AUTHENTICATION OF THE BONDS; PLEDGING REVENUES FOR PAYMENT OF DEBT SERVICE ON BONDS; PROVIDING FOR CERTAIN FEDERAL TAX COVENANTS WITH RESPECT TO THE BONDS; PROVIDING FOR OTHER MATTERS PROPERLY RELATING THERETO; ORDERING PUBLICATION; APPROVING A SUMMARY OF THE ORDINANCE; PROVIDING FOR WAIVER OF THE READING RULES AND PROVIDING AN EFFECTIVE DATE.

**CITY OF KETCHUM, BLAINE COUNTY,
STATE OF IDAHO WASTEWATER REVENUE BONDS, SERIES 2023**

BE IT ORDAINED BY THE MAYOR AND CITY COUNCIL OF THE CITY OF KETCHUM, BLAINE COUNTY, IDAHO, AS FOLLOWS:

WHEREAS, the City of Ketchum, Blaine County, Idaho (the "City") is a body politic and corporate duly organized, operating and existing under and pursuant to the provisions of the Constitution and the laws of the State of Idaho;

WHEREAS, pursuant to a special municipal revenue bond election duly called by the City and held on November 8, 2022 (the "Bond Election"), there was submitted to the qualified electors of the City the following proposition:

THE CITY OF KETCHUM, BLAINE COUNTY, IDAHO, HAS DETERMINED THAT IT IS IN THE INTEREST OF THE PUBLIC, AND NECESSARY FOR PURPOSES OF IMPROVED WATER QUALITY, TO FINANCE THE RENOVATION, IMPROVEMENT, AND UPGRADE OF THE CITY'S WASTEWATER SYSTEM. FINANCING THE IMPROVEMENTS THROUGH THE ISSUANCE OF WASTEWATER REVENUE BONDS WILL PREVENT AN INITIAL 60% CUSTOMER RATE INCREASE, AND TWO SUBSEQUENT 25% RATE INCREASES, KEEPING UPFRONT WASTEWATER RATE

INCREASES LOWER AND MORE AFFORDABLE. EACH SERIES OF BONDS SHALL BE PAID SOLELY FROM REVENUES GAINED FROM WASTEWATER CUSTOMER FEES AND WILL HAVE NO EFFECT ON PROPERTY TAXES.

SHALL THE CITY OF KETCHUM, IDAHO, BE AUTHORIZED TO ISSUE AND SELL ONE OR MORE SERIES OF WASTEWATER REVENUE BONDS OVER THE NEXT TEN (10) YEARS, IN AN AGGREGATE PRINCIPAL AMOUNT UP TO \$14,000,000, FOR THE PURPOSE OF FUNDING THE RENOVATION, IMPROVEMENT, AND UPGRADE OF THE CITY'S WASTEWATER SYSTEM?

WHEREAS, more than a majority of the votes cast at the Bond Election were cast in favor of said proposition and the issuance of up to \$14,000,000 of revenue bonds of the City was authorized for the purpose of financing the design, acquisition and construction of certain improvements to the City's Wastewater System and to pay the costs of issuance thereof;

WHEREAS, pursuant to the successful Bond Election, on the date hereof, the members of the City's Council (the "Council") adopted Ordinance No. 1247 (the "Master Ordinance") providing for the issuance and sale of wastewater revenue bonds to finance or refinance Projects, as defined thereunder, by adoption of series ordinances thereto, and the Council adopts this Series Ordinance to authorize its Series 2023 Bonds to finance the Series 2023 Project, as such terms are hereinafter defined; and

WHEREAS, pursuant to Idaho Code, Section 57-235, the Council desires to delegate authority, in accordance with the specific instructions and procedures set forth herein, for determination and approval of certain final terms and provisions of the Series 2023 Bonds and other matters at the time the Series 2023 Bonds are sold.

NOW, THEREFORE, THE MAYOR AND COUNCIL OF THE CITY OF KETCHUM, BLAINE COUNTY, IDAHO, FURTHER ORDAIN AS FOLLOWS:

ARTICLE I

Section 101. Definitions. Except as provided in this Section, all defined terms contained in this Series Ordinance shall have the same meanings as set forth in the Master Ordinance. As used in this Series Ordinance, in addition to the terms defined in the WHEREAS clauses of this Series Ordinance or if the context shall otherwise require, the following terms shall have the following meanings:

Act means collectively the Revenue Bond Act, Idaho Code, Sections 50-1027 through 50-1042, inclusive, and the Municipal Bond Law of the State of Idaho, being Idaho Code, Title 57, Chapter 2.

Authorized Denominations means \$5,000 or integral multiples thereof.

Delegated Officer means the City Administrator.

