

ORDINANCE NO. 1206

AN ORDINANCE OF THE CITY OF KETCHUM, BLAINE COUNTY, STATE OF IDAHO, AUTHORIZING THE ISSUANCE AND SALE OF UP TO \$11,500,000 PRINCIPAL AMOUNT OF GENERAL OBLIGATION BONDS, SERIES 2020; PROVIDING FOR THE DATE, FORM, MATURITY, AND DESIGNATION OF SAID BONDS; AUTHORIZING A REQUEST FOR PURCHASE PROPOSALS FOR SAID BONDS BY A NOTICE OF SALE AND OFFICIAL STATEMENT FOR THE BONDS; PROVIDING FOR LIMITATION FOR THE RATE OF INTEREST ON, PRINCIPAL AMOUNT OF AND MATURITIES OF SAID BONDS; PROVIDING FOR THE PAYMENT OF PRINCIPAL OF AND INTEREST ON SAID BONDS; PROVIDING FOR THE REGISTRATION AND AUTHENTICATION OF SAID BONDS; SETTING THE TIME, DATE, AND PLACE OF SALE OF SAID BONDS; PROVIDING FOR THE PURCHASE OF THE BONDS AND PROVIDING FOR CONDITIONS OF ACCEPTANCE OF A PURCHASE PROPOSAL FOR THE BONDS; PROVIDING FOR THE PAYMENT OF PRINCIPAL OF AND INTEREST ON SAID BONDS BY ANNUAL LEVIES OF TAXES; CREATING CERTAIN FUNDS AND ACCOUNTS; PROVIDING FOR OTHER MATTERS PROPERLY RELATING THERETO; PROVIDING FOR A SEVERANCE CLAUSE; AND PROVIDING AN EFFECTIVE DATE AND WAIVING ANY REQUIREMENT FOR THREE SEPARATE READINGS OF THE ORDINANCE.

CITY OF KETCHUM, BLAINE COUNTY, STATE OF IDAHO
GENERAL OBLIGATION BONDS, SERIES 2020

BE IT ORDAINED by the Mayor and Council of the City of Ketchum, Blaine County, State of Idaho, as follows:

WHEREAS, the City of Ketchum, Blaine County, State of Idaho (the "City"), is a municipal corporation duly organized and operating under Chapters 1 and 2, Title 50, Idaho Code, as amended; and

WHEREAS, the City Council of the City (the "Council"), by its Ordinance No. 1201, adopted on September 3, 2019, ordered a special election to be held within said City on November 5, 2019, for the submission to the voters of the City the question of whether or not the City should issue up to \$11,500,000 in general obligation bonds to provide funds for the construction and equipping of a new fire station, the acquisition of certain firefighting equipment and apparatus, and all other related costs, items and appurtenances necessary, useful and convenient for the betterment of the City's fire safety facilities, as set forth in said Ordinance No. 1201; and,

WHEREAS, on November 7, 2019, the Blaine County Commissioners canvassed the returns of said special bond election and determined that the requisite two-thirds (2/3) majority

of the qualified electors of said City had cast votes in the affirmative and that said proposition for the issuance of general obligation bonds in the amount of up to \$11,500,000 had passed; and

WHEREAS, after the County Clerk had certified the above special bond election results to the City Clerk, on November 18, 2019, the City took action to have the results of said special bond election entered in the minutes of the Council and proclaimed as final; and

WHEREAS, the City now desires to further authorize the issuance and sale of its General Obligation Bonds, Series 2020 (the “Bonds”).

NOW, THEREFORE, be it further ordained by the Council, as follows:

Section 1. Bonds Authorized; Purpose. General obligation bonds of the City, in fully registered form, designated “City of Ketchum, Blaine County, State of Idaho, General Obligation Bonds, Series 2020” (the “Bonds”), in the aggregate principal amount of up to \$11,500,000 are hereby authorized to be issued, sold, and delivered pursuant to the laws of the State of Idaho, particularly Title 50, Chapter 10, Idaho Code, as amended, and the Municipal Bond Law, Title 57, Chapter 2, Idaho Code, as amended.

The Bonds shall be and shall have all the qualities and incidents of negotiable instruments under the laws of the State of Idaho, and each such successive holder, in accepting any of the Bonds or registered coupons, shall be conclusively deemed to have agreed that the Bonds shall be and have all of the qualities and incidents of negotiable instruments under the laws of the State of Idaho.

The Bonds are being issued for the purpose of providing funds to pay the cost of the construction and equipping of a new fire station, the acquisition of certain firefighting equipment and apparatus, and all other related costs, items and appurtenances necessary, useful and convenient for the betterment of the City’s fire safety facilities, as otherwise determined by the City.

Section 2. Definitions.

As used in this Ordinance, the following words shall have the following meanings:

Bonds means the “City of Ketchum, Blaine County, State of Idaho, General Obligation Bonds, Series 2020,” herein authorized to be issued, sold, and delivered in the form of fully registered, general obligation bonds in the aggregate principal amount not to exceed \$11,500,000.

Bond Fund means the “City of Ketchum, Blaine County, State of Idaho, General Obligation Bonds, Series 2020, Bond Fund” referred to in Section 15 of this Ordinance.

Bond Purchase Proposal means the proposal for the purchase of the Bonds from the City by the winning bidder for the Bonds.

Bond Register means the registration books on which are maintained the names and addresses of the owners or nominees of the owners of the Bonds.

Bond Registrar means the bond registrar, transfer agent, and authenticating and paying agent appointed and designated in Section 7 of this Ordinance.

Book Entry-Only System means the system of recordation of ownership of the Bonds on the books of the Depository pursuant to Section 3 of this Ordinance.

Business Day means a day, other than a Saturday or Sunday, on which banks located in the State of Idaho are open for the purpose of conducting commercial banking business.

City means the City of Ketchum, Blaine County, State of Idaho.

City Clerk means the Clerk of the City, or other officer of the City who is the custodian of the seal of the City and of the records of the proceedings of the City, or his/her successor in functions, if any.

Continuing Disclosure Agreement means the Continuing Disclosure Agreement between the City and the Bond Registrar, Zions Bancorporation, National Association, as dissemination agent, dated the date of delivery of the Bonds, as originally executed and as may be amended from time to time in accordance with the terms thereof.

Council means the City Council of the City.

Mayor means the Mayor of the City, or his/her successor in functions, if any.

Ordinance or Bond Ordinance means this Ordinance No. 1206, adopted on February 18, 2020.

Outstanding, when used with reference to the Bonds, as of any particular date, means Bonds, the principal of and interest on which have not been paid pursuant to this Ordinance or which have not been replaced pursuant to Section 7 of this Ordinance.

Project Construction Fund means the “City of Ketchum, Blaine County, State of Idaho, General Obligation Bonds, Series 2020, Project Construction Fund” referred to in Section 13 of this Ordinance.

Registered Owner means the purchaser of the Bonds and any subsequent transferee or purchaser of the Bonds.

Treasurer means the Treasurer of the City, or his/her successor in functions, if any.

Section 3. Description of Bonds; Book Entry.

A. The Bonds shall be issued and sold in accordance with this Ordinance and a Notice of Sale and Official Statement hereinafter described and certain parameters and limitations as to principal amount, rate of interest, and maturity as set forth in Sections 9 and 10 below. Bonds shall be issued in an aggregate principal amount of up to \$11,500,000 as serial bonds and, if the final successful Bond Purchase Proposal for the Bonds so indicates, as one or more maturities of term bonds. The Bonds shall be in denominations of \$5,000 each, or integral multiples thereof, shall be dated the date of delivery of the Bonds, shall be issued only in fully registered form, and shall be substantially in the form set forth in Exhibit “A” attached hereto and by this reference

incorporated herein. The Bonds shall also include any such additional statements, provisions, or requirements as may be necessary or appropriate as a consequence of obtaining bond insurance coverage, if any, for the Bonds. The Bonds shall be numbered separately in a consecutive series, in the manner and with any additional designation as the Bond Registrar (hereinafter defined) deems necessary for the purposes of identification. The Bonds shall mature or be subject to mandatory sinking fund redemption installments in the total amounts per year, on September 15, of each year with an initial maturity of September 15, 2021, and a final maturity not later than September 15, 2044, as to be set forth in the Terms Certificate described in Section 9 hereof, and to conform with the final successful Bond Purchase Proposal for the Bonds with respect to any maturity of potential term bonds.

B. The Bonds shall be issued in Book-Entry-Only form in accordance with the Book-Entry-Only System and practices of the Depository Trust Company, New York, New York (the "Depository"), in the form of a single Bond for each maturity of the Bonds aggregating the entire proposed amount of the Bonds, substantially in the form of Exhibit "A" which is annexed hereto and by reference made a part hereof. A single Bond for each maturity of Bonds shall be executed by the manual or facsimile signature of the Mayor, countersigned by the manual or facsimile signature of the City Treasurer, and attested by the manual or facsimile signature of the City Clerk, and authenticated by the Bond Registrar appointed in Section 7 hereof, and the Official Seal of the City or a facsimile thereof shall be impressed or reproduced thereon. The Bonds shall be registered in the name of Cede & Co., as nominee of the Depository, and shall be lodged with the Depository until maturity of the Bonds. The City shall recognize the Depository, or its nominee, as the owner of the Bonds for all purposes. Beneficial ownership interests in the principal amount of \$5,000 or integral multiples thereof will be available through entries on the books of banks and broker-dealer participants (the "Participants") which are related to the Book-Entry-Only System.

C. The City shall have no responsibility or obligation to any Participant or beneficial owner of any interest in the Bonds with respect to (i) the accuracy of the records of the Depository or its nominee with respect to any ownership interest in the Bonds, (ii) the delivery to any Participant or other person, other than the Depository or its nominee, of any notice with respect to the Bonds, or (iii) the payment to any Participant or other person, other than the Depository or its nominee, of any amount with respect to principal of or interest on the Bonds. Payments by the City to the Depository or its nominee of the principal of and interest on the Bonds when due shall be valid and effective to fully satisfy and discharge the City's obligations with respect to payment of the principal of and interest on the Bonds to the extent of the sums so paid. No person other than the Depository or its nominee shall receive a Bond certificate evidencing the obligation of the City to make payments of principal and interest pursuant to this Ordinance.

