

RESOLUTION NO. 4198

A RESOLUTION OF THE MAYOR AND COMMON COUNCIL OF THE TOWN OF GILBERT, ARIZONA, ORDERING AND CALLING A SPECIAL BOND ELECTION TO BE HELD IN AND FOR THE TOWN, ON NOVEMBER 2, 2021; PROVIDING FOR THE CONDUCT OF THE ELECTION, SETTING A DEADLINE TO SUBMIT ARGUMENTS "FOR" OR "AGAINST" THE BONDS, THE PRINTING OF BALLOTS, THE CANVASSING OF THE ELECTION AND AUTHORIZING THE TOWN'S FINANCE AND MANAGEMENT SERVICES DIRECTOR AS THE OFFICER TO COMPLY WITH SECTIONS 103 AND 141 THROUGH 150 OF THE INTERNAL REVENUE CODE.

WHEREAS, the Mayor and Common Council of the Town of Gilbert, Arizona (the "*Town*"), have determined that the interests of the Town will be served by the issuance of General Obligation Bonds of the Town; and

WHEREAS, the laws of the State of Arizona require that an election be held prior to engaging in certain actions, including the issuance and sale of said bonds; and

WHEREAS, by this resolution the Mayor and Common Council of the Town (the "*Mayor and Council*") will (a) order that a special bond election be held in and for the Town on November 2, 2021; and (b) order preparation and mailing of the notice, Informational Pamphlet (as hereinafter defined) and sample ballot for the Election (as hereinafter defined); and

WHEREAS, by this resolution the Town will publicly declare the last day for receipt of arguments "for" and "against" the bonds for inclusion in the Informational Pamphlet; and

WHEREAS, the Town may make expenditures in connection with the proposed projects to be acquired and/or constructed with the proceeds of such proposed bonds; and

WHEREAS, in order to comply with Sections 103 and 141 through 150 of the Internal Revenue Service Code of 1986, as amended, the Town may be required, pursuant to Treasury Regulation Section 1.150-2, to declare its intention to reimburse an expenditure with proceeds of the proposed bonds; and

WHEREAS, in order to reimburse the Town from proceeds of the Bonds such declaration of intention to reimburse from Bond proceeds for an expenditure made prior to issuance of the Bonds must be made not later than 60 days after the payment of such expenditure; and

WHEREAS, the Town shall designate the Finance and Management Services Director as the officer to declare such official intent on its behalf;

NOW, THEREFORE, BE IT RESOLVED BY THE MAYOR AND COMMON COUNCIL OF THE TOWN OF GILBERT, ARIZONA, AS FOLLOWS:

Section 1. Order and Call of Election. A special bond election (the "*Election*") is hereby ordered to be held in and for this Town on November 2, 2021 in the manner prescribed in Title 35, Chapter 3, Article 3, Arizona Revised Statutes, as amended ("*A.R.S.*"), and in conjunction with the election to be held on such date. The form of ballot for such Election shall be in substantially

the form attached to this resolution as *Exhibit A*, which is a part of this resolution and the terms are incorporated into this call of Election by reference thereto and shall be submitted to the electors at the Election.

Section 2. Current Indebtedness; Term of the Bonds. The Town Manager or Finance and Management Services Director is authorized to revise the form of ballot hereto as necessary to comply with all applicable laws. The estimated current general obligation debt limitations of the Town, outstanding debt, and remaining debt limitations for the purposes included in the twenty percent (20%) and six percent (6%) debt limit categories are given below:

<u>Category</u>	<u>Total Limitation</u>	<u>Outstanding Obligations (As of June 1, 2021)</u>	<u>Remaining</u>
20%	\$760,435,809	\$151,825,000	\$608,610,809
6%	\$228,130,743	\$0.00	\$228,130,743

The minimum and maximum number of years that any issue or series of bonds may run from their date shall be as follows: bonds of this authorization may mature not earlier than five years from their date or more than twenty-five (25) years from their date. The Mayor and Council hereby authorize the Town to cause an Election to authorize the issuance and sale of general obligation bonds in the principal amount not to exceed \$515,000,000. The Bonds shall bear interest of not to exceed five percent (5%) per year.

