

CITY OF CAMAS, WASHINGTON

ORDINANCE NO. _____

AN ORDINANCE of the City of Camas, Washington, relating to contracting indebtedness; providing for the issuance, sale and delivery of not to exceed \$42,500,000 aggregate principal amount of water and sewer revenue and refunding bonds in one or more series to finance improvements to the City's water and sewer system and to refund certain outstanding bonds of the City's water and sewer system; fixing or setting parameters with respect to certain terms and covenants of the bonds; appointing the City's designated representative to approve the final terms of the sale of the bonds; and providing for other related matters.

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WHEREAS, the City of Camas, Washington (hereinafter the "City"), now owns, maintains and operates a combined water and sewerage system (the "System"); and

WHEREAS, it is in the best interest of the City to undertake improvements to the System; and

WHEREAS, pursuant to Ordinance No. 15-013 of the City adopted on August 17, 2015, the City issued its revenue bonds under date of September 10, 2015 (the "2015 Bonds"), currently outstanding in the aggregate principal amount of \$12,790,000, and provided in Section 5.2(E) of such ordinance that additional revenue bonds of the City could be issued on a parity with the 2015 Bonds if certain conditions were met; and

WHEREAS, pursuant to Ordinance No. 19-003 of the City adopted on February 19, 2019, the City issued its revenue bonds under date of March 20, 2019 (the "2019 Bonds"), currently outstanding in the aggregate principal amount of \$15,730,000, and provided in Section 5.2(E) of such ordinance that additional revenue bonds of the City could be issued on a parity with the 2019 Bonds if certain conditions were met; and

WHEREAS, Ordinance No. 15-013 authorizing the 2015 Bonds provides that certain maturities of such bonds may be redeemed prior to their maturities; and

WHEREAS, if interest rates are favorable, the City Council deems it advisable to issue revenue bonds to refund all or a portion of the outstanding 2015 Bonds; and

WHEREAS, in order to finance capital improvements to the System and, if interest rates are favorable, to refund all or a portion of the outstanding 2015 Bonds, it is hereby found necessary and advisable that the City issue its water and sewer revenue and refunding bonds (the "Bonds") with a lien on the revenues of the System on a parity with the lien of the 2015 Bonds and 2019 Bonds;

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF CAMAS, WASHINGTON, DO ORDAIN AS FOLLOWS:

ARTICLE I DEFINITIONS

Section 1.1 Definitions. As used in this ordinance, the following words shall have the following meanings:

(a) “2015 Bonds” means the City of Camas, Washington, Water and Sewer Revenue and Refunding Bonds, 2015, issued pursuant to Ordinance No. 15-013 adopted on August 17, 2015.

(b) “2019 Bonds” means the City of Camas, Washington, Water and Sewer Revenue Bonds, 2019, issued pursuant to Ordinance No. 19-003 adopted on February 19, 2019.

(c) “Acquired Obligations” means those United States Treasury Certificates of Indebtedness, Notes, and Bonds--State and Local Government Series and other direct, noncallable obligations of the United States of America purchased to accomplish the refunding of the Refunded Bonds as authorized by this ordinance.

(d) “Annual Debt Service” means the amount required to be paid in any calendar year for (1) interest on all Parity Bonds then outstanding, excluding interest paid from proceeds of such bonds; (2) principal of all Parity Bonds then outstanding but excluding any Parity Bonds, if any, for which a sinking fund account has been established; and (3) payments into any sinking fund account for the amortization of Parity Bonds. If the interest rate on any such bonds is other than a fixed rate, the rate applicable at the time of computation shall be used.

The City may deduct the direct payment the City is expected to receive in respect of any Future Parity Bonds for which the federal government will provide the City with a direct payment of a portion of the interest from the interest portion of annual debt service.

Once the Outstanding Parity Bonds are no longer outstanding, in computing Annual Debt Service on any Parity Bonds or any portion thereof that constitute Balloon Indebtedness, it shall be assumed that the principal of such Balloon Indebtedness, together with interest thereon at the rate applicable to such Balloon Indebtedness, shall be amortized in equal annual installments over a term of 20 years.

(e) “Assessment Income” means the principal of and interest on assessments levied in ULIDs and pledged to be paid into the Bond Fund. Assessment Income shall be allocated to the years in which it would be received if the unpaid balance of each assessment roll were paid in the remaining number of installments with interest on the declining balance at the times and at the rate provided in the ordinance confirming the assessment roll.