D. To the extent an initial or any further Representation Letter may be necessary or appropriate, the standard Representation Letter of the Depository is hereby authorized, and the Mayor, City Treasurer, Director of Finance or other officer of the City shall execute and deliver such Representation Letter on behalf of the City as necessary. The

City's execution and delivery of such Representation Letter shall not in any way limit the provisions of Paragraph B of this Section 3 or in any other way impose upon the City any obligation whatsoever with respect to persons having interests in the Bonds other than the Depository or its nominee.

E. (i) The Depository may determine to discontinue providing its services with respect to the Bonds at any time by giving notice to the City and discharging its responsibilities with respect thereto under applicable law.

(ii) Zions Bancorporation, National Association, acting as the Bond Registrar (the "Bond Registrar") in its sole discretion and without the consent of any other person, may terminate the services of the Depository with respect to the Bonds if it determines that:

(a) The Depository is unable to discharge its responsibilities with respect to the Bonds, or

(b) A continuation of the requirement that all of the outstanding Bonds be registered in the registration books kept by the Bond Registrar in the name of Cede & Co., or any other nominee of the Depository, is not in the best interest of the beneficial owners of the Bonds.

(iii) Upon the termination of the services of the Depository with respect to the Bonds pursuant to subsection E.(ii)(b) hereof, or upon the discontinuance or termination of the services of the Depository with respect to the Bonds pursuant to subsection E.(i) or subsection E.(ii)(a) hereof after which no substitute securities depository willing to undertake the functions of the Depository hereunder can be found which, in the opinion of the Bond Registrar, is willing and able to undertake such functions upon reasonable and customary terms, the Bond Registrar is obligated to deliver Bonds at the expense of the beneficial owners of the Bonds, as described in this Ordinance and the Bonds shall no longer be restricted to being registered in the registration books kept by the Bond Registrar in the name of Cede & Co. as nominee of the Depository, but may be required in whatever name or names the owner transferring or exchanging Bonds shall designate, in accordance with the provisions of this Ordinance.

F. Notwithstanding any other provision of this Ordinance to the contrary, so long as any Bond is registered in the name of Cede & Co., as nominee of the Depository, all payments with respect to principal or, premium, if any, and interest on such Bond and all notices with respect to such Bond shall be made and given, respectively, in the manner provided in the Representations Letter.

Section 4. Interest on Bonds. The Bonds shall bear interest at a rate or rates as set forth in the bond purchase contract, or final acceptable bid form or purchase proposal, for the Bonds, which interest shall be payable commencing March 15, 2021, and semiannually thereafter on each March 15 and September 15 of each year after the first interest payment date, until the respective

maturity dates thereof. Interest on the Bonds shall be calculated on the basis of a 360-day year consisting of twelve 30-day months.

Section 5. Payment of Bonds; Pledge of Full Faith and Credit. The principal of the Bonds is payable in lawful money of the United States of America to the Registered Owners thereof, whose names and addresses shall appear on the registration records of the City (the “Bond Register”) maintained by the Bond Registrar designated in Section 7 hereof, upon presentation and surrender of the Bonds at the principal office of the Bond Registrar.

Payment of each installment of interest shall be made on the due date to the Registered Owner of each Bond, at his or her address appearing on the Bond Register on the first day of the calendar month of the interest payment date, or at such other address as may be furnished in writing by such Registered Owner to the Bond Registrar, and shall be paid by check or draft of the Bond Registrar mailed to such Registered Owner.

At least three (3) days prior to each interest or principal payment date for the Bonds, the City shall transfer to the Bond Registrar as Paying Agent an amount sufficient to pay the principal of and interest on the Bonds then due and payable, and the Paying Agent is hereby authorized and directed to apply such funds to said payment.

The full faith, credit and taxing power of the City are hereby irrevocably pledged to the payment of the principal of, redemption premium, if any, and interest on the Bonds when and as the same become due. A default on the Bonds shall not constitute a general obligation of Blaine County or the State of Idaho or any subdivision thereof other than the City.

Section 6. Execution of Bonds. Without unreasonable delay following acceptance of the Bond Purchase Proposal, the City shall cause definitive bonds to be prepared, executed, and delivered, which Bonds shall be typewritten or printed without engraved or lithographed borders. The Bonds shall be signed by the Mayor of the City, countersigned by the City Treasurer, and attested by the City Clerk (all of which signatures may be by facsimile), and the facsimile seal of the City may be imprinted or reproduced thereon. The Bonds shall then be delivered to the Bond Registrar for authentication by the manual signature of an authorized officer thereof.

Until the definitive bonds are prepared, the City may, if deemed necessary by the Mayor, utilize a temporary Bond which shall be typewritten, and which shall be delivered to the purchaser of the Bonds in lieu of definitive bonds, subject to the same provisions, limitations, and conditions as the definitive bonds. The temporary Bond shall be dated as of the date of the Bonds, shall be in the denomination of the aggregate amount of the Bonds, shall be numbered T-1, shall be substantially of the tenor of such definitive bonds, but with such omissions, insertions, and variations as may be appropriate to temporary Bonds, and shall be manually signed by the Mayor of the City, the City Treasurer and the City Clerk, and authenticated by the Bond Registrar, and shall have the seal of the City impressed thereon.

In case any of the officers who shall have signed, or countersigned, any of the Bonds shall cease to be such officer or officers of the City before the Bonds so signed or countersigned shall have been authenticated or delivered by the Bond Registrar, or issued by the City, such

Bonds may nevertheless be authenticated, delivered, and issued and, upon such authentication, delivery, and issue, shall be as binding upon the City as though those who signed and countersigned the same had continued to be such officers of the City. Any Bond may also be signed and countersigned on behalf of the City by such persons as at the actual date of execution of such Bonds shall be the proper officers of the City although at the original date of such Bond any such person shall not have been such officer of the City.

Only such of the Bonds as shall bear thereon a certificate of authentication in the form set forth in Exhibit "A," manually executed by the Bond Registrar, shall be valid or obligatory for any purpose or entitled to the benefits of this Ordinance, and such certificate of authentication shall be conclusive evidence that the Bonds so authenticated have been duly executed, authenticated, and delivered hereunder and are entitled to the benefits of this Ordinance.

Section 7. Bond Registrar and Paying Agent. Zions Bancorporation, National Association, Boise, Idaho, is hereby appointed as bond registrar, transfer agent, and authenticating and paying agent, and is herein referred to as the "Bond Registrar." The Bond Registrar shall keep, or cause to be kept, at its corporate trust office sufficient books for the registration and transfer of the Bonds which shall, at all times, be open to inspection by the City. The Bond Registrar shall do all things authorized by the Idaho Registered Public Obligations Act, Chapter 9, Title 57, Idaho Code, as amended. The Bond Registrar is authorized, on behalf of the City, to authenticate and deliver the Bonds transferred or exchanged in accordance with the provisions of such Bonds and this Ordinance and to carry out all of the Bond Registrar's powers and duties under this Ordinance. For purposes of said Registered Public Obligations Act, this Ordinance shall constitute a "system of registration" within the meaning, and for all purposes, of said Act.

The Bond Registrar shall be responsible for its representations contained in the Certificate of Authentication on the Bonds. The Bond Registrar may become the owner of the Bonds with the same rights as it would have if it were not the Bond Registrar.

The Bonds may be transferred only upon the books for the registration and transfer of Bonds, upon the surrender thereof at the principal office of the Bond Registrar, together with a form of transfer duly executed by the Registered Owner or his attorney duly authorized in writing, substantially in the form set forth in the form of Bond referred to in Section 6 hereof. Upon the transfer of any Bond, there shall be issued in the name of the transferee or transferees a new fully registered Bond or Bonds of the same aggregate principal amount as the surrendered Bond. The new Bond or Bonds shall bear the same date as the date of the surrendered Bond, but shall bear interest from the immediately preceding interest payment date to which interest has been paid or duly provided for. The Bond Registrar shall require the payment by the Registered Owner requesting such transfer of any tax or other governmental charge required to be paid with respect to such transfer.

The Bond Registrar shall not be required to exchange or transfer any Bond within fifteen (15) days of an interest payment date or, in the case of any redemption of Bonds, during the period from the record date specified by the Bond Registrar in the notice of redemption to the date of redemption.

Section 8. Redemption; Notice of Redemption. Bonds maturing by their terms on or before September 15, 2029, shall not be subject to call and redemption prior to their fixed maturity date. The City reserves the right to redeem any or all of the Bonds maturing by their terms on or after September 15, 2030, in advance of maturity on March 15, 2030, or on any date thereafter, in whole or in part, at the redemption price of par plus accrued interest to the date of redemption, from such maturities or parts thereof as shall be directed by the City and by lot within each maturity.

To the extent that and if any of the Bonds are issued as one or more maturities of term Bonds, said term Bonds will mature and be subject to mandatory sinking fund redemption in such installment amounts and on such dates as described on the final principal payment schedule for the Bonds and as will conform and correspond with the final successful Bond Purchase Proposal for the Bonds, and as or will be set forth in any further resolution or ordinance of the City awarding and accepting the final successful Bond Purchase Proposal.

For so long as the Bonds are in book-entry only form, if fewer than all of the Bonds of a maturity are called for redemption, the selection of Bonds within a maturity to be redeemed shall be made by the Depository in accordance with its operational procedures then in effect. If the Bonds are no longer held in book-entry only form, then the City shall select Bonds for redemption by lot in multiples of \$5,000 within each maturity.