Section 3. Information Pamphlet. The Town Clerk is hereby directed to cause the preparation and distribution of an informational pamphlet (the "*Informational Pamphlet*") and sample ballot for the Town pursuant to and meeting the requirements of, A.R.S. § 35-454 and, if the Town Clerk determines it to be in the Town's best interests, combine the Informational Pamphlet and sample ballot with any other informational pamphlet being prepared for the Town's special election. The officers of the Town are hereby authorized to prepare and deliver or cause to be prepared and delivered to the Town Clerk the information necessary or appropriate for completing the Informational Pamphlet, including, without limitation: the estimated debt retirement schedule for the current amount of bonds outstanding; estimated debt retirement schedule for the proposed bond authorization; source of repayment; estimated issuance cost; estimated tax impact on an average owner-occupied residence, commercial, industrial and agricultural or other vacant property; estimated total cost of the proposed bond authorization, including principal and interest; current outstanding general obligation debt and constitutional debt limitation; an introductory statement on behalf of the Town; and a statement of the purpose for which the bonds are to be issued.

Section 4. Notice of Election. Notice of the Election is ordered to be given by causing the Informational Pamphlet to be mailed to the residences containing one or more qualified electors of the Town within the time period set forth in the applicable sections of the Arizona Revised Statutes. The Town Clerk is hereby authorized and directed to cause the Informational Pamphlet to be prepared and mailed as required by law and in accordance with the provisions of this resolution and to cause a copy of the Informational Pamphlet to be submitted to the Arizona Department of Revenue within thirty (30) days after the election.

Section 5. Conduct of Election; Contracts; Expenditures. The Election shall be conducted as a mail ballot election. The Town Clerk is hereby authorized to have ballots printed in substantially the form of *Exhibit A*, as and to deliver them to the election officials to be given to the qualified electors of the Town appearing to vote in the Election as provided by law.

Section 6. Public Declaration; Submission of Arguments. Pursuant to Arizona Revised Statutes (“A.R.S.”) § 35-454, as amended, the Town hereby sets the date of August 4, 2021 at the hour of 5:00 p.m. as the deadline to submit arguments “for” or “against” authorization to issue the bonds. Each argument shall not exceed 300 words in length and shall contain the original, notarized signatures of each person sponsoring it. With each argument supporting or opposing the bond election, two hundred dollars (\$200.00) shall be deposited with the Town Clerk to offset a portion of the proportionate cost of paper and printing the argument. The Town Clerk is authorized to publish in a newspaper of general circulation within the Town a notice stating the deadline for filing with the Town of arguments “for” or “against” the bonds, for inclusion in the Informational Pamphlet pertaining to the bonds. A form of the notice requesting arguments “for” and “against”, including the deadline for submitting arguments, is attached hereto as *Exhibit B*. The Town Clerk is authorized to revise the form of notice hereto as necessary to comply with all applicable laws.

Section 7. Early Voting. Early voting will be permitted at the Election in accordance with the provisions of Title 16, Chapter 4, Article 8, Arizona Revised Statutes.

Section 8. Voting Rights Act. In order to comply with the Voting Rights Act of 1965, as amended, the following proceedings pertaining to this election will be translated into Spanish and posted, published and recorded in each instance where posting, publication and recording of such proceedings are required, to-wit: ballot, Informational Pamphlet, all early voting material and all voting instructions.

Section 9. Conduct; Contracts. The Town Clerk is hereby directed to cause ballots to be printed and delivered to the election boards to be furnished to the qualified electors offering to vote at the election. The special bond election may be conducted using either electromechanical or electronic vote recording and ballot counting equipment or paper ballots, as shall be determined to be in the best interests of the Town by the County Elections Department and the Mayor and the Town Clerk or either of them.