(f) “Assessments” means all assessments levied in any ULID of the City created for the acquisition or construction of additions and improvements to and extensions of the System, if such assessments are pledged to be paid into the Bond Fund. “Assessments” include any installments of Assessments and any interest or penalties which may be due thereon.

(g) “Authorized Denomination” means \$5,000 or any integral multiple thereof within a maturity of a Series.

(h) “Average Annual Debt Service” means as of the date of calculation the average amount of Annual Debt Service required to be paid in any calendar year thereafter for the then outstanding Parity Bonds.

(i) “Balloon Indebtedness” means any series of Parity Bonds, other than Parity Bonds that have an original maturity less than one year, 15% or more of the original principal amount of which matures during any consecutive 12-month period if such maturing principal amounts are not required to be amortized by mandatory redemption or prepayment prior to such period.

(j) “Beneficial Owner” means, with respect to a Bond, the owner of any beneficial interest in that Bond.

(k) “Bond Fund” means the “Water-Sewer Revenue Bond Fund” created by Section 5 of Ordinance No. 1036 to pay and secure the payment of the principal of and interest on the Parity Bonds.

(l) “Bond Purchase Agreement” means an offer to purchase a Series of the Bonds, setting forth certain terms and conditions of the issuance, sale and delivery of those Bonds, which offer is authorized to be accepted by the Designated Representative on behalf of the City, if consistent with this ordinance.

(m) “Bond Registrar” or “Registrar” means the Fiscal Agent, or any successor bond registrar selected by the City.

(n) “Bonds” means the City of Camas, Washington, Water and Sewer Revenue and Refunding Bonds, 2025, authorized to be issued pursuant to this ordinance.

(o) “City” means the City of Camas, Washington, a municipal corporation duly organized and existing under the laws of the State.

(p) “City Council” means the legislative authority of the City, as duly and regularly constituted from time to time.

(q) “Code” means the United States Internal Revenue Code of 1986, as amended, and applicable rules and regulations promulgated thereunder.

(r) “Contract Resource Obligation” means an obligation of the City, designated as a Contract Resource Obligation and entered into pursuant to Section 4.7 of this ordinance, to make payments for water or sewer supply, transmission or service to another person or entity.

(s) “Coverage Requirement” means (a) for any period during which Assessments may be paid without becoming delinquent, the sum of (i) the product of the Average Annual Debt Service on all Parity Bonds then outstanding times a fraction, the numerator of which is the aggregate principal amount of nondelinquent Assessments which remain to be paid into the Bond Fund plus the principal amount of Assessments previously paid into and then on hand in the Bond Fund, and the denominator of which is the aggregate principal amount of Parity Bonds then outstanding, plus (ii) 1.25 times the product of Average Annual Debt Service on all Parity Bonds

then outstanding times the difference of 1.0 minus the fraction calculated pursuant to (i) above; or (b) for any other period, the product of 1.25 times the Average Annual Debt Service on the Parity Bonds then outstanding.

(t) “Designated Representative” means the officer of the City appointed in Section 10.1 of this ordinance to serve as the City’s designated representative in accordance with RCW 39.46.040(2).

(u) “DTC” means The Depository Trust Company, New York, New York, or its nominee.

(v) “Final Terms” means the terms and conditions for the sale of a Series of the Bonds including the amount, date or dates, denominations, interest rate or rates (or mechanism for determining interest rate or rates), payment dates, final maturity, redemption rights, price, and other terms or covenants, including minimum savings for refunding bonds (if the refunding bonds are issued for savings purposes).

(w) “Finance Director” means the person designated as Finance Director by the City Council from time to time.

(x) “Fiscal Agent” means the fiscal agent of the State, as the same may be designated by the State from time to time.

(y) “Fiscal Year” means the fiscal year used by the City at any time.

(z) “Future Parity Bonds” means the obligations hereafter issued on a parity with the payments required to be made out of the Revenue Fund to pay and secure the payment of the principal of and interest on the Outstanding Parity Bonds and the Bonds.

(aa) “Government Obligations” has the meaning given in RCW 39.53.010, as now in effect or as may hereafter be amended.

(bb) “Gross Revenue” means all of the rates, charges or other income and receipts in each case derived by or on account of the City from the operation or ownership of the System.

(cc) “Issue Date” means, with respect to a Bond, the date of initial issuance and delivery of that Bond to the Purchaser in exchange for the purchase price of that Bond.