Notice of redemption shall be given by the Bond Registrar by first class mail, postage prepaid, not less than (30) nor more than sixty (60) days prior to the redemption date, to the Depository, and to the owner, as of the 15th day prior to mailing the notice of redemption (the "Record Date"), of each Bond which is subject to redemption, at the address of such Registered Owner as it appears in the registration books of the City kept by the Bond Registrar, or at such other address as is furnished the Bond Registrar, in writing by such registered owner on or prior to the Record Date. Notice shall also be given by first-class mail to the fiscal agent of the City, if any, and to the Paying Agent, if other than the Bond Registrar, and to each nationally recognized municipal securities information repository (NRMSIR), in accordance with the Continuing Disclosure Agreement referenced in Section 19 hereof. Each notice of redemption shall state the name of the Bonds, the Record Date, the redemption date, the place of the redemption, the principal amount and, if less than all, the distinctive numbers of the Bonds or portions of the Bonds to be redeemed, and shall also state that the interest on the Bonds designated for redemption in such notice shall cease to accrue from and after such redemption date and that on said date there will become due and payable on each of said Bonds the principal thereof, interest accrued thereon to the redemption date, and premium, if any.

Each notice of redemption may further state that such redemption shall be conditional upon the Bond Registrar receiving for deposit into the Bond Fund created below, on or prior to the date fixed for redemption, moneys authorized by the City to be deposited in the Bond Fund that are sufficient to pay the principal of and interest and redemption premium, if any, on the Bonds to be redeemed and that if such moneys shall not have been so received the notice shall be of no force or effect and the City shall not be required to redeem such Bonds. If such a condition is included in the notice of redemption, then a notice stating sufficient moneys were not deposited and that no redemption occurred on that date shall be sent within a reasonable time

thereafter, in like manner, to the registered owner of each Bond which was sent the notice of redemption.

If notice of redemption shall have been given as described above and the foregoing conditions, if any, shall have been met, the Bonds or portions thereof specified in said notice shall become due and payable at the applicable redemption price on the redemption date therein designated, and if, on the redemption date, moneys for the payment of the redemption price of all the Bonds to be redeemed, together with interest to the redemption date, shall be available for such payment on said date, then from and after the redemption date interest on such Bonds shall cease to accrue and become payable.

Any notice mailed as described above shall be conclusively presumed to have been duly given, whether or not the Registered Owner received such notice. Failure to give such notice or any defect therein with respect to any Bonds shall not affect the validity of proceedings for redemption with respect to any other Bonds for which notice has been properly given.

If less than all of the Bonds of any maturity are to be so redeemed, and if under the provisions of this Ordinance the City is to select and determine the Bonds for redemption by lot, then the City hereby authorizes and directs that the particular Bonds or portion of Bonds to be redeemed shall be selected at random by the Bond Registrar in such manner as the Bond Registrar in its discretion may deem fair and appropriate. The portion of any registered Bond of a denomination of more than \$5,000 to be redeemed will be in the principal amount of \$5,000 or a natural multiple thereof, and in selecting portions of such Bonds for redemption the Bond Registrar will treat each such Bond as representing that number of Bonds of \$5,000 denomination which is obtained by dividing the principal amount of such Bond by \$5,000.

No defect in such further notice nor any failure to give all or any portion of such notice shall in any manner affect the validity of a call for redemption if the notice referenced in the preceding paragraphs is given as described above.

Section 9. Sale of Bonds. The Bonds shall be sold at public sale on March 4, 2020. Competitive purchase proposals may be submitted not later than 9:30 a.m. Mountain Standard Time (M.S.T.) on date of sale, to the City through the City's Municipal Advisor, Zions Public Finance, Inc. (the "Municipal Advisor"), in accordance with and all as more fully set forth in the Notice of Sale described below in Section 10. All proposals will then be acted upon by the City through its Mayor and/or Director of Finance as soon as possible on such date, and by no later than 9:30 a.m. M.S.T. on the next date, March 5, 2020, as provided in the Notice of Sale.

Pursuant to Section 57-235, Idaho Code, as amended, the Council hereby delegates to the Mayor and the Director of Finance, each with the authority to act alone (hereinafter each referred to as the "Delegated Officer"), the power to make the following determinations on the date of sale of the Bonds, without any requirement that the Council meet to approve such determinations, but subject to the limitations provided:

- i. The price at which the Bonds will be sold, which shall not be less than par.

- ii. The true interest cost for the Bonds, which shall not exceed 4.00% per annum.
- iii. The par amount of the Bonds, which shall not exceed \$11,500,000.
- iv. The final maturity date of the Bond, which shall not exceed twenty-five (25) years from the date of its issuance.
- v. The amount of principal of the Bonds maturing in any particular year, and the rate of interest accruing thereon.
- vi. The amount of proceeds of the Bonds to be deposited into the Costs of Issuance Fund.
- vii. The amount of proceeds of the Bonds to be deposited into the Project Construction Fund.

Upon acceptance of the winning bond purchase proposal (the “Bond Purchase Proposal”), on or before the issuance of the Bonds the Delegated Officer shall execute a Terms Certificate substantially in the form attached hereto as Exhibit “D” reflecting the final terms and provisions of the Bonds and certifying that the final terms and provisions of the Bonds are consistent with, not in excess of and no less favorable than the terms set forth above, and the Mayor and the Director of Finance and other officers at the City may execute and deliver any and all documents needed to carry out the accepted Bond Purchase Proposal.

Section 10. Notice of Sale and Official Statement. The Notice of Sale, in substantially the form as set forth in the preliminary form of the Official Statement (“Preliminary Official Statement”) submitted to the City and substantially as attached hereto as Exhibit “B” and by this reference incorporated herein, is hereby approved. The Director of Finance or any other officer of the City is hereby directed to execute the Notice of Sale on behalf of the City, and to call for proposals or bids for the sale and purchase of the Bonds, all in the manner more particularly set forth in the Notice of Sale. The Council, in the exercise of its sound discretion, hereby determines that the system of electronic bidding set forth in the Notice of Sale and the good faith deposit requirements therein, if any, are fair to all potential bidders and may produce the lowest effective interest rate for the sale and purchase of the Bonds. The abbreviated summary version of the complete Notice of Sale published in the Idaho Mountain Express, the official newspaper of the City, on February 12, 2020, is hereby ratified and approved and such summarized Notice of Sale shall be published at least once each week for three (3) consecutive weeks, with the first such publication being at least twenty-one (21) full days prior to the date of sale. In addition, the Notice of Sale shall be posted electronically through i-Deal LLC and shall be distributed to potential bidders by the Municipal Advisor as further described below.

The Preliminary Official Statement has been prepared by the City’s Municipal Advisor and submitted to the City. The Municipal Advisor is authorized and directed to cause the Notice of Sale and the Preliminary Official Statement pertaining to the sale of the Bonds, to be distributed to such municipal bond broker-dealers, such banking institutions, and to such other persons, as may be interested in purchasing the Bonds herein offered for sale. The Director of

Finance is authorized to certify on behalf of the City that the Preliminary Official Statement is deemed final as of its date, within the meaning of Rule 15c2-12 promulgated under the Securities Exchange Act of 1934 (except for the omission of certain pricing, rating and related information as permitted by the Rule).

Section 11. Delivery of Bonds; Application of Proceeds. The Director of Finance, Mayor, and the Clerk of the City are hereby instructed to make delivery of the Bonds to the purchaser of the Bonds under the DTC Fast Automated Securities Transfer System and to receive payment therefor in accordance with the terms of the Bond Purchase Proposal and to deposit the proceeds of sale as follows:

- A. A portion of the proceeds of sale of the Bonds described in the Tax Certificate (hereinafter defined) shall be deposited in the Cost of Issuance Fund and utilized as provided in Section 12 hereof; and
- B. Proceeds of sale of the Bonds in the amount described in the Tax Certificate (hereinafter defined) shall be deposited into the Project Construction Fund and utilized as provided in Section 13 hereof.

Section 12. Cost of Issuance Fund. There is hereby created a cost of issuance fund (the “Cost of Issuance Fund”) which is to be held by the Bond Registrar. Pursuant to Section 11, a portion of the proceeds of the Bonds shall be deposited to the Cost of Issuance Fund with the Bond Registrar, and used to pay costs of issuance of the Bonds as directed upon a written certificate of the City. Not later than August 1, 2020, any balance in the Cost of Issuance Fund shall be transferred to the Bond Fund held by the City, and the Cost of Issuance Fund shall thereafter be closed and terminated.

Section 13. Project Construction Fund. There is hereby created and shall be maintained in the office of the Treasurer of the City, a fund and account separate and distinct from all other funds of the City, to be known as the “City of Ketchum, Blaine County, State of Idaho, General Obligation Bonds, Series 2020, Project Construction Fund” (the “Project Construction Fund”), or such other designation conforming to banking requirements and good accounting practices, into which shall be deposited all of the proceeds of the sale of the Bonds, except for any costs of issuing the Bonds deposited into the Cost of Issuance Fund or otherwise paid on the date of closing and except for accrued interest on the Bonds, if any, which accrued interest on the Bonds shall be deposited into the Bond Fund, hereinafter created. Investment earnings on moneys deposited and held in the Project Construction Fund and Bond Fund will remain in each such respective fund and be used as set forth in this Ordinance. The Bond proceeds in the Project Construction Fund may be used to pay for costs of issuing the Bonds and the costs of the capital improvements heretofore authorized. In the event there are funds remaining in said Project Construction Fund after all expenditures for improvements as set forth hereinabove, any surplus funds shall then be deposited into the Bond Fund and used for the payment of principal of and interest on the outstanding Bonds as the same shall accrue.

Section 14. Tax Levy. The Bonds are general obligation bonds of the City, and as such the full faith and credit of the City are hereby pledged for their payment. The officers now or hereafter

charged by law with the duty of levying taxes for the payment of said Bonds and interest thereon shall, in the manner provided by law, make annual levies unlimited as to rate or amount upon all of the taxable property within said City sufficient in amount to meet the annual payments of Bond principal and the semi-annual payments of interest maturing and accruing as set forth in Sections 3 and 4 hereinabove. Such taxes when collected shall be placed in the Bond Fund (hereinafter defined) and shall be used for no other purpose than for the payment of the principal and interest on the Bonds, so long as any of the Bonds remain outstanding and unpaid, but nothing herein shall be construed to prevent the City from paying the interest on or principal of the Bonds from any other funds available for that purpose, or to prevent the City from levying any further or additional taxes which may be necessary fully to pay the interest on or principal of the Bonds. Principal or interest falling due at any time when the proceeds of ad valorem tax levies may not be available shall be paid from other funds of the City and may be reimbursed from the proceeds of such taxes when collected.