Section 10. Canvass. As soon as the polls are closed, the election officials will forward the votes cast to the Town Council for canvassing. The Town Council will meet at the Council Chambers on a day that is within twenty (20) days after the election date to canvass the returns of the election and will file and record a certificate of result of election in the office of the Maricopa County Recorder. The Town Council will be governed by the vote of the majority on the question submitted.

Section 11. Other Actions. The Town Manager or the Finance and Management Services Director is authorized to take all necessary action to facilitate the Election.

Section 12. Reimbursement. The Town's Finance and Management Services Director is hereby designated as the officer to declare, from time to time, the official intent of the Town to reimburse an expenditure with the proceeds of the proposed bonds pursuant to Treasury Regulation Section 1.150-2. Such declaration of official intent shall be signed by the Finance and Management Services Director and shall be in substantially the form attached hereto as *Exhibit C* or such other form

as may be necessary to comply with the provisions of Treasury Regulation Section 1.150-2. The declaration of intent shall be effective when executed.

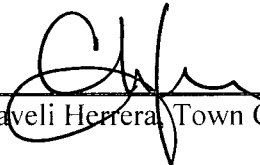
Section 13. Ratification. All actions of the members of the Board, officers, employees and agents of the Town which are in conformity with the purposes and intent of this resolution, whether heretofore or hereafter taken, shall be and are hereby ratified, confirmed, authorized and approved.

PASSED AND ADOPTED on June 1, 2021.




Brigitte Peterson, Mayor

ATTEST:



Chaveli Herrera, Town Clerk

APPROVED AS TO FORM:




Timothy A. Stratton, Bond Counsel

EXHIBITS A – Sample Ballot
 B – Request for Arguments
 C – Declaration of Official Intent

CERTIFICATION

I, Chaveli Herrera, the duly appointed Town Clerk of the Town of Gilbert, Arizona, do hereby certify that the above and foregoing Resolution was duly passed by the Town Council of the Town of Gilbert, Arizona, at a regular meeting held on June 1, 2021, and the vote was 5 aye's and 2 nay's and that the Mayor and 6 Council Members were present thereat.



Chaveli Herrera, Town Clerk

EXHIBIT A

SAMPLE BALLOT

FOR SPECIAL BOND ELECTION TO BE HELD IN AND FOR THE TOWN OF GILBERT, ARIZONA, ON NOVEMBER 2, 2021.

QUESTION NO. 1

PURPOSE: STREETS, TRANSPORTATION AND INFRASTRUCTURE RELATED IMPROVEMENT BONDS

AMOUNT: \$515,000,000

Shall the Mayor and Common Council of the Town of Gilbert, Arizona, be authorized to issue and sell the following bonds of the Town:

Purposes: To enhance and provide for increased safety and congestion mitigation, and to design, acquire, improve, construct, reconstruct and rehabilitate streets, avenues, roadways, pathways and adjacent lands, street lights, traffic signals, traffic safety improvement devices, multimodal transportation improvements, transportation technology enhancements, drainage improvements, retention basins and redevelopment plan implementation improvements, and to acquire land and interests in land for all transportation purposes and all appurtenances related thereto.

Payment of Bonds: Each series of these bonds will be issued at the option of the Mayor and Common Council as general obligation bonds of the Town pursuant to Title 35, Chapter 3, Article 3, Arizona Revised Statutes, payable from the levy of an ad valorem tax against the taxable property located within the Town, and the issuance of these bonds will result in a property tax increase sufficient to pay the annual debt service of the bonds, unless the Mayor and Common Council provide for payment from other sources.

A "YES" VOTE SHALL AUTHORIZE THE TOWN OF GILBERT, ARIZONA GOVERNING BODY TO ISSUE AND SELL \$515,000,000 OF GENERAL OBLIGATION BONDS OF THE TOWN TO BE REPAYED WITH SECONDARY PROPERTY TAXES.