Delegation Certificate means the Terms Certificate, substantially in the form of Exhibit D hereto, signed and delivered by the Delegated Officer to approve the final terms and provisions of the Bond Purchase Agreement and Series 2023 Bonds.

Interest Payment Date means with respect to the Series 2023 Bonds, each March 1 and September 1, commencing September 1, 2023, or any other dates as specified in the Delegation Certificate.

Principal Payment Date or “sinking fund payment date” means with respect to the Series 2023 Bonds, each September 1 commencing September 1, 2024, or any other dates specified in the Delegation Certificate.

Series Ordinance means this Ordinance No. 1248 adopted by the Council on March 27, 2023, authorizing the issuance of the Series 2023 Bonds, setting forth certain requirements of the terms of sale of the Series 2023 Bonds, delegating authority to approve the final terms and provisions of the Series 2023 Bonds, and providing for related matters.

Series 2023 Bonds means the City’s Wastewater Revenue Bonds, Series 2023 authorized hereunder in substantially the form attached to this Series Ordinance as Exhibit A.

Series 2023 Bond Registrar means, with respect to the Series 2023 Bonds, Zions Bancorporation, National Association, Boise, Idaho, appointed by the City pursuant to Section 3 of the Master Ordinance and this Series Ordinance to serve as the authenticating agent, paying agent, and transfer agent for the Series 2023 Bonds. The term “Series 2023 Bond Registrar” shall include any business successor or successors thereto, any company into which the Series 2023 Bond Registrar 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, provided such company shall be a bank or trust company organized under the laws of any state of the United States of America or a national banking association and shall be authorized by law to perform all the duties imposed upon it by this Series Ordinance, shall be the successor to the Series 2023 Bond Registrar without the execution or filing of any paper or the performance of any further act.

Series 2023 Project means financing the acquisition and construction of certain improvements to the City’s Wastewater System, including but not limited to: the construction of new aeration basins, aeration basin blower repairs, new grit removal systems, a new rotary drum thickener, a new dewatering building, removal of Digester No. 1, clarifier system repairs, a new Digester No. 2, new and replacement digester blowers, replacement backup generators and pumps, new ultraviolet (UV) equipment, upgraded programmable logic controller (PLC) hardware and filters, construction of new ancillary buildings, the purchase of new utility vehicles, and other ancillary equipment and controls required for the operation of the Wastewater System, and any other comparable alternative construction, renovation and improvements to the Wastewater System as otherwise determined by the City, and all other related costs, items and appurtenances

necessary, useful and convenient for the adequate collection and treatment of wastewater within the City, all collectively constituting the Project, as defined herein.

The terms “hereby,” “hereof,” “hereto,” “herein,” “hereunder,” and any similar terms as used in this Series Ordinance refer to this Series Ordinance.

ARTICLE II

Section 201. Authority for Series Ordinance. This Series Ordinance is adopted pursuant to the provisions of the Act and the Master Ordinance. This Series Ordinance contemplates the issuance and sale of the Series 2023 Bonds through a delegation of authority as provided in Section 207 hereof. Unless the context clearly indicates otherwise, for example, the provisions of Section 206(a) through (b) which take effect upon adoption of this Series Ordinance, this Series Ordinance shall not take effect and no provision thereof shall be binding upon the City unless and until the Series 2023 Bonds are sold and issued.

Section 202. Finding and Purpose. In compliance with the Master Ordinance, the Series 2023 Bonds are hereby authorized to be issued as Initial Bonds to provide funds with which to finance the Series 2023 Project.

Section 203. Authorization of Series 2023 Bonds; Designation; Confirmation of Pledged Revenues. In accordance with and subject to the terms, conditions and limitations established by the Act, and contained in the Master Ordinance and this Series Ordinance, revenue bonds of the City are hereby authorized to be issued and shall be designated “City of Ketchum, Blaine County, State of Idaho, Wastewater Revenue Bonds, Series 2023.” The Series 2023 Bonds are secured by the pledge of the Net Revenues under Section 7 of the Master Ordinance equally and ratably with all Bonds issued under the Master Ordinance.

Section 204. Issue Date. The Series 2023 Bonds shall be dated as of the date of their delivery.

Section 205. Description of the Series 2023 Bonds.

(a) The Series 2023 Bonds shall be issued only in fully registered form in Authorized Denominations. Each of the Series 2023 Bonds shall be numbered separately from R-1 upwards. The Series 2023 Bonds shall be substantially in the form set forth in Exhibit A attached hereto, with such appropriate variations, omissions, and insertions as are permitted or required by this Series Ordinance and may have endorsed thereon such legends or text as may be necessary or appropriate to conform to any applicable rules and regulations of any governmental authority or any usage or requirement of law with respect thereto. The Series 2023 Bonds may be typewritten, printed, lithographed, engraved or produced in similar manner. If any Series 2023 Bond is printed, any portion of the text of the Series 2023 Bond may be printed on the back of the Series 2023 Bond with an appropriate reference placed on the front of the Series 2023 Bond.

