



1 **Section 1.** The WIFA Loan Agreement (DW 920356-23) between the City and WIFA, substantially in  
2 the form attached hereto and marked Exhibit A, is approved, and the City Manager is ordered and  
3 directed to complete, execute and deliver the WIFA Loan Agreement in substantially the form attached  
4 hereto with such insertions, deletions, modifications and changes as the City Manager in her sole and  
5 exclusive discretion believes in the best interest of the City, and the City Clerk is authorized and  
6 directed to attest the City Manager's signature thereon and to cause the same to be delivered to WIFA.  
The total amount that the City may borrow pursuant to the DW 920356-23 WIFA Loan Agreement  
shall not exceed \$2,100,000. The WIFA Direct Debit Agreement/Loan Repayment Schedule in  
substantially the form set forth as part of Exhibit A of the Loan Agreement is approved and authorized  
for use by WIFA and the City to aid in the administration of the DW 920356-23 WIFA Loan  
Agreement.

7 **Section 2.** To secure the payment of the DW 920356-23 WIFA Loan Agreement, the City hereby  
8 pledges all its net revenues of the Drinking Water System (the "Net Revenues") as more particularly  
9 stated in Exhibit A. This pledge shall be a first lien upon such amounts of the Net Revenues sufficient  
10 to make all Loan Repayments (as defined in the DW 920356-23 WIFA Loan Agreement), and the City  
11 agrees and covenants to make said payments from said Net Revenues, except to the extent it is  
12 permitted to and chooses to make such payments from other funds. The City is and shall be absolutely  
and unconditionally obligated to pay all Loan Repayments from Net Revenues.

13 In addition, the City agrees not to hereafter grant any lien or pledge of or upon the Net Revenues  
14 superior to the lien on the Net Revenues created by this Ordinance and the DW 920356-23 WIFA Loan  
15 Agreement. This pledge shall be a first lien upon all the net revenues sufficient to make the payments  
16 pursuant thereto.

17 The DW 920356-23 WIFA Loan Agreement will not constitute an obligation of the city for which the  
18 City is obligated to levy or pledge any form of ad valorem taxation nor does the DW 920356-23 WIFA  
19 Loan Agreement constitute an indebtedness of the City or of the State of Arizona or any of its political  
20 subdivisions within the meaning of the Constitution of the State of Arizona or otherwise.

21 **Section 3.** After the DW 920356-23 WIFA Loan Agreement is executed and delivered by the City, this  
22 Ordinance shall be and remain in effect until the principal and interest thereon shall have been fully  
23 paid, cancelled and discharged.

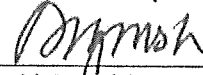
24 **Section 4.** The City Manager is hereby ordered and directed to sign all certificates, make all  
25 representations, and do all things necessary to carry out the execution and delivery of the DW 920356-  
23 WIFA Loan Agreement and all documents, certificates, contracts, exhibits and other matter  
necessary for the full execution, delivery and consummation of the DW 920356-23 WIFA Loan  
Agreement.

**Section 5.** All officers, agents, attorneys, and employees of the City are hereby ordered and directed to  
take all acts and do all things necessary to consummate the DW 920356-23 WIFA Loan Agreement.

**Section 6. Severability.** If any chapter, section, subsection, sentence, clause or phrase of this  
Ordinance is for any reason held to be invalid or unconstitutional by the decision of any court of  
competent jurisdiction, such decision shall not affect the validity of the remaining portions of this  
Ordinance.

**Section 7.** Be it further ordained that the immediate operation of the provisions of this Ordinance is  
necessary for the preservation of the public peace, health, and safety, an emergency is hereby declared  
to exist, and this Ordinance shall be in full force and effect immediately after its passage and adoption.

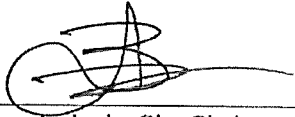
1 PASSED AND ADOPTED by the Mayor and Council of the City of Douglas, Arizona, this 14<sup>th</sup> day of  
2 December 2022.

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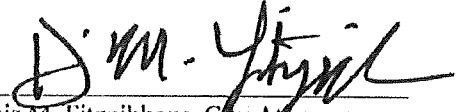
4 Donald C. Guish, Mayor

5 Attest:

Approved as to form:

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7 Alma Andrade, City Clerk

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Denis M. Fitzgibbons, City Attorney

9 Prepared by:  
Denis Fitzgibbons, City Attorney

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