(dd) “Letter of Representations” means the Blanket Issuer Letter of Representations between the City and DTC, dated October 12, 1998, as it may be amended from time to time, and any successor or substitute letter relating to the operational procedures of the Securities Depository.

(ee) “Maximum Annual Debt Service” means as of the date of calculation the maximum amount of Annual Debt Service required to be paid in any calendar year thereafter for the then outstanding Parity Bonds.

(ff) “MSRB” means the Municipal Securities Rulemaking Board.

(gg) “Net Revenue” means Gross Revenue minus Operation and Maintenance Costs.

(hh) “Operation and Maintenance Costs” means all necessary costs to the City of operating and maintaining the System, including but not limited to the City’s administrative and general expenses (which expenses may include pro rata budget charges for City departments when such charges represent a reasonable distribution and share of actual cost), costs of insurance (including reasonable contributions for self-insurance reserves), consulting technical services, excise taxes, and repairs and replacements (only to the extent not properly classifiable as capital costs), but excluding depreciation (or reserves therefor), amortization of intangibles or other bookkeeping entries of a similar nature, capital costs of additions, betterments, extensions or replacements of all or any portion of the System, or debt service or transfers from money of the System to other funds of the City as taxes or payments in lieu of taxes. Operation and Maintenance Costs shall also include any amounts due under Contract Resource Obligations.

(ii) “Outstanding Parity Bonds” means the outstanding 2015 Bonds and 2019 Bonds.

(jj) “Owner” means, without distinction, the Registered Owner and the Beneficial Owner.

(kk) “Parity Bonds” means the Outstanding Parity Bonds, the Bonds and any Future Parity Bonds.

(ll) “Professional Utility Consultant” means the independent person(s) or firm(s) selected by the City having a favorable reputation for skill and experience with water and sewer systems of comparable size and character to the System in such areas as are relevant to the purposes for which they are retained.

(mm) “Project” has the meaning set forth in Section 2.1 of this ordinance.

(nn) “Project Fund” means the fund or funds of the City created for the purpose of carrying out the Project.

(oo) “Purchaser” means KeyBanc Capital Markets Inc. of Seattle, Washington, or such other corporation, firm, association, partnership, trust, bank, financial institution or other legal entity or group of entities selected by the Designated Representative to serve as purchaser in a private placement, underwriter or placement agent in a negotiated sale.

(pp) “Qualified Letter of Credit” means any irrevocable letter of credit issued by a financial institution for the account of the City on behalf of the owners of any Parity Bonds, which institution maintains an office, agency or branch in the United States and as of the time of issuance of such letter of credit, is rated in one of the two highest rating categories by Moody’s Ratings or S&P Global Ratings, or their comparably recognized business successors.

(qq) “Qualified Insurance” means any noncancelable municipal bond insurance policy or surety bond issued by any insurance company licensed to conduct an insurance business in any state of the United States (or by a service corporation acting on behalf of one or more such insurance companies), which insurance company or companies, as of the time of issuance of such policy or surety bond, is rated in one of the two highest rating categories by Moody’s Ratings or S&P Global Ratings, or their comparably recognized business successors.

(rr) “Rate Stabilization Account” means the account of that name authorized to be created within the Revenue Fund pursuant to Section 4.5 of this ordinance.

(ss) “Rating Agency” means any nationally recognized rating agency then maintaining a rating on the Bonds at the request of the City.

(tt) “Record Date” means the Bond Registrar’s close of business on the 15th day of the month preceding an interest payment date. With respect to redemption of a Bond prior to its maturity, the Record Date shall mean the Bond Registrar’s close of business on the date on which the Bond Registrar sends the notice of redemption in accordance with Section 3.3.

(uu) “Refunded Bonds” means all or a portion of the Refunding Candidates selected by the Designated Representative to be refunded with proceeds of a Series of the Bonds and included in the Refunding Plan.

(vv) “Refunding Candidates” means the outstanding 2015 Bonds, the refunding of which has been provided for by this ordinance.

(ww) “Refunding Plan” means:

(i) the placement of sufficient proceeds of a Series of the Bonds which, with other money of the City, if necessary, will be deposited with the Refunding Trustee or may be used to acquire the Acquired Obligations to be deposited along with cash, if necessary, with the Refunding Trustee;

(ii) the payment of the principal of and interest on the Refunded Bonds when due up to and including such date determined by the Designated Representative, and the call, payment, and redemption on such date, of all of the then-outstanding Refunded Bonds at a price of par; and

(iii) may include the payment of the costs of issuing a Series of the Bonds and the costs of carrying out the foregoing elements of the Refunding Plan.