Section 15. General Obligation Bonds Bond Fund. The proceeds of taxes levied without limitation as to rate or amount to pay the principal of and interest on the Bonds, as set forth above, shall be kept by the Treasurer of the City in a special fund, which is hereby created, separate and apart from all other funds, and which is hereby designated “City of Ketchum, Blaine County, State of Idaho, General Obligation Bonds, Series 2020, Bond Fund” (the “Bond Fund”), or such other designation conforming to banking requirements and good accounting practices, which Bond Fund shall be used for no other purpose than the payment of the principal of and interest on the Bonds as the same fall due. Said Bond Fund shall be maintained by said Treasurer until the principal of and interest on said Bonds have been paid in full. Monies held in the Bond Fund and any other fund for the Bonds shall be invested only in securities permitted under Idaho Code Section 50-1013, as amended. Any monies remaining in any fund for the Bonds after discharge or defeasance of the Bonds shall be applied as directed by the City.

Section 16. Non-Arbitrage. The proceeds of the sale of Bonds shall not be used directly or indirectly to acquire any securities or obligations, the acquisition of which would cause any of the Bonds to be arbitrage bonds, within the meaning of Sections 103 or 148 of the Internal Revenue Code of 1986, as amended (the “Code”), and a certificate stating that the Bonds are not arbitrage bonds within the meaning of said Sections 103 or 148 shall be provided to the purchaser at the time of delivery of the Bonds. The City covenants to and for the benefit of the holders of the Bonds from time to time that no use will be made of the proceeds of the issue and sale of the Bonds or any other funds or accounts of the City which might be deemed to be available proceeds of the 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 Bonds, would cause the 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 Bonds with the requirements of Section 148 of the Code, and any regulations promulgated thereunder. In addition, at closing and delivery of the Bonds the City shall execute a Tax Certificate stating that it will expend the proceeds of the Bonds in a manner that will comply with applicable Sections of the Code and that the Bonds will otherwise comply with the Code. The City shall comply with all provisions of said Tax Certificate.

Section 17. Defeasance. In the event that money and/or government obligations, maturing or having guaranteed redemption prices at the option of the owner at such time or times and bearing interest to be earned thereon in such amounts as are sufficient (together with any resulting cash balances) to redeem and retire part or all of the Bonds in accordance with their terms, are hereafter irrevocably set aside in a special account in accordance with Section 57-504, Idaho Code, as amended and pledged to effect such redemption and retirement, then no further payments need be made into the Bond Fund for the payment of the principal of and interest on such Bonds so provided for, and such Bonds and interest accrued thereon shall then cease to be entitled to any lien, benefit, or security of this Ordinance, except the right to receive the funds so set aside and pledged, and such Bonds and interest accrued thereon shall no longer be deemed to be outstanding hereunder.

Section 18. Post Issuance Tax Compliance Procedures. The City hereby adopts and agrees to follow the Post Issuance Tax Compliance Procedures set forth in Exhibit “C” attached hereto.

Section 19. Rule 15c2-12 and Continuing Disclosure Covenants. The City hereby covenants to comply with any applicable requirements of Securities and Exchange Commission Rule 15c2-12 (the “Rule”) with respect to any official statement and/or continuing financial disclosure with respect to the Bonds including without limitation the execution of a Continuing Disclosure Agreement for the Bonds. The City further approves the form of Continuing Disclosure Agreement between the City and the Bond Registrar (the “Continuing Disclosure Agreement”) in substantially the form presented to the Council at this meeting, and further authorizes the Mayor, City Clerk, City Treasurer, Director of Finance or other officer of the City to execute the Continuing Disclosure Agreement. The City hereby authorizes the Director of Finance to “deem final” the Preliminary Official Statement, as presented to the Council, for purposes of Rule 15c2-12(b)(1) and agrees that a final Official Statement will be furnished to the Purchaser of the Bonds within seven (7) business days after the sale of the Bonds referenced in Section 9 above.

Section 20. Severability. If any sentence, phrase, paragraph, section, or subsection of this Ordinance shall be declared by any court of competent jurisdiction to be contrary to law, then the same shall be deemed separable from the remainder of this Ordinance and shall in no way affect the validity of the other provisions of, or of any bonds issued pursuant to, this Ordinance.

Section 21. Effective Date. This Ordinance shall be in full force and effect from and after its passage, approval and the publication thereof in full or by summary, as provided by law, and the second and third readings hereof have been duly and properly waived by the City Council.

Section 22. Ordinance A Contract. The provisions of this Ordinance shall constitute a contract between the City and the Registered Owner so long as the Bonds hereby authorized remains unpaid.

Section 23. Repealer. All prior ordinances or parts thereof, to the extent inconsistent herewith, are hereby repealed and shall, to the extent of such inconsistency, have no further force or effect.

Section 24. Authorization. The Mayor, Director of Finance, City Clerk, and City Treasurer, or any one of such officers, as may be appropriate to the circumstances, are hereby authorized to

execute, on behalf of the City, the Bonds and all such additional documents as may be necessary to effect the sale and delivery of the Bonds.

Section 25. Publication. This Ordinance, or a summary thereof in compliance with Section 50-901A, Idaho Code, shall be published once in the official newspaper of the City, and shall take effect immediately upon passage, approval, and publication.

[Remainder of Page Intentionally Left Blank]

PASSED by the City Council of the City of Ketchum, Blaine County, Idaho, this 18th day of February, 2020.


APPROVED by the Mayor of the City of Ketchum, Blaine County, Idaho, this 18th day of February, 2020.

CITY OF KETCHUM, IDAHO

(SEAL)

By: 
Mayor

Attest:


City Clerk



I, the undersigned, the Clerk of the City of Ketchum, Blaine County, Idaho, hereby certify that the foregoing Ordinance is a full, true, and correct copy of an Ordinance duly passed and adopted at a meeting of the Council of the City, duly held at the meeting place thereof on February 18, 2020, of which meeting all members of said Council had due notice, and at which a majority thereof were present; and that at said meeting said Ordinance was adopted by the following vote:

<u>4</u>	AYES
_____	NOES
_____	ABSENT
_____	ABSTAIN

I further certify that I have carefully compared the same with the original Ordinance on file, and of record in my office; that said Ordinance is a full, true, and correct copy of the original Ordinance adopted at said meeting, and that said Ordinance has not been amended, modified, or rescinded since the date of its adoption, and is now in full force and effect.

IN WITNESS WHEREOF, I have set my hand and affixed the official seal of said City on February 18, 2020.



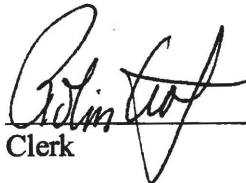

Clerk

EXHIBIT "A"

UNITED STATES OF AMERICA
STATE OF IDAHO

Registered No. R-____

\$_____

Unless this certificate is presented by an authorized representative of The Depository Trust Company, a New York corporation ("DTC"), to the City (defined below) or its agent for registration of transfer, exchange, or payment, and any certificate issued is registered in the name of Cede & Co. or such other name as is requested by an authorized representative of DTC (and any payment is made to Cede & Co. or to such other entity as is requested by an authorized representative of DTC), ANY TRANSFER, PLEDGE OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL inasmuch as the registered owner hereof, Cede & Co., has an interest herein.

CITY OF KETCHUM
BLAINE COUNTY, STATE OF IDAHO
GENERAL OBLIGATION BONDS, SERIES 2020

<u>DATED DATE</u>	<u>INTEREST RATE</u>	<u>MATURITY DATE</u>	<u>CUSIP</u>
March __, 2020	____%	September 15, 20____	____

REGISTERED OWNER: * * * CEDE & CO. * * *

PRINCIPAL AMOUNT: *** _____ ***

KNOW ALL MEN BY THESE PRESENTS: That the City of Ketchum, Blaine County, Idaho (the "City"), for value received, hereby acknowledges itself indebted and promises to pay pursuant to the provisions of Ordinance No. 1206 of the City adopted on February 18, 2020 (the "Bond Ordinance") providing for the sale and issuance of the City's General Obligation Bonds, Series 2020 (the "Bonds"), to the above specified Registered Owner or registered assigns, on the maturity date specified above (the "Maturity Date"), the principal amount set forth above and to pay interest thereon from the above Dated Date, or the most recent date to which interest has been paid or duly provided for, at the rate specified above, payable on March 15, 2021, and semi-annually thereafter on each March 15 and September 15 of each year until the Maturity Date or prior redemption of this Bond.

Both principal of and interest on this Bond are payable in lawful money of the United States of America to the Registered Owner hereof whose name and address appear on the registration books of the City (the "Bond Register") maintained by the Bond Registrar, which shall be Zions Bancorporation, National Association, Boise, Idaho. Interest shall be paid by mailing a check or draft of the Bond Registrar on the due date to the Registered Owner at the address shown on the Bond Register on the first day of the calendar month of the interest payment date, or at such other address as may be furnished in writing by such registered owner to the Bond Registrar. Principal shall be paid to the Registered Owner upon presentation and surrender of this Bond on or after the Maturity Date or prior redemption at the principal office of the Bond Registrar.

The full faith and credit of the City are hereby pledged for the due and punctual payment of the principal hereof and interest hereon, and provision has been made in the statutory manner under the Bond Ordinance for the levy and collection of taxes sufficient to pay the interest on this Bond as the same becomes due and for the payment of the principal hereof at the Maturity Date of this Bond.

This Bond is one of a duly authorized issue of Bonds of like date, tenor, and effect, except for variations required to state numbers, denomination, rates of interest, and dates of maturity, aggregating \$_____ in principal amount, and is issued pursuant to and in full compliance with the Constitution and statutes of the State of Idaho, particularly Title 50, Chapter 10, and Title 57, Chapter 2, Idaho Code, as amended, and proceedings duly adopted and authorized by the City Council, more particularly the Bond Ordinance, and also pursuant to the legal authorization of a special bond election conducted within said City on November 5, 2019.