(b) The Series 2023 Bonds shall bear interest from the date of delivery, or the most recent date to which interest has been paid or duly provided for and shall be payable on the Principal Payment Date and Interest Payment Date and as provided in the Delegation Certificate.

(c) The principal of and interest on the Series 2023 Bonds shall be payable in lawful money of the United States of America. Interest on the Series 2023 Bonds shall be calculated on the basis of a 360-day year and twelve 30-day months.

(d) The City intends to designate the Series 2023 Bonds as a “qualified tax-exempt obligation” within the meaning and for the purpose of Section 265(b)(3) of the Internal Revenue Code of 1986, as amended (the “Code”), and the City, including all aggregated issuers as described in Section 265(b)(3)(E) of the Code, does not reasonably anticipate that it will issue more than \$10,000,000, including the Series 2023 Bonds, as qualified tax-exempt obligations during the calendar year.

Section 206. Authorization of Actions Preliminary to Sale and Issuance of Series 2023 Bonds.

(a) The Council desires to sell the Series 2023 Bonds pursuant to negotiated sale to Piper Sandler & Co. (the “Underwriter”) pursuant to Idaho Code, Section 57-232 and a Bond Purchase Agreement (the “Bond Purchase Agreement”) to be entered into on the date the Series 2023 Bonds are sold by the City to the Underwriter.

(b) In accordance with Idaho Code, Section 57-215, the Notice of Private Negotiated Bond Sale (the “Notice of Sale”) in the form attached as Exhibit B hereto is hereby ratified and approved and the City’s bond counsel is authorized to complete the Notice of Sale and effect timely publication thereof prior to the sale of the Series 2023 Bonds and approval and execution of the Bond Purchase Agreement.

(c) The Bond Purchase Agreement in substantially the form attached hereto as Exhibit C is hereby approved. Pursuant to Section 207 hereof, upon the sale of the Series 2023 Bonds and inclusion of the final terms of the Series 2023 Bonds therein, the Delegated Officer is hereby authorized to execute and deliver the Bond Purchase Agreement, with such additions or changes thereto as such officer may deem necessary or advisable subject to the limitations set forth in Section 207 hereof, with such approval to be conclusively evidenced by the execution of the Bond Purchase Agreement as so added to or changed. The officials of the City are authorized to do or perform all such acts as may be necessary or advisable to comply with the Bond Purchase Agreement and to carry the same into effect. To the extent the provisions of this Series Ordinance or the Master Ordinance and the Bond Purchase Agreement shall be found to be in conflict, the provisions of the Bond Purchase Agreement shall govern.

(d) The Preliminary Official Statement, in substantially the form presented to the Council, and the distribution and use thereof by the Underwriter is hereby authorized

and approved, and the Delegated Officer is hereby authorized to make such additions or changes to the Preliminary Official Statement as deemed necessary or advisable by such Delegated Officer. The Delegated Officer is hereby authorized and directed, for and in the name and on behalf of the City, to execute the final Official Statement in substantially the form of said Preliminary Official Statement with such additions to or changes to evidence the sale of the Series 2023 Bonds as such officer may deem necessary or advisable, such approval to be conclusively evidenced by the execution of said Official Statement as so added to or changed. The Underwriter, as purchaser of the Series 2023 Bonds, is hereby authorized to deliver copies of the said Official Statement (as so added to or changed) to all actual purchasers of the Series 2023 Bonds.

(e) The Continuing Disclosure Agreement (the “Continuing Disclosure Agreement”) between the City and Zions Bancorporation, National Association, as Disclosure Agent, in substantially the form presented to the Council, is hereby approved and the Delegated Officer is hereby authorized and directed, for and in the name and on behalf of the City, to execute the Continuing Disclosure Agreement with such additions or changes thereto as such officer may deem necessary or advisable, with such approval to be conclusively evidenced by the execution of said Continuing Disclosure Agreement as so added to or changed.

Section 207. Sale of Series 2023 Bonds, Delegation Authority.

(a) Pursuant to Idaho Code, Section 57-235, as amended, the Council hereby delegates to the City Administrator (herein referred to as the “Delegated Officer”), the power to make the following determinations on the date of sale of the Series 2023 Bonds to the Underwriter, without any requirement that the members of the Council meet to approve such determinations, but subject to the limitations provided:

(i) The rate of interest to be borne by the Series 2023 Bonds, as measured by the true interest cost, not to exceed 5.000%.

(ii) The principal amount of the Series 2023 Bonds, not to exceed \$7,000,000.