(xx) “Refunding Trust Agreement” means a Refunding Trust Agreement between the City and the Refunding Trustee.

(yy) “Refunding Trustee” means the trustee or escrow agent or any successor trustee or escrow agent serving as refunding trustee to carry out the Refunding Plan.

(zz) “Registered Owner” means, with respect to a Bond, the person in whose name that Bond is registered on the Bond Register. For so long as the City utilizes the book-entry

only system for the Bonds under the Letter of Representations, Registered Owner shall mean the Securities Depository.

(aaa) “Reserve Account” means that account in the Bond Fund created by Section 6 of Ordinance No. 1036 of the City. The Designated Representative shall determine whether the Bonds will be secured by the Reserve Account, or whether to create a separate reserve account to secure the Bonds.

(bbb) “Reserve Account Requirement” means with respect to any Parity Bonds secured by the Reserve Account, an amount equal to the lesser of (i) 125% of Average Annual Debt Service on such bonds, (ii) 10% of the original net proceeds of such series of bonds, and (iii) Maximum Annual Debt Service for such bonds secured by the Reserve Account. For purposes of the Reserve Account Requirement, the City may deduct the direct payment the City is expected to receive in respect of any Future Parity Bonds for which the federal government will provide the City with a direct payment of a portion of the interest from the interest portion of annual debt service. The reserve account requirement for a separate reserve account means the amount, if any, by established by (A) the Designated Representative or (B) an ordinance authorizing any Future Parity Bonds.

(ccc) “Revenue Fund” means the special “Water and Sewer Revenue Fund” of the City created by Section 4 of Ordinance No. 781. The City by such ordinance has pledged that the Gross Revenue of the System shall be paid into the Revenue Fund as collected.

(ddd) “Rule 15c2-12” means Rule 15c2-12 promulgated by the SEC under the Securities Exchange Act of 1934, as amended.

(eee) “SEC” means the United States Securities and Exchange Commission.

(fff) “Securities Depository” means DTC, any successor thereto, any substitute securities depository selected by the City that is qualified under applicable laws and regulations to provide the services proposed to be provided by it, or the nominee of any of the foregoing.

(ggg) “Series of the Bonds” or “Series” means a series of the Bonds issued pursuant to this ordinance.

(hhh) “State” means the State of Washington.

(iii) “System” means the existing water supply and distribution system and sanitary sewage collection and disposal system of the City as the same has heretofore been combined and as the same shall be added to, improved and extended for as long as any of the Parity Bonds are outstanding.

(jjj) “Term Bond” means each Bond designated as a Term Bond and subject to mandatory redemption in the years and amounts set forth in the Bond Purchase Agreement.

(kkk) “ULID” means a utility local improvement district in which Assessments have been or will be levied for improvements financed in whole or in part from proceeds of any Parity Bonds.

(III) “Undertaking” means the undertaking to provide continuing disclosure set forth in Section 8.1 of this ordinance.

ARTICLE II PLAN OF IMPROVEMENTS; FINDINGS AND DETERMINATIONS

Section 2.1 Plan of Improvements. The City hereby specifies and adopts a system or plan of additions to and betterments and extensions of the System, which may consist of the following capital improvements (collectively, the “Project”): updating the sewer treatment plant, acquiring land for an operations center, constructing sewer lift stations, water booster stations, water reservoirs, wells and piping and other capital purposes to the System approved by the City Council. Incidental costs incurred in connection with carrying out and accomplishing the Project, consistent with RCW 39.46.070, may be included as costs of the Project. The Project includes acquisition, construction and installation of all necessary equipment, apparatus, accessories, fixtures and appurtenances.

The City hereby adopts the Project as a plan and system. The Project will be undertaken in accordance with specifications and contracts for acquisition and construction approved by the City Council from time to time. The Project shall be subject to such changes as to details as may be authorized by the City Council. The City may proceed with the construction and installation of the Project as herein authorized, either alone or in conjunction with the construction of other facilities of the System, and in whole, or in successive parts from time to time as may be found advisable. The estimated cost of the Project is approximately \$42,500,000, which is expected to be financed out of Bond proceeds and other System revenues.

Section 2.2 Parity Conditions. The City Council hereby finds and determines as follows:

First, that the Bonds will be issued for the purpose of acquiring, constructing and installing additions to and betterments and extensions of, acquiring necessary equipment for, or making necessary repairs or capital improvements to or replacements of equipment of the System, and to refund certain Outstanding Parity Bonds.