Bonds maturing by their terms on or before September 15, 2029, shall not be subject to call or redemption prior to their fixed maturity date. The City hereby reserves the right to redeem any or all of the Bonds maturing by their terms on or after September 15, 2030, in advance of maturity, on March 15, 2030, or on any date thereafter, in whole or in part, in the order of maturity selected as provided in the Bond Ordinance, either by DTC, or by the City and by lot in multiples of \$5,000 within any maturity, at the redemption price of par, plus accrued interest to the date of redemption; provided, however, that notice of any intended redemption shall be given not less than thirty (30) nor more than sixty (60) days prior to the redemption date by first class mail, postage prepaid, to DTC and to the registered owner of any Bond to be redeemed at the address appearing on the Bond Register, and by mailing a copy of the redemption notice to registered securities depositories and others as provided in the Bond Ordinance. The requirements of the Bond Ordinance shall be deemed to be complied with when notice is mailed as therein provided, regardless of whether or not it is actually received by the owner of such Bond. Interest on all of such Bonds so called for redemption shall cease to accrue on the date fixed for redemption unless such Bond or Bonds so called for redemption are not redeemed upon presentation made pursuant to such call.

This Bond and the Bonds of this issue are issued for the purpose of providing funds to pay the cost of the acquisition, construction, improvement and equipment of new animal shelter and related facilities for the City, together with other capital items and related improvements and costs, as more fully described in the Bond Ordinance.

This Bond and the Bonds of this issue are general obligations of the City and the full faith and credit of the City have been pledged for the prompt payment of the principal of and interest on this Bond. The City has covenanted in the Bond Ordinance to make annual levies of taxes on all taxable property in the City without limitation as to rate or amount to pay the principal of and interest on this Bond. The proceeds of said taxes shall be kept by the Treasurer of the City in the City of Ketchum, Blaine County, State of Idaho, General Obligation Bonds, Series 2020, Bond Fund (the "Bond Fund") separate and apart from all other funds of the City. For a more particular description of said Bond Fund, the revenues to be deposited therein, and the nature and extent of the security afforded thereby, reference is made to the provisions of the Bond Ordinance pursuant to which this Bond is issued and such Bond Fund will be maintained.

Bonds are interchangeable for Bonds of any authorized denomination of equal aggregate principal amount and of the same interest rate and maturity, upon presentation and surrender to the Bond Registrar.

Reference is hereby made to the Bond Ordinance for the covenants and declarations of the City and other terms and conditions under which this and the Bonds of this issue have been issued.

THIS BOND SHALL NOT BE VALID OR BECOME OBLIGATORY FOR ANY PURPOSE OR BE ENTITLED TO ANY SECURITY OR BENEFIT UNDER THE BOND ORDINANCE UNTIL THE CERTIFICATE OF AUTHENTICATION HEREON SHALL HAVE BEEN MANUALLY SIGNED BY THE BOND REGISTRAR.

IT IS HEREBY CERTIFIED AND DECLARED that all acts, conditions, and things required by the Constitution and statutes of the State of Idaho to exist, to have happened, been done, and performed precedent to and in the issuance of this Bond have happened, been done, and performed, and that the issuance of this Bond and the Bonds of this issue does not violate any Constitutional, statutory, or other limitation upon the amount of bonded indebtedness that the City may incur.

IN WITNESS WHEREOF, the City by its duly constituted City Council has caused this Bond to be executed by the facsimile or manual signature of the Mayor, countersigned by the facsimile or manual signature of the City Treasurer and attested by the facsimile or manual signature of the City Clerk, and a facsimile of the seal of the City to be reproduced hereon, as of this ____ day of March, 2020.

CITY OF KETCHUM, IDAHO

By: (Facsimile or Manual Signature)
Mayor

By: (Facsimile or Manual Signature)
City Treasurer

Attest:

By: (Facsimile or Manual Signature)
City Clerk

(FACSIMILE SEAL)

LEGAL OPINION

IT IS HEREBY CERTIFIED that a true and complete copy of the legal opinion of Skinner Fawcett LLP, of Boise, Idaho, which opinion was dated the date of delivery of and payment for the Bonds described therein, was delivered to me on said date, and is a part of the permanent records of the City.

CITY OF KETCHUM, IDAHO

By: (Facsimile or Manual Signature)
City Clerk

* * * * *

The following abbreviations, when used in the inscription on the face of this Bond, 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 TRFS MIN ACT Custodian
(Cust) (Minor)

under Uniform Transfer to Minors Act
(State)

Additional abbreviations may also be used although not in the above list.

ASSIGNMENT

FOR VALUE RECEIVED, the undersigned hereby sells, assigns and transfers unto

Name of Transferee: _____

Address: _____

Tax Identification No. _____

the within Bond and hereby irrevocably constitutes and appoints

to transfer said Bond on the books kept for registration thereof, with full power of substitution in the premises.

Dated: _____.

Registered Owner

NOTE: The signature on this Assignment must correspond with the name of the registered owner as it appears upon the face of the within Bond in every particular, without alteration or enlargement or any change whatever.

SIGNATURE GUARANTEED:

NOTICE: The signature(s) should be guaranteed by an eligible guarantor institution, (banks, stockbrokers, savings and loan associations and credit unions with membership in an approved signature medallion program), pursuant to S.E.C. Rule 17Ad-15.

EXHIBIT “B”

FORM OF NOTICE OF SALE

Official Notice of Bond Sale

(Bond Sale to be Conducted Electronically)

City of Ketchum, Blaine County, State of Idaho

\$11,500,000* General Obligation Bonds, Series 2020

Bids will be received electronically (as described under “Procedures Regarding Electronic Bidding” below) by the City of Ketchum, Blaine County, State of Idaho (the “City”) via the PARITY® electronic bid submission system (“PARITY®”) until up to 9:30 a.m., Mountain Time (“MT”), for the purchase, all or none (“AON”), of the City’s \$11,500,000* General Obligation Bonds, Series 2020 (the “2020 Bonds”) on Wednesday, March 4, 2020. The bids will be reviewed and considered by authorized officers of the City and representatives from Zions Public Finance, Inc., acting as municipal advisor to the City (the “Municipal Advisor”), in accordance with certain parameters established by the City Council of the City (the “Council”) pursuant to Ordinance No. 1206 adopted by the Council on February 18, 2020 (the “Ordinance”).

Description of the 2020 Bonds

The 2020 Bonds will be dated as of the date of issuance and delivery¹, will be issuable only as fully-registered bonds in book-entry form, will be issued in denominations of \$5,000 or any whole multiple thereof, not exceeding the amount of each maturity, and will mature on September 15 of each of the years and in the principal amounts as follows:

Maturity (September 15)	Principal Amount ²	Maturity (September 15)	Principal Amount ²
2021	\$	2033	\$
2022		2034	
2023		2035	
2024		2036	
2025		2037	
2026		2038	
2027		2039	
2028		2040	
2029		2041	
2030		2042	
2031		2043	
2032		2044	

¹ The anticipated date of delivery of the 2020 Bonds is Wednesday, March 18, 2020.

² Preliminary; subject to change. See “Adjustment Of Principal Amount Of The 2020 Bonds” herein.

* Preliminary; subject to change.

Maturity (September 15)	Principal Amount ²	Maturity (September 15)	Principal Amount ²
		Total	\$11,500,000*

The 2020 Bonds will be issued in registered form and, when issued, will be registered in the name of The Depository Trust Company, New York, New York, or its nominee (“DTC”). DTC will act as securities depository for the 2020 Bonds. The 2020 Bonds are more fully described in the City’s Preliminary Official Statement with respect to the 2020 Bonds dated Friday, February 21, 2020 (the “Preliminary Official Statement”).

Term Bonds and Mandatory Sinking Fund Redemption at Bidder’s Option

The 2020 Bonds scheduled to mature on two or more of the above–designated maturity dates may be rescheduled, at bidder’s option, to mature as term bonds on one or more dates within that period, in which event the 2020 Bonds will mature and be subject to mandatory sinking fund redemption in such amounts and on such dates as will correspond to the above–designated maturity dates and principal amounts maturing on those dates, as adjusted.

Adjustment of Principal Amount of the 2020 Bonds

The City reserves the right, following determination of the best bid(s), to reduce or increase the principal amount of each maturity of the 2020 Bonds and to increase or reduce the overall principal amount of the 2020 Bonds to be issued, as described in this section. The City may adjust the aggregate principal amount of the 2020 Bonds maturing in any year as described in this paragraph, provided the aggregate principal amount of the 2020 Bonds shall not exceed \$11,500,000. The adjustment of maturities may be made in such amounts as are necessary to provide the City with desired debt service payments during the life of the 2020 Bonds. Any such adjustment will be in an amount of \$5,000 or a whole multiple thereof. The dollar amount of the price bid by the successful bidder may be changed as described below, but the interest rates specified by the successful bidder for all maturities will not change. A successful bidder may not withdraw its bid as a result of any changes made within these limits, and the City will consider the bid as having been made for the adjusted amount of the 2020 Bonds. The dollar amount of the price bid will be changed so that the percentage net compensation to the successful bidder (i.e., the percentage resulting from dividing (a) the aggregate difference between the offering price of the 2020 Bonds to the public and the price to be paid to the City, by (b) the principal amount of the 2020 Bonds) does not increase or decrease from what it would have been if no adjustment was made to the principal amounts shown above. The City expects to advise the successful bidder as soon as possible, but expects no later than 2:00 p.m., MT, on the date of sale, of the amount, if any, by which the aggregate principal amount of the 2020 Bonds will be adjusted and the corresponding changes to the principal amount of 2020 Bonds maturing on one or more of the above–designated maturity dates for the 2020 Bonds.