A "NO" VOTE SHALL NOT AUTHORIZE THE TOWN OF GILBERT, ARIZONA GOVERNING BODY TO ISSUE AND SELL SUCH BONDS OF THE TOWN.

BOND APPROVAL, YES	<input type="checkbox"/>
BOND APPROVAL, NO	<input type="checkbox"/>

EXHIBIT B

**REQUEST FOR ARGUMENTS FOR AND AGAINST THE
AUTHORIZATION OF A BOND PROPOSITION TO BE CONSIDERED
BY THE VOTERS OF THE TOWN OF GILBERT, ARIZONA, AT AN
ELECTION TO BE HELD ON NOVEMBER 2, 2021.**

Pursuant to Resolution No. 4198 adopted by the Mayor and Common Council of the Town of Gilbert, Arizona, (the "Town"), on June 1, 2021 (the "Resolution"), a special bond authorization election in and for the Town was ordered and called to be held on November 2, 2021 (the "Election"). The Town seeks authorization to issue bonds in the principal amount not to exceed \$515,000,000. The estimated average annual tax rate for the proposed bond authorization is \$___ per \$100 of net assessed valuation used for secondary tax purposes. Notice of the Election will be given by mailing an informational pamphlet containing the information required by Section 35-454, Arizona Revised Statutes, as amended. Such information is to include arguments for and against the authorization of the bond proposition to be considered at the Election. (The text of the proposition to be considered at the Election is included in the Resolution which is available on the Town of Gilbert website or from the Office of the Town Clerk at 50 East Civic Center Drive, Gilbert, Arizona 85296.) Information regarding the cost and format for arguments is also available on the Town website and from the Town Clerk. Any person interested in providing any such argument is hereby requested to provide the same to the Town Clerk at the address indicated above before 5:00 p.m., Arizona time on August 4, 2021. If you have any questions about the foregoing, please contact the Town Clerk at (480) 503-6861.

Chaveli Herrera
Town Clerk

EXHIBIT C

DECLARATION OF OFFICIAL INTENT UNDER TREASURY REGULATION SECTION
1.150-2 TO REIMBURSE AN EXPENDITURE WITH PROCEEDS OF TAX-EXEMPT
BONDS

The undersigned is the Finance and Management Services Director of the Town of Gilbert, Arizona (the "*Town*"), and has been designated by the Governing Board of the Town to declare official intent on behalf of the Town with respect to the reimbursement of expenditures with proceeds of tax-exempt obligations proposed to be issued in connection with the Town's special bond election to be held on November 2, 2021.

Section 1. **Declaration of Official Intent.** The undersigned hereby declares under Treasury Regulation Section 1.150-2 the official intent of the Town to reimburse the capital expenditures made in connection with the Project described in Section 3 hereof with the proceeds of tax-exempt obligations.

Section 2. **Timeliness of Declaration.** This declaration is being made not later than sixty (60) days after payment of the expenditure(s) to be reimbursed.

Section 3. **Project Description.** The Project for which the above expenditures were made is to enhance and provide for increased safety and congestion mitigation, and to design, acquire, improve, construct, reconstruct and rehabilitate streets, avenues, roadways, pathways and adjacent lands, street lights, traffic signals, traffic safety improvement devices, multimodal transportation improvements, transportation technology enhancements, drainage improvements, retention basins and redevelopment plan implementation improvements, and to acquire land and interests in land for all transportation purposes and all appurtenances related thereto (the "*Project*").

Section 4. **Maximum Principal Amount.** The maximum principal amount of obligations expected to be issued for the Project is \$515,000,000.

Section 5. **Reasonable Expectation to Reimburse.** This Declaration as of its date is consistent with the budgetary and financial circumstances of the Town and the Town reasonably expects to reimburse the expenditures described in Section 3 with proceeds of tax-exempt bonds of the Town.

Dated: June 1, 2021.



Hakon Johanson, Finance and Management Services
Director, Town of Gilbert, Arizona