Second, that at the time of adoption of this ordinance and at the time of the issuance of the Bonds there is not nor will there be any deficiency in the Bond Fund or the Reserve Account.

Third, that this ordinance contains the provisions and covenants regarding the payments to be made into the Bond Fund and Reserve Account or such other reserve account determined by the Designated Representative, and regarding the establishment, maintenance and collection of rates and charges for water and sanitary sewage collection and disposal service by the City.

Fourth, that the City has been assured that the certificate of an independent professional engineer licensed to practice in the State or the Finance Director of the City as required by Sections 5.2(E) of Ordinances Nos. 15-013 and 19-003 for the issuance of Future Parity Bonds will be provided to the City at or prior to the issuance of the Bonds.

All of the conditions of Ordinances Nos. 15-013 and 19-003 have been met and fully complied with or will be met prior to the Issue Date, and the City hereby finds that the Bonds may be issued on a parity of lien with the Outstanding Parity Bonds.

ARTICLE III AUTHORIZATION AND ISSUANCE OF BONDS

Section 3.1 Authorization of Bonds. The City shall now issue and sell its water and sewer revenue and refunding bonds to provide funds to pay costs of the Project, refund the Refunded Bonds, fund a reserve account if the funding of a reserve account is approved by the Designated Representative, and pay costs of issuing the Bonds. The Bonds shall be designated as the “City of Camas, Washington, Water and Sewer Revenue and Refunding Bonds, 2025,” or such other designation as approved by the Designated Representative. Each Series of Bonds issued shall be dated as of the date of their initial delivery, shall be fully registered as to principal and interest, shall be in Authorized Denominations, provided no Bond shall represent more than one maturity, and shall be numbered separately in such manner and with any additional designation as the Bond Registrar deems necessary for purposes of identification. The Bonds shall bear interest payable semiannually at the rates per annum and be payable in the years and amounts as shall be determined pursuant to Section 10.1 hereof.

The Bonds shall not be general obligations of the City. The Bonds shall be obligations only of the Bond Fund and shall be payable and secured as provided herein. The Bonds do not constitute an indebtedness of the City within the meaning of the constitutional provisions and limitations of the State.

Section 3.2 Registration, Exchange and Payments.

(a) Registration of Bonds. Each Bond shall be issued only in registered form as to both principal and interest and the ownership of each Bond shall be recorded on the Bond Register.

(b) Bond Registrar; Duties. The Fiscal Agent is appointed as initial Bond Registrar. The Bond Registrar shall keep, or cause to be kept, sufficient books for the registration and transfer of the Bonds, which shall be open to inspection by the City at all times. The Bond Registrar is authorized, on behalf of the City, to authenticate and deliver Bonds transferred or exchanged in accordance with the provisions of the Bonds and this ordinance, to serve as the City’s paying agent for the Bonds and to carry out all of the Bond Registrar’s powers and duties under this ordinance. The Bond Registrar shall be responsible for its representations contained in the Bond Registrar’s Certificate of Authentication on each Bond. The Bond Registrar may become an Owner with the same rights it would have if it were not the Bond Registrar and, to the extent permitted by law, may act as depository for and permit any of its officers or directors to act as members of, or in any other capacity with respect to, any committee formed to protect the rights of Owners.

(c) Bond Register; Transfer and Exchange. The Bond Register shall contain the name and mailing address of each Registered Owner and the principal amount and number of each Bond held by each Registered Owner. A Bond surrendered to the Bond Registrar may be

exchanged for a Bond or Bonds in any Authorized Denomination of an equal aggregate principal amount and of the same Series, interest rate and maturity. A Bond may be transferred only if endorsed in the manner provided thereon and surrendered to the Bond Registrar. Any exchange or transfer shall be without cost to the Owner or transferee. The Bond Registrar shall not be obligated to exchange any Bond or transfer registered ownership during the period between the applicable Record Date and the next upcoming interest payment or redemption date.