To facilitate any adjustment in the principal amounts, the successful bidder is required to indicate by electronic means or to the Municipal Advisor at christian.anderson@zionsbancorp.com within one–half hour of the time of bid opening, the amount of any original issue discount or premium on each maturity of the 2020 Bonds and the amount received from the sale of the 2020 Bonds to the public that will be retained by the successful bidder as its compensation.

Ratings

The City will, at its own expense, pay fees of Moody’s Investors Service (“Moody’s”) for rating the 2020 Bonds. *Any additional ratings shall be at the option and expense of the bidder.*

Purchase Price

The purchase price bid for the 2020 Bonds shall not be less than _____% of the principal amount of the 2020 Bonds (\$_____).

Interest Rates

The 2020 Bonds will bear interest at any number of different rates, any of which may be repeated, which rates shall be expressed in multiples of one–eighth or one–twentieth of one percent (1/8 or 1/20 of 1%) per annum. In addition:

- the highest interest rate bid for any of the 2020 Bonds shall not exceed _____ percent (____%) per annum;
- no Bond shall have more than one rate of interest;
- interest shall be computed from the dated date of a 2020 Bond to its stated maturity date at the single interest rate specified in the bid for the 2020 Bonds of such maturity;
- the purchase price must be paid in immediately available funds and no bid will be accepted that contemplates the cancellation of any interest or the waiver of interest or other concession by the bidder as a substitute for immediately available federal funds;
- any premium must be paid in the funds specified for the payment of the 2020 Bonds as part of the purchase price;
- there shall be no supplemental interest coupons;
- a zero percent (0%) interest rate may not be used; and
- interest shall be computed on the basis of a 360–day year of Twelve, 30–day months.

Interest for the 2020 Bonds will be payable semiannually on March 15 and September 15 beginning March 15, 2021, at the rate or rates to be fixed at the time the 2020 Bonds are sold.

Payment of Principal and Interest

Zions Bancorporation, National Association, Boise, Idaho, will be the paying agent and bond registrar for the 2020 Bonds. The City may remove any paying agent and any bond registrar, and any successor thereto, and appoint a successor or successors thereto. So long as the 2020 Bonds are outstanding in book-entry form, the principal of and interest on the 2020 Bonds will be paid under the standard procedures of DTC.

Redemption Provisions

2020 Bonds maturing by their terms on or before September 15, 2029, shall not be subject to call and redemption prior to their fixed maturity date. The City reserves the right to redeem any or all of the Bonds maturing by their terms on or after September 15, 2030, in advance of maturity on March 15, 2030, or on any date thereafter, in whole or in part, at the redemption price of par plus accrued interest to the date of redemption, from such maturities or parts thereof as shall be directed by the City and by lot within each maturity.

Security and Sources of Payment

The 2020 Bonds will be full general obligations of the City, payable from the proceeds of ad valorem taxes to be levied without limitation as to rate or amount on all of the taxable property in the City, fully sufficient to pay the same as to both principal and interest.

Award

Award or rejection of bids will be made on Wednesday, March 4, 2020, by certain delegated officers of the City, and in no event later than 24 hours after the expiration of the time herein pre-scribed for the receipt of bids, unless such time of award is waived by the successful bidder. The 2020 Bonds will be awarded to the responsible bidder offering to pay the lowest effective interest rate to the City computed from the date of the 2020 Bonds to maturity and taking into consideration the premium, if any, in the purchase price of the 2020 Bonds. The effective interest rate to the City shall be the interest rate per annum determined on a per annum true interest cost (“TIC”) basis by discounting the scheduled semiannual debt service payments of the City on the 2020 Bonds (based on such rate or rates of interest so bid) to the dated date of the 2020 Bonds (based on a 360-day year consisting of Twelve, 30-day months), compounded semiannually and to the bid price.

Notification

The Municipal Advisor, on behalf of the City, will notify the apparent successful bidder (electronically via *PARITY*®) as soon as possible after the City’s receipt of bids, that such bidder’s bid appears to be the lowest and best bid received which conforms to the requirements of this Official Notice of Bond Sale, subject to verification and to official action to be taken by the City as described in the next succeeding paragraph.

Procedures Regarding Electronic Bidding

The bidding will be made and awarded for the 2020 Bonds on an AON basis.

No bid will be accepted unless the City has determined that such bidder has provided the requested Deposit described under “Good Faith Deposit” below.

Bids will be received by means of the *PARITY*® electronic bid submission system. A prospective bidder must communicate its bid electronically through *PARITY*® on or before 9:30 MT on Wednesday, March 4, 2020. No bid will be received after the time for receiving bids specified above. To the extent any instructions or directions set forth in *PARITY*® conflict with this Official Notice of Bond Sale, the terms of this Official Notice of Bond Sale shall control. For further information about *PARITY*®, potential bidders may contact the Municipal Advisor or i-Deal LLC at 1359 Broadway, New York, New York 10018; 212.849.5021. The time as maintained by *PARITY*® shall constitute the official time.

Each qualified prospective bidder shall be solely responsible to make necessary arrangements to access *PARITY*® for purposes of submitting its bid in a timely manner and in compliance with the requirements of this Official Notice of Bond Sale. Neither the Municipal Advisor, the City nor i-Deal LLC shall have any duty or obligation to provide or assure such access to any qualified prospective bidder, and neither the Municipal Advisor, the City nor i-Deal LLC shall be responsible for proper operation of, or have any liability for any delays or interruptions of, or any

damages caused by, *PARITY*®. The City is using *PARITY*® as a communication mechanism, and not as the City’s agent, to conduct the electronic bidding for the 2020 Bonds.

Form of Bid

Each bidder for the 2020 Bonds is required to transmit electronically via *PARITY*® an unconditional bid specifying the lowest rate or rates of interest and confirm the purchase price (as described under “Purchase Price” above) at which the bidder will purchase the 2020 Bonds. Each bid must be for all the 2020 Bonds herein offered for sale.

For information purposes only, bidders are requested to state in their bids the effective interest rate for the 2020 Bonds represented on a “true interest cost” (“TIC”) basis, as described under “Award” herein, represented by the rate or rates of interest and the bid price specified in their respective bids.

No bids will be accepted in written form, by electronic mail or in any other medium or on any system other than by means of *PARITY*®; *provided however*, that in the event a prospective bidder cannot access *PARITY*®, through no fault of its own, it may so notify the office of the Municipal Advisor by telephone at 208.501.7533. Thereafter, it may submit its bid by telephone to the Municipal Advisor at 208.501.7533, who shall transcribe such bid into written form, or by electronic mail to the Municipal Advisor at christian.anderson@zionsbancorp.com, in either case before the time bids are due as stated above, on Tuesday, November 5, 2019. For purposes of bids submitted telephonically to the Municipal Advisor (as described above) or by electronic mail, the time as maintained by *PARITY*®, shall constitute the official time. Each bid submitted as provided in the preceding sentence must specify the interest rate or rates for the 2020 Bonds and the total purchase price of all of the 2020 Bonds. The Municipal Advisor will seal transcribed telephonic bids and electronic mail bids for submission. Neither the City nor the Municipal Advisor assumes any responsibility or liability from the failure of any such transcribed telephonic bid or electronic mail (whether such failure arises from equipment failure, unavailability of phone lines or otherwise). No bid will be received after the time for receiving such bids specified above.

If requested by the Municipal Advisor, the apparent successful bidder will provide written confirmation of its bid (by electronic mail) to the Municipal Advisor prior to 2:00 p.m., MT, on Wednesday, March 4, 2020.

Right of Cancellation

The successful bidder shall have the right, at its option, to cancel its obligation to purchase the 2020 Bonds if the City shall fail to execute the 2020 Bonds and tender the same for delivery within 60 days from the date of sale thereof, and in such event the successful bidder shall be entitled to the return of the deposit accompanying its bid.

Good Faith Deposit

A good faith deposit (the “Deposit”) in the amount of \$_____ is required only from the successful bidder. The Deposit shall be payable to the order of the City in the form of a wire transfer in federal funds as instructed by the Municipal Advisor no later than 12:00 noon, MT, on Wednesday, March 4, 2020. As an alternative to wiring funds, a bidder may deliver a cashier’s or certified check, payable to the order of the City. If a check is used, it must precede each bid. Such check shall be promptly returned to its respective bidder whose bid is not accepted.

The City shall, as security for the faithful performance by the successful bidder of its obligation to take up and pay for the Bonds when tendered, cash the Deposit check, if applicable, of the successful bidder and hold the proceeds of the Deposit of the successful bidder, or invest the same (at the City's risk) in obligations which mature at or before the delivery of the 2020 Bonds as described under the caption "Manner and Time of Delivery" below, until disposed of as follows: (a) at such delivery of the 2020 Bonds and upon compliance with the successful bidder's obligation to take up and pay for the 2020 Bonds, the full amount of the Deposit held by the City, without adjustment for interest, shall be applied toward the purchase price of the Bonds at that time and the full amount of any interest earnings thereon shall be retained by the City; and (b) if the successful bidder fails to take up and pay for the Bonds when tendered, the full amount of the Deposit plus any interest earnings thereon will be forfeited to the City as liquidated damages.

Sale Reservations

The City reserves the right: (i) to waive any irregularity or informality in any bid or in the bidding process; (ii) to reject any and all bids for the 2020 Bonds; and (iii) to resell the 2020 Bonds as provided by law.

Prompt Award

The City will take action awarding the 2020 Bonds or rejecting all bids not later than twenty-four (24) hours after the expiration of the time herein prescribed for the receipt of bids, unless such time of award is waived by the successful bidder

Reoffering Prices; Purchaser's Certificate Relating to Issue Price

The successful bidder or bidders (or manager of the purchasing account or accounts) shall notify the chief financial officer of the City and the City's Municipal Advisor by electronic mail to Christian Anderson (christian.anderson@zionsbancorp.com) within 24 hours of the bid opening, of the initial offering prices of such Bonds to the public. The notification must be confirmed in writing in form and substance satisfactory to Bond Counsel (defined hereunder) prior to the delivery of the 2020 Bonds. The confirmation will be part of the "Purchaser's Certificate" which will be in substantially the same form as Exhibit A in the event the City receives three (3) or more bids that fit the requirements of the Official Notice of Bond Sale for the Bonds; and in substantially the same form as Exhibit B in the event the City does not receive three (3) or more such bids for the Bonds.