(iii) The Principal Payment Date and the Interest Payment Date for the Series 2023 Bonds, with the final payment date/final maturity for the Series 2023 Bonds to be not later than twenty-one (21) years from the date of the Series 2023 Bonds.

(iv) The amount of principal of the Series 2023 Bonds maturing, or subject to mandatory sinking fund redemption, in any particular year, and the rate of interest accruing thereon.

(v) The price at which the Series 2023 Bonds will be sold (including any underwriter’s discount, original issue premium and original issue discount).

(vi) The dates, if any, on which, and the prices at which, the Series 2023 Bonds will be subject to optional redemption.

(vii) The amount of Series 2023 Bonds proceeds to be deposited to the funds and accounts established by this Series Ordinance.

(b) Upon the sale of the Series 2023 Bonds, including the final terms and provisions of the Series 2023 Bonds, the Delegated Officer shall execute a Delegation Certificate substantially in the form attached hereto as Exhibit D reflecting the final terms and provisions of the Series 2023 Bonds and certifying that the final terms and provisions of the Series 2023 Bonds are consistent with, not in excess of and no less favorable than the terms set forth in subparagraph (a) above, and as approved by the electorate of the City pursuant to the Bond Election.

Section 208. Execution of Series 2023 Bonds. The Series 2023 Bonds shall be executed on behalf of the City by the manual or facsimile signature of the Mayor and the City Treasurer and attested to by the City Clerk and the corporate seal of the City shall be impressed or printed thereon, if any. The Series 2023 Bonds, when so executed, shall be delivered to the Series 2023 Bond Registrar for authentication. The Series 2023 Bond Registrar is hereby requested and directed to authenticate the Series 2023 Bonds by executing the Certificate of Authentication appearing thereon, and to deliver the Series 2023 Bonds, when duly executed and authenticated, to the Underwriter in accordance with written instructions executed on behalf of the City by the Delegated Officer of the City, which instructions said officer is hereby authorized and directed, for and in the name and on behalf of the City, to execute and deliver to the Series 2023 Bond Registrar. Such instructions shall provide for the delivery of the Series 2023 Bonds to the Underwriter in accordance with the Bond Purchase Agreement, upon payment of the purchase price thereof.

Section 209. Registration of Series 2023 Bonds. The Series 2023 Bond Registrar shall keep, or cause to be kept, at its principal corporate trust office, sufficient records for the registration and transfer of Series 2023 Bonds (the "Series 2023 Bond Register"), which shall be open to inspection by the City. The Series 2023 Bond Registrar is authorized, on behalf of the City, to authenticate and deliver Series 2023 Bonds transferred or exchanged in accordance with the provisions of such Series 2023 Bonds and this Series Ordinance and to carry out all of the Series 2023 Bond Registrar's powers and duties under this Series Ordinance and the Idaho Registered Public Obligations Act, Idaho Code, Title 57, Chapter 9, as amended. The Series 2023 Bond Registrar shall be responsible for its representations contained in the Certificate of Authentication on the Series 2023 Bonds. The City Administrator and the City Treasurer are each hereby authorized to negotiate the terms of a registrar agreement with the Series 2023 Bond Registrar, providing for compensation and other terms mutually acceptable to the City and the Series 2023 Bond Registrar regarding the performance of its duties under this Series Ordinance.

(a) *Registered Ownership.* The City and the Series 2023 Bond Registrar may deem and treat the Registered Owner of each Series 2023 Bond on the Record Date as the absolute owner for all purposes, and neither the City nor the Series 2023 Bond Registrar shall be affected by any notice to the contrary. Payment of any such Series 2023 Bond shall

be made only as described herein, but such registration may be transferred as herein provided. All such payments made as described herein, shall be valid and shall satisfy the liability of the City upon such Series 2023 Bond to the extent of the amount or amounts so paid.

(b) *DTC Acceptance/Letter of Representations.* The Series 2023 Bonds will initially be held in fully immobilized form by DTC acting as depository. Prior to issuance of the Series 2023 Bonds hereunder, the Letter of Representations in the form required by DTC, with such changes, omissions, insertions and revisions as the City Administrator shall approve, is hereby authorized, and the City Administrator is hereby authorized to execute such Letter of Representations and cause the same to be filed with DTC. In the written acceptance of the Series 2023 Bond Registrar, the Series 2023 Bond Registrar shall agree to take all action necessary for all representations of the City in the Letter of Representations with respect to the Series 2023 Bond Registrar to be complied with at all times. The City's Letter of Representations is for the purpose of effectuating the book-entry-only system and shall not be deemed to amend, supersede or supplement the terms of this Series Ordinance, which terms are intended to be complete without reference to the Letter of Representations. In the event of any conflict between the terms of the Letter of Representations and the terms of this Series Ordinance, the terms of this Series Ordinance shall control. DTC may exercise the rights of a Registered Owner hereunder only in accordance with the terms hereof applicable to the exercise of such rights.