(d) Securities Depository; Book-Entry Only Form. DTC is appointed as initial Securities Depository. Each Bond initially shall be registered in the name of Cede & Co., as the nominee of DTC. Each Bond registered in the name of the Securities Depository shall be held fully immobilized in book-entry only form by the Securities Depository in accordance with the provisions of the Letter of Representations. Registered ownership of any Bond registered in the name of the Securities Depository may not be transferred except: (i) to any successor Securities Depository; (ii) to any substitute Securities Depository appointed by the City; or (iii) to any person if the Bond is no longer to be held in book-entry only form. Upon the resignation of the Securities Depository, or upon a termination of the services of the Securities Depository by the City, the City may appoint a substitute Securities Depository. If (i) the Securities Depository resigns and the City does not appoint a substitute Securities Depository, or (ii) the City terminates the services of the Securities Depository, the Bonds no longer shall be held in book-entry only form and the registered ownership of each Bond may be transferred to any person as provided in this ordinance.

Neither the City nor the Bond Registrar shall have any obligation to participants of any Securities Depository or the persons for whom they act as nominees regarding accuracy of any records maintained by the Securities Depository or its participants. Neither the City nor the Bond Registrar shall be responsible for any notice that is permitted or required to be given to a Registered Owner except such notice as is required to be given by the Bond Registrar to the Securities Depository.

(e) *Place and Medium of Payment.* Both principal of and interest on the Bonds shall be payable in lawful money of the United States of America. For so long as all Bonds are in fully immobilized form, payments of principal and interest shall be made as provided in accordance with the operational arrangements of DTC referred to in the Letter of Representations. In the event that the Bonds are no longer in fully immobilized form, interest on the Bonds shall be paid by check or draft mailed to the Registered Owners at the addresses for such Registered Owners appearing on the Bond Register on the 15th day of the month preceding the interest payment date, and principal of the Bonds shall be payable upon presentation and surrender of such Bonds by the Registered Owners at the principal office of the Bond Registrar; provided, however, that if so requested in writing by the Registered Owner of at least \$1,000,000 principal amount of Bonds, interest will be paid by wire transfer on the date due to an account with a bank located within the United States.

Section 3.3 Redemption.

(a) Optional Redemption. The Bonds shall be subject to redemption at the option of the City on terms acceptable to the Designated Representative, as set forth in the Bond Purchase Agreement, consistent with the parameters set forth in Section 10.1.

(b) Mandatory Redemption. Each Bond that is designated as a Term Bond in the Bond Purchase Agreement, consistent with the parameters set forth in Section 10.1 and except as set forth below, shall be called for redemption at a price equal to the stated principal amount to be redeemed, plus accrued interest, on the dates and in the amounts as set forth in the Bond Purchase Agreement. If a Term Bond is redeemed under the optional redemption provisions, defeased or purchased by the City and surrendered for cancellation, the principal amount of the Term Bond so redeemed, defeased or purchased (irrespective of its actual redemption or purchase price) shall be credited against one or more scheduled mandatory redemption installments for that Term Bond. The City shall determine the manner in which the credit is to be allocated and shall notify the Bond Registrar in writing of its allocation prior to the earliest mandatory redemption date for that Term Bond for which notice of redemption has not already been given.

(c) Selection of Bonds for Redemption; Partial Redemption. If fewer than all of the outstanding Bonds are to be redeemed at the option of the City, the City shall select the Series and maturities to be redeemed. If fewer than all of the outstanding Bonds of a maturity of a Series are to be redeemed, the Securities Depository shall select Bonds registered in the name of the Securities Depository to be redeemed in accordance with the Letter of Representations, and the Bond Registrar shall select all other Bonds to be redeemed randomly in such manner as the Bond Registrar shall determine. All or a portion of the principal amount of any Bond that is to be redeemed may be redeemed in any Authorized Denomination. If less than all of the outstanding principal amount of any Bond is redeemed, upon surrender of that Bond to the Bond Registrar, there shall be issued to the Registered Owner, without charge, a new Bond (or Bonds, at the option of the Registered Owner) of the same Series, maturity and interest rate in any Authorized Denomination in the aggregate principal amount to remain outstanding.

(d) Notice of Redemption. Notice of redemption of each Bond registered in the name of the Securities Depository shall be given in accordance with the Letter of Representations. Notice of redemption of each other Bond, unless waived by the Registered Owner, shall be given by the Bond Registrar not less than 20 nor more than 60 days prior to the date fixed for redemption by first-class mail, postage prepaid, to the Registered Owner at the address appearing on the Bond Register on the Record Date. The requirements of the preceding sentence shall be satisfied when notice has been mailed as so provided, whether or not it is actually received by an Owner. In addition, the redemption notice shall be mailed or sent electronically within the same period to the MSRB (if required under the Undertaking), to each Rating Agency, and to such other persons and with such additional information as the Designated Representative shall determine, but these additional mailings shall not be a condition precedent to the redemption of any Bond.