Each bidder, by submitting its bid, agrees to complete, execute and deliver the applicable certificate, in form and substance satisfactory to Bond Counsel, by the date of delivery of the 2020 Bonds, if its bid is accepted by the City. It will be the responsibility of the successful bidder to institute such syndicate reporting requirements, to make such investigation or otherwise to ascertain the facts necessary to make such certification. Any questions regarding the certificate should be directed to John R. McDevitt of Skinner Fawcett LLP, Bond Counsel, 250 W. Bobwhite Court, Suite 240, Boise, Idaho 83712; 208.345.2663; jmcdevitt@skinnerfawcett.com.

Manner and Time of Delivery

The successful bidder will be given at least seven (7) business days' advance notice of the proposed date of the delivery of the 2020 Bonds when that date has been tentatively determined. It is now estimated that the 2020 Bonds will be delivered in book-entry form on or about March 18, 2020. The 2020 Bonds will be delivered as a single bond certificate for each maturity of the 2020 Bonds, registered in the name

of DTC or its nominee. Delivery of the 2020 Bonds will be made in Boise, Idaho, pursuant to DTC's FAST system. The successful bidder must also agree to pay for the Bonds in federal funds which will be immediately available to the City on the day of delivery.

CUSIP Numbers

It is anticipated that CUSIP numbers will be printed on the 2020 Bonds, at the expense of the City, but neither the failure to print such numbers on any Bond nor any error with respect thereof shall constitute cause for a failure or refusal by the successful bidder thereof to accept delivery of and pay for the 2020 Bonds in accordance with terms of this Official Notice of Bond Sale.

Tax-Exempt Status

In the opinion of Skinner Fawcett LLP, Boise, Idaho ("Bond Counsel"), subject to the condition that the City comply with certain covenants made to satisfy pertinent requirements of the Internal Revenue Code of 1986, as amended (the "Code"), under present law, interest on the 2020 Bonds is not included in gross income under the present federal income tax laws pursuant to Section 103 of the Code. The 2020 Bonds are not private activity bonds. Interest on the 2020 Bonds will not be treated as an item of tax preference for purposes of determining the alternative minimum taxable income for individuals or corporations under Section 55 of the Code. Failure to comply with certain of such City covenants could cause interest on the 2020 Bonds to be included in gross income retroactive to the date of issuance of the 2020 Bonds. Ownership of the 2020 Bonds may result in other federal tax consequences to certain taxpayers, and Bond Counsel expresses no opinion regarding any such collateral consequences with respect to the 2020 Bonds. Reference is hereby made to the discussion of the Code set forth in the Preliminary Official Statement under the caption "TAX MATTERS."

Legal Opinion and Closing Documents

The unqualified approving opinion of Skinner Fawcett LLP covering the legality of the 2020 Bonds will be furnished to the successful bidder. A supplemental opinion shall be furnished to the successful bidder by Skinner Fawcett LLP with respect to the disclosure of certain information in the final Official Statement. Closing certificates will also be furnished, dated as of the date of delivery of and payment for the 2020 Bonds, including a statement that there is no litigation pending or, to the knowledge of the signer thereof, threatened affecting the validity of the 2020 Bonds.

Disclosure Certificate

The City will deliver to the successful bidder a certificate of an authorized officer(s) of the City, dated the date of the delivery of the 2020 Bonds, stating that as of the date thereof, to the best of the knowledge and belief of said authorized officer(s), and after reasonable investigation: (a) the descriptions and statements contained in the Preliminary Official Statement circulated with respect to the 2020 Bonds were at the time of the acceptance of the bid true and correct in all material respects and did not at the time of the acceptance of the bid contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements therein, in light of the circumstances under which they were made, not misleading; and (b) the descriptions and statements contained in the final Official Statement are at the time of the delivery of the 2020 Bonds true and correct in all material respects and do not at the time of the delivery of the 2020 Bonds contain any untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein, in light of the circumstances under which they were made, not misleading; *provided*, should the final Official Statement be

supplemented or amended subsequent to the date thereof, the foregoing confirmation as to the final Official Statement shall relate to the final Official Statement as so supplemented or amended.

Continuing Disclosure Agreement (Disclosure Undertaking)

The City covenants and agrees to enter into a written agreement or contract, constituting an undertaking (the “Undertaking”) to provide ongoing disclosure about the City for the benefit of the beneficial owners of the 2020 Bonds on or before the date of delivery of the 2020 Bonds as required under paragraph (b)(5) of Rule 15c2-12 (the “Rule”) adopted by the Securities and Exchange Commission under the Securities Exchange Act of 1934. The Undertaking shall be as described in the Preliminary Official Statement, with such changes as may be agreed upon in writing by the successful bidder.

For a detailed discussion of the Continuing Disclosure Agreement, previous disclosure agreements and timing of submissions see the section titled “CONTINUING DISCLOSURE AGREEMENT” in the Preliminary Official Statement.

The successful bidder’s obligation to purchase the 2020 Bonds shall be conditioned upon the City delivering the Undertaking on or before the date of delivery of the 2020 Bonds.

Delivery of Copies of Final Official Statement

The City shall deliver to the successful bidder on such business day as directed in writing by the successful bidder, which is not earlier than the second business day or later than the seventh business day after the award of the 2020 Bonds as described under the caption “Award” above, copies of the final Official Statement in sufficient quantity, as directed in writing by the successful bidder, to comply with paragraph (b)(4) of the Rule and the Rules of the Municipal Securities Rulemaking Council.

Additional Information

For copies of this OFFICIAL NOTICE OF BOND SALE and the Preliminary Official Statement and information regarding the electronic bidding procedures and other related information with respect to the 2020 Bonds, contact the Municipal Advisor to the City, Zions Public Finance, Inc. at 800 W. Main Street, Suite 700, Boise, Idaho 83702; 208.501.7533; Christian Anderson (christian.anderson@zionsbancorp.com) or Cara Bertot (cara.bertot@zionsbancorp.com). The Preliminary Official Statement is available at www.fmmunihub.com, www.i-dealprospectus.com, and www.munios.com.

DATED this 21st day of February, 2020.

CITY OF KETCHUM, BLAINE COUNTY,
IDAHO

By: /s/Grant Gager
Director of Finance

EXHIBIT A

Competitive Sale – Three Bids Received

Purchaser's Certificate:

IT IS HEREBY CERTIFIED by the undersigned on behalf of _____
(the "Purchaser"), as representative of the underwriters for the " _____ " (the
"Bonds"):

1. We acknowledge receipt of the Bonds in the aggregate principal amount of \$ _____, bearing interest and maturing as provided in [Instrument providing principal amount and interest rate] _____ of the _____ (the "Issuer") on _____, and the instruments described therein, and such Bonds being in the denominations and registered in the name of Cede & Co., as nominee of The Depository Trust Company, as requested by us.

2. A bona fide public offering was made for all of the Bonds on the sale date at the prices shown on the inside cover page of the Official Statement for the Bonds. Those prices are the reasonably expected initial offering prices of each maturity of the Bonds to the public which were used by the Purchaser in formulating its bid to purchase the Bonds. For this purpose:

"Public" means any person (including an individual, trust, estate, partnership, association, company, or corporation) other than an underwriter or a related party.

"Sale date" means the date the Purchaser's bid for the Bonds was accepted on behalf of the Issuer.

"Underwriter" means (i) any person that agrees pursuant to a written contract with the Issuer (or with the lead underwriter to form an underwriting syndicate) to participate in the initial sale of the Bonds to the public, and (ii) any person that agrees pursuant to a written contract directly or indirectly with a person described in clause (i) of this paragraph to participate in the initial sale of the Bonds to the public (including a member of a selling group or a party to a retail distribution agreement participating in the initial sale of the Bonds to the public).

If a yield is shown on the [inside] cover page for any maturity, "price" herein means the dollar price that produces that yield.

3. The underwriter was not given the opportunity to review other bids prior to submitting its bid.

4. The bid submitted by the underwriter constituted a firm bid to purchase the Bonds.

5. The Issuer and its counsel may rely on these certifications in concluding that the Bonds meet certain requirements of the Internal Revenue Code of 1986 as amended (the "Code"), relating to tax-exempt bonds; however, nothing herein represents our interpretation of any law and we are not providing any interpretations of law or regulations in executing and delivering this certificate.

DATED as of _____, 2020.

_____, as Representative of the Underwriters

By: _____

Title: _____

Exhibit 1
(Offering Prices of Bonds)

EXHIBIT B

10% each maturity sold

Purchaser's Certificate:

IT IS HEREBY CERTIFIED by the undersigned on behalf of _____
(the "Purchaser"), as representative of the underwriters for the " _____ " (the
"Bonds"):

1. We acknowledge receipt of the Bonds in the aggregate principal amount of
\$ _____, bearing interest and maturing as provided in the _____ [Instrument providing principal
amount and interest rate] of the _____ (the "Issuer") on _____, and the instruments
described therein, and such Bonds being in the denominations and registered in the name of Cede & Co., as
nominee of The Depository Trust Company, as requested by us.

2. A bona fide public offering was made for all of the Bonds on the sale date at the
prices shown on the inside cover page of the Official Statement for the Bonds. The first price at which a
substantial amount of each maturity of the Bonds was sold to the public is the price shown on the inside cover
page of the Official Statement for that maturity of the Bonds. For this purpose:

"Public" means any person (including an individual, trust, estate, partnership, association,
company, or corporation) other than an underwriter or a related party.

"Underwriter" means (i) any person that agrees pursuant to a written contract with the Issuer
(or with the lead underwriter to form an underwriting syndicate) to participate in the initial sale of the Bonds to
the public, and (ii) any person that agrees pursuant to a written contract directly or indirectly with a person
described in clause (i) of this paragraph to participate in the initial sale of the Bonds to the public (including a
member of a selling group or a party to a retail distribution agreement participating in the initial sale of the
Bonds to the public).