(c) Neither the City nor the Series 2023 Bond Registrar will have any responsibility or obligation to DTC participants or the persons for whom they act as nominees with respect to the Series 2023 Bonds for the accuracy of any records maintained by DTC or any DTC participant, the payment by DTC or any DTC participant of any amount in respect of the principal of or interest on Series 2023 Bonds, any notice that is permitted or required to be given to Registered Owners under this Series Ordinance (except such notices as shall be required to be given by the City to the Series 2023 Bond Registrar or to DTC), the selection by DTC or any DTC participant of any person to receive payment in the event of a partial redemption of the Series 2023 Bonds, or any consent given or other action taken by DTC as the Registered Owner. For so long as any Series 2023 Bonds are held in fully immobilized form hereunder, DTC or its successor depository shall be deemed to be the Registered Owner for all purposes, and all references in this Series Ordinance to the Registered Owners shall mean DTC or its nominee and shall not mean the owners of any beneficial interest in any Series 2023 Bonds.

(d) *Use of Depository.*

(i) Under the book-entry-only system, Series 2023 Bonds shall be registered initially in the name of "CEDE & Co.," as nominee of DTC, with one Bond maturing on each of the maturity dates for each series of the Series 2023 Bonds in a denomination corresponding to the total principal therein designated to mature on such date. Registered ownership of such immobilized Series 2023

Bonds, or any portions thereof, may not thereafter be transferred except (a) to any successor of DTC or its nominee, provided that any such successor shall be qualified under any applicable laws to provide the service proposed to be provided by it; (b) to any substitute depository appointed by the Designated Representative pursuant to subsection (i) below or such substitute depository's successor; or (c) to any person as provided in subsection (iii) below.

(ii) Upon the resignation of DTC or its successor (or any substitute depository or its successor) from its functions as depository or a determination by the Designated Representative to discontinue the system of book entry transfers through DTC or its successor (or any substitute depository or its successor), the Designated Representative may hereafter appoint a substitute depository. Any such substitute depository shall be qualified under any applicable laws to provide the services proposed to be provided by it.

(iii) In the case of any transfer pursuant to clause (a) or (b) of subsection (d) above, the Series 2023 Bond Registrar shall, upon receipt of all Outstanding Series 2023 Bonds issued hereunder, together with a written request on behalf of the Designated Representative, issue a single new Series 2023 Bond for each maturity then outstanding, registered in the name of such successor or such substitute depository, or their nominees, as the case may be, all as specified in such written request of the Designated Representative.

(iv) In the event that (a) DTC or its successor (or substitute depository or its successor) resigns from its functions as depository, and no substitute depository can be obtained, or (b) the Designated Representative determines that it is in the best interest of the Beneficial Owners of the Series 2023 Bonds that such owners be able to obtain such Series 2023 Bonds in the form of Bond certificates, the ownership of such Series 2023 Bonds may then be transferred to any person or entity as herein provided, and shall no longer be held in fully immobilized form. The Designated Representative shall deliver a written request to the Series 2023 Bond Registrar, together with a supply of definitive Series 2023 Bonds, to issue Series 2023 Bonds as herein provided in any authorized denomination. Upon receipt by the Series 2023 Bond Registrar of all then Outstanding Series 2023 Bonds issued hereunder, together with a written request on behalf of the Designated Representative to the Series 2023 Bond Registrar, new Series 2023 Bonds shall be issued in the appropriate denominations and registered in the names of such persons as are requested in such written request.

(v) For so long as all Series 2023 Bonds are in fully immobilized form, such payments of principal and interest thereon shall be made as provided in the operational arrangements of DTC as referred to in the Letter of Representations.

(e) In the event the Series 2023 Bonds are no longer in fully immobilized form, interest on the Series 2023 Bonds shall be paid by check or draft mailed to the Registered

Owners of the Series 2023 Bonds at the addresses for such Registered Owners appearing on the Bond Register on the Record Date. Principal of the Series 2023 Bonds shall be payable upon presentation and surrender of such Series 2023 Bonds by the Registered Owners at the principal office of the Series 2023 Bond Registrar.