(e) Rescission of Optional Redemption Notice. In the case of an optional redemption, the notice of redemption may state that the City retains the right to rescind the redemption notice and the redemption by giving a notice of rescission to the affected Registered Owners at any time on or prior to the date fixed for redemption. Any notice of optional redemption that is so rescinded shall be of no effect, and each Bond for which a notice of redemption has been rescinded shall remain outstanding.

(f) Effect of Redemption. Interest on each Bond called for redemption shall cease to accrue on the date fixed for redemption, unless either the notice of optional redemption is

rescinded as set forth above, or money sufficient to effect such redemption is not on deposit in the Bond Fund or in a trust account established to refund or defease the Bond.

(g) Purchase of Bonds. The City reserves the right to purchase any or all of the Bonds offered to the City at any time at any price acceptable to the City plus accrued interest to the date of purchase.

Section 3.4 Form of Bonds; Signatures and Seal. Each Bond shall be prepared in a form consistent with the provisions of this ordinance and State law. Each Bond shall be signed by the Mayor and the City Clerk, either or both of whose signatures may be manual or in facsimile, and the seal of the City or a facsimile reproduction thereof shall be impressed or printed thereon. If any officer whose manual or facsimile signature appears on a Bond ceases to be an officer of the City authorized to sign bonds before the Bond bearing such officer's manual or facsimile signature is authenticated by the Bond Registrar, or issued or delivered by the City, that Bond nevertheless may be authenticated, issued and delivered and, when authenticated, issued and delivered, shall be as binding on the City as though that person had continued to be an officer of the City authorized to sign bonds. Any Bond also may be signed on behalf of the City by any person who, on the actual date of signing of the Bond, is an officer of the City authorized to sign bonds, although such officer did not hold the required office on its Issue Date.

Section 3.5 Authentication. Only a Bond bearing a Certificate of Authentication in substantially the following form, manually signed by the Bond Registrar, shall be valid or obligatory for any purpose or entitled to the benefits of this ordinance: "Certificate of Authentication. This Bond is one of the fully registered City of Camas, Washington, Water and Sewer Revenue and Refunding Bonds, 2025." The authorized signing of a Certificate of Authentication shall be conclusive evidence that the Bond so authenticated has been duly executed, authenticated and delivered and is entitled to the benefits of this ordinance.

Section 3.6 Lost or Destroyed Bonds. In case any of the Bonds shall be lost, stolen or destroyed, the Bond Registrar may authenticate and deliver a new bond or bonds of like amount, date, tenor and effect to the Registered Owner or nominee thereof upon payment to the City for the expenses and charges in connection therewith and upon such Registered Owner's filing with the Bond Registrar evidence satisfactory to said Bond Registrar that such Bond or Bonds were actually lost, stolen or destroyed and of his ownership thereof, and upon furnishing the City with indemnity satisfactory to them both.

ARTICLE IV CREATION OF FUNDS AND ACCOUNTS

Section 4.1 Project Fund. There is hereby authorized to be created a fund for the purpose of depositing Bond proceeds for the purpose of paying the costs of the Project and, unless included in the Refunding Plan, paying costs of issuance of the Bonds (the "Project Fund"). The proceeds of sale of the Bonds, after carrying out the Refunding Plan described in Section 9.1 and funding of a reserve account, if such funding is approved by the Designated Representative, shall be paid into the Project Fund. The money in the Project Fund not immediately needed for the Project may be invested in such obligations as may be permitted cities of the State by law. All interest earned and/or income derived by virtue of any such investments shall remain in the Project

Fund and be used for the purpose for which said Project Fund is created. Any money remaining in the Project Fund after all of costs of the Project have been paid shall be transferred to the Bond Fund and/or the applicable reserve account.

Section 4.2 Revenue Fund. There has been created by Section 4 of Ordinance No. 781 of the City a special fund of the City known as the “Water and Sewer Revenue Fund” (“Revenue Fund”), into which fund the City has obligated and bound itself to pay all of the Gross Revenue of the System as collected. The money in the Revenue Fund shall be accounted for separately from any and all other money of the City.

All Operation and Maintenance Costs, all payments required to be made into the Bond Fund and Reserve Account and all payments which may be required later to be made into any other fund or account of the City or for any other proper purpose in connection with the operation and ownership of the System shall be paid out of the Revenue Fund.