"Substantial amount" is 10% or more of each maturity.

If a yield is shown on the inside cover page for any maturity, "price" herein means the dollar
price that produces that yield.

3. The Issuer and its counsel may rely on these certifications in concluding that the
Bonds meet certain requirements of the Internal Revenue Code of 1986 as amended (the "Code"), relating to
tax-exempt bonds; however, nothing herein represents our interpretation of any law and we are not providing
any interpretations of law or regulations in executing and delivering this certificate.

DATED as of _____, 2020.

_____, as Representative of the Underwriters

By: _____

Title: _____

Exhibit 1
(Offering Prices of Bonds)

EXHIBIT “C”

FORM OF POST ISSUANCE TAX COMPLIANCE PROCEDURES

City of Ketchum Post-Issuance Tax Compliance Procedures For Tax-Exempt Bonds

February 18, 2020

The purpose of these Post-Issuance Tax Compliance Procedures is to establish policies and procedures in connection with tax-exempt bonds (“Bonds”) issued by the City of Ketchum (the “City”) so as to ensure that the City complies with all applicable post-issuance requirements of federal income tax law needed to preserve the tax-exempt status of the Bonds.

General

Ultimate responsibility for all matters relating to City financings and refinancings rests with the Director of Finance (the “Director of Finance”).

Post-Issuance Compliance Requirements

External Advisors / Documentation

The Director of Finance and other appropriate City personnel shall consult with bond counsel and other legal counsel and advisors, as needed, throughout the Bond issuance process to identify requirements and to establish procedures necessary or appropriate so that the Bonds will continue to qualify for the appropriate tax status. Those requirements and procedures shall be documented in a City ordinance(s), resolution(s), Tax Certificate(s) and / or other documents finalized at or before issuance of the Bonds. Those requirements and procedures shall include future compliance with applicable arbitrage rebate requirements and all other applicable post-issuance requirements of federal tax law throughout (and in some cases beyond) the term of the Bonds.

The Director of Finance and other appropriate City personnel also shall consult with bond counsel and other legal counsel and advisors, as needed, following issuance of the Bonds to ensure that all applicable post-issuance requirements in fact are met. This shall include, without limitation, consultation in connection with future contracts with respect to the use of Bond-financed assets and future contracts with respect to the use of output or throughput of Bond-financed assets.

Whenever necessary or appropriate, the City shall engage expert advisors (each a “Rebate Service Provider”) to assist in the calculation of arbitrage rebate payable in respect of the investment of Bond proceeds.

Role of the City as Bond Issuer

Unless otherwise provided by City ordinances or resolutions, unexpended Bond proceeds shall be held by the City, and the investment of Bond proceeds shall be managed by the Director of Finance. The Director of Finance shall maintain records and shall prepare regular, periodic statements to the City regarding the investments and transactions involving Bond proceeds.

If a City ordinance or resolution provides for Bond proceeds to be administered by a trustee, the trustee shall provide regular, periodic (monthly) statements regarding the investments and transactions involving Bond proceeds.

Arbitrage Rebate and Yield

Unless a Tax Certificate documents that bond counsel has advised that arbitrage rebate will not be applicable to an issue of Bonds:

- the City shall engage the services of a Rebate Service Provider, and the City or the Bond trustee shall deliver periodic statements concerning the investment of Bond proceeds to the Rebate Service Provider on a prompt basis;
- upon request, the Director of Finance and other appropriate City personnel shall provide to the Rebate Service Provider additional documents and information reasonably requested by the Rebate Service Provider;
- the Director of Finance and other appropriate City personnel shall monitor efforts of the Rebate Service Provider and assure payment of required rebate amounts, if any, no later than 60 days after each 5-year anniversary of the issue date of the Bonds, and no later than 60 days after the last Bond of each issue is redeemed; and
- during the construction period of each capital project financed in whole or in part by Bonds, the Director of Finance and other appropriate City personnel shall monitor the investment and expenditure of Bond proceeds and shall consult with the Rebate Service Provider to determine compliance with any applicable exceptions from the arbitrage rebate requirements during each 6-month spending period up to 6 months, 18 months or 24 months, as applicable, following the issue date of the Bonds.

For working capital financings, the City shall follow procedures set forth in the applicable Tax Certificate and/or instructions delivered at bond or note closing.

The City shall retain copies of all arbitrage reports and trustee statements as described below under “Record Keeping Requirements”.

Use of Bond Proceeds

The Director of Finance and other appropriate City personnel shall:

- monitor the use of Bond proceeds, the use of Bond-financed assets (e.g., facilities, furnishings or equipment) and the use of output or throughput of Bond-financed assets throughout the term of the Bonds (and in some cases beyond the term of the Bonds) to ensure

compliance with covenants and restrictions set forth in applicable City ordinances or resolutions and Tax Certificates;

- maintain records identifying the assets or portion of assets that are financed or refinanced with proceeds of each issue of Bonds;
- consult with Bond Counsel and other professional expert advisers in the review of any contracts or arrangements involving use of Bond-financed facilities to ensure compliance with all covenants and restrictions set forth in applicable City ordinances or resolutions and Tax Certificates;
- maintain records for any contracts or arrangements involving the use of Bond-financed facilities as might be necessary or appropriate to document compliance with all covenants and restrictions set forth in applicable City ordinances or resolutions and Tax Certificates;
- meet at least annually with personnel responsible for Bond-financed assets to identify and discuss any existing or planned use of Bond-financed, assets or output or throughput of Bond-financed assets, to ensure that those uses are consistent with all covenants and restrictions set forth in applicable City ordinances or resolutions and Tax Certificates.
- take timely remedial actions under section 1.141-12 of the Treasury Regulations (or other remedial actions authorized by the Commissioner of the IRS under Section 1.141-12(h) of the Regulations) to prevent from being considered “deliberate actions” any actions of the City which cause the conditions of the private business tests or the private loan financing test to be met resulting in private activity bonds.

All relevant records and contracts shall be maintained as described below and in the applicable Tax Certificate.

Investment of Bond proceeds in compliance with the arbitrage bond rules and rebate of arbitrage will be supervised by the Director of Finance.

- Guaranteed investment contracts (“GIC”) will be purchased only using the three-bid “safe harbor” of applicable Treasury regulations, in compliance with fee limitations on GIC brokers in the regulations.
- Other investments will be purchased only in market transactions.
- Calculations of rebate liability will be performed annually by outside consultants.
- Rebate payments will be made with Form 8038-T no later than 60 days after (a) each fifth anniversary of the date of issuance and (b) the final retirement of the issue. Compliance with rebate requirements will be reported to the bond trustee and the issuer.
- Identification of the date for first rebate payment will be determined at time of issuance and entered in records for the issue.

Record Keeping Requirements

Unless otherwise specified in applicable City ordinances or resolutions or Tax Certificates, the City shall maintain the following documents for the term of each issue of Bonds (including refunding Bonds, if any) plus at least three years:

- a copy of the Bond closing transcript(s) and other relevant documentation delivered to the City at or in connection with closing of the issue of Bonds;
- a copy of all material documents relating to capital expenditures financed or refinanced by Bond proceeds, including (without limitation) construction contracts, purchase orders, invoices, trustee requisitions and payment records, as well as documents relating to costs reimbursed with Bond proceeds and records identifying the assets or portion of assets that are financed or refinanced with Bond proceeds;
- a copy of all contracts and arrangements involving private use of Bond-financed assets or for the private use of output or throughput of Bond-financed assets; and
- copies of all records of investments, investment agreements, arbitrage reports and underlying documents, including trustee statements.

EXHIBIT “D”

FORM TERMS CERTIFICATE

**CITY OF KETCHUM, BLAINE COUNTY, STATE OF IDAHO
GENERAL OBLIGATION BONDS, SERIES 2020**

The undersigned official of the City of Ketchum, Blaine County, Idaho (the “City”), as a Delegated Officer, does hereby certify as follows (capitalized terms used herein and not defined have the meanings assigned to such terms in the Ordinance, hereinafter defined):

1. The undersigned is familiar with Ordinance No. 1206 of the City adopted on February 18, 2020 (the “Ordinance”), authorizing the issuance of the City’s General Obligation Bonds, Series 2020 (the “Bonds”) and related documents, which Bonds are sold this date to [UNDERWRITER], as purchaser of the Bonds (the “Underwriter”).

2. Section 9 of the Ordinance delegated to the undersigned, as a Delegated Officer, the power to make certain determinations on the date of sale of the Bonds.

3. Pursuant to such delegation, the undersigned Delegated Officer hereby determines as follows:

- a. Details of the terms of the Bonds including payment schedules are reflected in the final bond sale number schedules provided by the Underwriter this date, which schedules are attached as Exhibit A hereto.
- b. The rate of interest to be borne by the Bonds is ____% per annum and the true interest cost on the Bonds does not exceed ____%
- c. The par amount of the Bonds is \$_____.
- d. The principal payment dates and the amount of principal of the Bonds maturing in any particular year, and the rates of interest accruing thereon are reflected on the attached Exhibit A.
- e. The final maturity of the Bonds is _____, 20__ and does not exceed a final maturity of twenty-five years from the date of the issuance of the Bond.
- f. The Bonds are sold at the purchase price of \$_____, representing the principal amount thereof.
- g. The amount of proceeds of the Bonds to be deposited to the Cost of Issuance Fund is \$_____.
- h. The amount of proceeds of the Bonds to be deposited to the Project Construction Fund is \$_____.

4. The undersigned Delegated Officer hereby certifies that the final terms and provisions of the Bonds, as described above and in the attached Exhibit A, are consistent with, not in excess of, and no less favorable than, the terms set forth in Section 9 of the Ordinance.

5. The undersigned Delegated Officer has therefore caused to be executed and delivered the Bond Purchase Agreement and the Bonds this date.

DATED: March__, 2020.

CITY OF KETCHUM, BLAINE COUNTY,
IDAHO

By: _____

Title: _____