(f) *Registration of Transfer of Ownership or Exchange; Change in Denominations.* The transfer of any Series 2023 Bond may be registered and Series 2023 Bonds may be exchanged, but no transfer of any such Series 2023 Bond shall be valid unless such Series 2023 Bond is surrendered to the Series 2023 Bond Registrar with the assignment form appearing on such Series 2023 Bond duly executed by the Registered Owner or such Registered Owner's duly authorized agent in a manner satisfactory to the Series 2023 Bond Registrar. Upon such surrender, the Series 2023 Bond Registrar shall cancel the surrendered Series 2023 Bond and shall authenticate and deliver, without charge to the Registered Owner or transferee therefor, a new Series 2023 Bond (or Series 2023 Bonds at the option of the new Registered Owner) of the same date, maturity, and interest rate and for the same aggregate principal amount in any authorized denomination, naming as Registered Owner the person or persons listed as the assignee on the assignment form appearing on the surrendered Series 2023 Bond, in exchange for such surrendered and cancelled Series 2023 Bond. Any Series 2023 Bond may be surrendered to the Series 2023 Bond Registrar and exchanged, without charge, for an equal aggregate principal amount of the Series 2023 Bonds of the same date, maturity, and interest rate, in any authorized denomination. The Series 2023 Bond Registrar shall not be obligated to register the transfer or to exchange any Series 2023 Bond during the 15 days preceding the date any such Series 2023 Bond is to be redeemed.

(g) *Registrar's Ownership of Series 2023 Bonds.* The Series 2023 Bond Registrar may become the Registered Owner of any Series 2023 Bond with the same rights it would have if it were not the Series 2023 Bond Registrar, and to the extent permitted by law, may act as depository for and permit any of its officers or directors to act as member of, or in any other capacity with respect to, any committee formed to protect the rights of the Registered Owners of the Series 2023 Bonds.

Section 210. Redemption and Purchase.

(a) *Redemption.* The Series 2023 Bonds will be subject to optional and/or mandatory redemption prior to maturity pursuant to the Delegation Certificate.

(b) *Purchase of Bonds.* The City reserves the right to use at any time any Revenue of the System available after providing for payments required by Section 6(b) of the Master Ordinance, or other available funds, to purchase any of the Series 2023 Bonds offered to the City at any price deemed reasonable by the Designated Representative.

(c) *Selection of Bonds for Redemption.* As long as the Series 2023 Bonds are held in book-entry only form, the selection of Series 2023 Bonds to be redeemed shall be made in accordance with the operational arrangements in effect at DTC. If the Series 2023

Bonds are not held in uncertificated form, the selection of such Series 2023 Bonds to be redeemed shall be made as provided in this subsection (c). If the City redeems at any one time fewer than all of the Series 2023 Bonds having the same maturity date, the particular Series 2023 Bonds or portions of Series 2023 Bonds of such maturity to be redeemed shall be selected by lot (or in such other manner determined by the Bond Registrar) in increments of \$5,000. In the case of a Series 2023 Bond of a denomination greater than \$5,000, the City and the Bond Registrar shall treat each Series 2023 Bond as representing such number of separate Series 2023 Bonds each of the denomination of \$5,000 as is obtained by dividing the actual principal amount of such Series 2023 Bond by \$5,000. If Series 2023 Bonds are called for optional redemption, portions of the principal amount of such Series 2023 Bonds, in installments of \$5,000 or any integral multiple of \$5,000, may be redeemed. If less than all of the principal amount of any Series 2023 Bond is redeemed, upon surrender of such Series 2023 Bond at the principal office of the Bond Registrar, there shall be issued to the Registered Owner, without charge therefor, for the then unredeemed balance of the principal amount thereof, a new Series 2023 Bond or Series 2023 Bonds, at the option of the Registered Owner, of like maturity and interest rate in any denomination authorized by this Ordinance.

(d) Notice of Redemption.

(i) *Official Notice.* Unless waived by any owner of the Series 2023 Bonds to be redeemed, official notice of any such redemption (which notice may be conditional) shall be given by the Bond Registrar on behalf of the City by mailing a copy of an official redemption notice by first class mail at least 30 days and not more than 60 days prior to the date fixed for redemption to the Registered Owner of the Series 2023 Bond or Series 2023 Bonds to be redeemed at the address shown on the Bond Register or at such other address as is furnished in writing by such Registered Owner to the Bond Registrar. All official notices of redemption shall be dated and shall state:

- (1) the redemption date;
- (2) the redemption price;
- (3) if fewer than all Outstanding Series 2023 Bonds issued hereunder are to be redeemed, the identification by maturity (and, in the case of partial redemption, the respective principal amounts) of the Bonds to be redeemed;
- (4) that on the redemption date the redemption price will become due and payable upon each such Series 2023 Bond or portion thereof called for redemption, and that interest thereon shall cease to accrue from and after said date; and

(5) the place where such Series 2023 Bonds are to be surrendered for payment of the redemption price, which place of payment shall be the principal office of the Bond Registrar.

On or prior to any redemption date, the City shall deposit with the Bond Registrar an amount of money sufficient to pay the redemption price of all the Series 2023 Bonds or portions of Series 2023 Bonds which are to be redeemed on that date, unless the redemption notice specified a conditional redemption, and the condition was not fulfilled.

(e) *Conditional Notice.* Any notice of optional redemption given for the Series 2023 Bonds pursuant to this Section 210 may state that the optional redemption is conditional upon receipt by the Bond Registrar of amounts sufficient to pay the redemption price of such Series 2023 Bonds or upon the satisfaction of any other condition, and/or that such notice may be rescinded upon the occurrence of any other event, and any conditional notice so given may be rescinded at any time before payment of such redemption price if any such condition so specified is not satisfied or if any such other event occurs. Notice of such rescission or of the failure of any such condition shall be given by the Bond Registrar to affected owners of the Series 2023 Bonds as promptly as practicable.

(f) *Effect of Notice.* Official notice of redemption having been given as aforesaid, the Series 2023 Bonds or portions of Series 2023 Bonds so to be redeemed shall, on the redemption date, become due and payable at the redemption price therein specified, and from and after such date (unless the City shall default in the payment of the redemption price) such Series 2023 Bonds or portions of Series 2023 Bonds shall cease to bear interest. Upon surrender of such Series 2023 Bonds for redemption in accordance with said notice, such Series 2023 Bonds shall be paid by the Bond Registrar at the redemption price. Installments of interest due on or prior to the redemption date shall be payable as herein provided for payment of interest. Upon surrender for any partial redemption of any Series 2023 Bond, there shall be prepared for the Registered Owner a new Series 2023 Bond or Series 2023 Bonds of the same maturity in the amount of the unpaid principal. All Series 2023 Bonds which have been redeemed shall be canceled and destroyed by the Bond Registrar and shall not be reissued. The City will not provide notices of redemption to Beneficial Owners of any Series 2023 Bond and notice to DTC in accordance with this Section shall constitute sufficient notice.

(g) *Additional Notice.* In addition to the foregoing notice, further notice shall be given by the Bond Registrar as set out below, but no defect in said further notice nor any failure to give all or any portion of such further notice shall in any manner defeat the effectiveness of a call for redemption if notice thereof is given as above prescribed. Each further notice of redemption given hereunder shall contain the information required above for an official notice of redemption plus (A) the CUSIP numbers of all Series 2023 Bonds being redeemed; (B) the date of issue of the Series 2023 Bonds as originally issued; (C) the rate of interest borne by each Series 2023 Bond being redeemed; (D) the maturity date of each Series 2023 Bond being redeemed; and (E) any other descriptive information needed

to identify accurately the Series 2023 Bonds being redeemed. Each further notice of redemption shall be sent at least thirty (30) days before the redemption date by registered or certified mail, overnight delivery service or electronic means to the Electronic Municipal Market Access System (“EMMA”) of the Municipal Securities Rule Making Board as provided for by the Securities and Exchange Commission and located at www.emma.mrsb.org.

(h) *CUSIP Numbers.* Upon the payment of the redemption price of Series 2023 Bonds being redeemed, each check or other transfer of funds issued for such purpose shall bear the CUSIP number, if applicable, identifying, by issue and maturity, the Series 2023 Bonds being redeemed with the proceeds of such check or other transfer.

(i) *Amendment of Notice Provisions.* The foregoing notice provisions of this Section 210, including but not limited to the information to be included in redemption notices and the persons designated to receive notices, may be amended by additions, deletions and changes in order to maintain compliance with duly promulgated regulations and recommendations regarding notices of redemption of municipal securities.

ARTICLE III

Section 301. Creation of Accounts and/or Subaccounts under Funds.

(a) The following accounts and/or subaccounts under certain funds previously existing or created under the Master Ordinance are hereby created and/or ratified on the accounting records of the City:

(i) Series 2023 Debt Service Account, a subaccount under the Bond Fund created under the Master Ordinance, to be held by the City for payment of principal and interest of the Series 2023 Bonds;

(ii) Series 2023 Project Account, a subaccount of the Project Fund under the Master Ordinance, to be held by the City for payment of the Cost of Acquisition of the Series 2023 Project and to pay certain costs of issuance of the Series 2023 Bonds as provided hereinafter.

(b) There shall be deposited into the 2023 Debt Service Account the (i) Net Revenues and (ii) such other funds as the City shall designate as irrevocably available to pay principal and interest on the Series 2023 Bonds. The City shall make disbursements from the 2023 Debt Service Account in accordance with Section 401 below.

(c) There shall be deposited into the Series 2023 Project Account the Series 2023 Bonds proceeds referred to in Section 301(d) below to pay the Cost of Acquisition of the Series 2023 Project and certain costs of issuance of the Series 2023 Bonds, if funded.

(d) There shall be deposited into and disbursed from the Rebate Account created under the Master Ordinance the sums required under the Code.

(e) The Series 2023 Bonds are not secured by the Debt Service Reserve Account and are not subject to a Reserve Account Requirement. Accordingly, a subaccount within the Debt Service Reserve Account relating to the Series 2023 Bonds shall not be established by the City.

ARTICLE IV

Section 401. Pledge of Net Revenues. The City covenants and agrees that to pay the principal of and interest on the Series 2023 Bonds, the City shall transfer from the Revenue Fund such amounts sufficient, together with funds then on deposit in the 2023 Debt Service Account, to meet the debt service requirements on the Series 2023 Bonds.

The Net Revenues of the City are hereby pledged for the prompt payment of principal of and interest on the Series 2023 Bonds as the same become due on parity with all Outstanding Bonds.

Section 402. Non-Arbitrage. The proceeds of the sale of the Series 2023 Bonds shall not be used directly or indirectly to acquire any securities or obligations, the acquisition of which would cause any of the Series 2023 Bonds to be arbitrage bonds, within the meaning of Sections 103 or 148 of the Internal Revenue Code of 1986, as amended (the “Code”). The City covenants to and for the benefit of the holders of the Series 2023 Bonds from time to time that no use will be made of the proceeds of the issue and sale of the Series 2023 Bonds or any other funds or accounts of the City which might be deemed to be available proceeds of the Series 2023 Bonds pursuant to the provisions of Section 148 of the Code, and the applicable regulations, which, if such use had been reasonably expected on the date of delivery of and payment for the Series 2023 Bonds, would cause the Series 2023 Bonds to be “arbitrage bonds” within the meaning of Section 148 of the Code. Pursuant to such covenant, the City obligates itself to comply throughout the term of the issue of the Series 2023 Bonds with the requirements of Section 148 of the Code, and any regulations promulgated thereunder. In addition, at closing and delivery of the Series 2023 Bonds the City shall execute a Tax Certificate stating that it will expend the proceeds of the Series 2023 Bonds in a manner that will comply with applicable Sections of the Code and that the Series 2023 Bonds will otherwise comply with the Code. The City shall comply with all provisions of said Tax Certificate, as shall be approved by the Delegated Officer. Such approval of said official of the City shall be conclusively established by the Delegated Officer’s execution of the Tax Certificate in its final form.

ARTICLE V

Section 501. Effect of Series Ordinance. To the extent that this Series Ordinance amends or supplements the Master Ordinance, the Master Ordinance shall be treated as so amended or supplemented

Section 502. Ratification. All proceedings, resolutions, ordinances, and actions of the Council, the City, and their officers, agents and employees taken in connection with the authorization, sale and issuance of the Series 2023 Bonds are hereby in all respects ratified, confirmed and approved and each Designated Representative of the City are hereby authorized and directed, for and in the name and on behalf of the City to do any and all things and take any and all actions and execute and deliver any and all closing certificates, agreements and other documents which they, or any of them, may deem necessary or advisable in order to consummate the lawful issuance and delivery of the Series 2023 Bonds in accordance with this Series Ordinance.

Section 503. Severability. It is hereby declared that all parts of this Series Ordinance are severable, and if any section, paragraph, clause, or provision of this Series Ordinance shall, for any reason, be held to be invalid or unenforceable, the invalidity or unenforceability of any such section, paragraph, clause or provision shall not affect the remaining sections, paragraphs, clauses or provisions of this Series Ordinance.

Section 504. Conflict. All resolutions, orders and regulations or parts thereof heretofore adopted or passed which are in conflict with any of the provisions of this Series Ordinance are, to the extent of such conflict, hereby repealed.

Section 505. Captions. The table of contents and captions or headings herein are for convenience of reference only and in no way define, limit, or describe the scope or intent of any provisions or sections of this Series Ordinance.

Section 506. Savings Clause. Except as amended and/or supplemented by this Series Ordinance, the Master Ordinance shall remain in full force and effect.

Section 507. Effective Date. That, pursuant to the affirmative vote of at least one-half (1/2) plus one (1) of the members of the Council, the rule requiring two (2) separate readings by title and one (1) reading in full be, and the same is hereby, dispensed with, and accordingly, this Series Ordinance shall be in full force and effect immediately upon its passage, approval, and publication, as provided by law.

Section 508. Publication. A summary of this Series Ordinance substantially in the form attached hereto as Exhibit F, which form is hereby approved, shall be published within one (1) month hereafter once in an issue of the *Idaho Mountain Express*, the official newspaper of the City, pursuant to Idaho Code, Section 50-901A, as amended.

[The remainder of this page has been left blank intentionally.]

APPROVED by the City Council of the City of Ketchum, Idaho, this 27th day of March, 2023.

APPROVED by the Mayor of the City of Ketchum, Idaho, this 27th day of March, 2023.



NEIL BRADSHAW, MAYOR

ATTEST:



By: _____
TRENT DONAT, CITY CLERK

(SEAL)