Section 4.3 Bond Fund. There has been created by Section 5 of Ordinance No. 1036 of the City another special fund of the City known as the “Water-Sewer Revenue Bond Fund” (the “Bond Fund”), which fund shall be drawn upon for the sole purpose of paying the principal of, premium if any, and interest on the Parity Bonds.

The City hereby covenants to set aside and pay into the Bond Fund out of the Revenue Fund the amounts necessary, together with Assessment Income and such other funds as are on hand and available in the Bond Fund, to pay the principal of and interest on the Parity Bonds as the same respectively become due and payable.

Section 4.4 Reserve Account. A Reserve Account has heretofore been created in the Bond Fund by Ordinance No. 1036 for the purpose of securing the payment of the principal of and interest on Parity Bonds that are designated in the proceedings authorizing their issuance.

The Designated Representative may authorize the creation of a new reserve account and determine the reserve account requirement for that account to secure the Bonds, or may determine to have the Reserve Account created pursuant to Ordinance No. 1036 secure the Bonds. The Designated Representative may deposit into the Reserve Account or such other reserve account, proceeds of the Bonds, or other funds of the City, in an amount so that there will be on deposit in such reserve account a total amount at least equal to the reserve account requirement for such account as determined by the Designated Representative.

The City will at all times maintain the Reserve Account Requirement in the Reserve Account until there is a sufficient amount in the Bond Fund and Reserve Account to pay the principal of, premium if any and interest on all outstanding Parity Bonds secured by such account, at which time the money in the Reserve Account may be used to pay such principal, premium, if any, and interest. If a separate reserve account is created, the City will at all times maintain the reserve account requirement for such account until there is a sufficient amount in the Bond Fund and separate reserve account to pay the principal of, premium if any, and interest on the outstanding Parity Bonds secured by such separate reserve account, at which time the money in such account may be used to pay such principal, premium, if any, and interest.

In the event the Bonds are ever refunded or defeased, the money set aside in the Reserve Account or such other reserve account to secure the payment of the Bonds may be used to retire Bonds, may remain in the Reserve Account or such other reserve account, or may be transferred to any other reserve account which may be created to secure the payment of the bonds issued to refund the Bonds.

In the event the money in the Bond Fund over and above the amount therein set aside and credited to the Reserve Account and any other reserve account is insufficient to meet maturing installments of either principal or interest on any outstanding Parity Bonds secured by such account, such deficiency shall be made up from the Reserve Account or other reserve account securing such outstanding Parity Bonds by the withdrawal of money therefrom. Any deficiency created in the Reserve Account by reason of any such withdrawal shall then be made up from money in the Revenue Fund or from Assessment Income first available after making necessary provision for the payments required to be made into the Bond Fund.

All money in any reserve account or Bond Fund may be kept in cash or invested in such obligations as may now or hereafter be permitted cities and towns of the State by law and maturing not later than the last maturity of any Parity Bonds. Interest earned on or any profits made from the sale of any such investments shall be deposited in and become a part of the Bond Fund or Revenue Fund and shall be considered Gross Revenue of the System.

Any ordinance providing for the issuance of Parity Bonds may provide (or the City may provide by ordinance at any other time) for the City to obtain Qualified Insurance or a Qualified Letter of Credit for specific amounts required pursuant to this section to be paid out of the Reserve Account or other reserve account. The face amount of any such Qualified Insurance or Qualified Letter of Credit shall be credited against the amounts required to be maintained in the Reserve Account or other reserve account by this section to the extent that such payments and credits to be made are insured by an insurance company, or guaranteed by a letter of credit from a financial institution. Such Qualified Letter of Credit or Qualified Insurance shall not be cancelable on less than five years' notice. In the event of any cancellation, the Reserve Account or other reserve account shall be funded in accordance with the provisions of this section providing for payment to such reserve account in the event of a deficiency therein.

The ordinance authorizing Future Parity Bonds may establish a separate reserve account and set the reserve account requirement for any such Future Parity Bonds or provide that some or all of such Future Parity Bonds be secured by a common reserve account.

Section 4.5 Rate Stabilization Account. A special account of the City to be designated the "Water and Sewer Rate Stabilization Account" (the "Rate Stabilization Account") may be created within the Revenue Fund, at the discretion of the Finance Director, to cope with future increases in revenue requirements of the System. The City may from time to time appropriate or budget amounts in the Revenue Fund for deposit in the Rate Stabilization Account and may from time to time withdraw amounts therefrom to prevent or mitigate water and sewer rate increases or for other lawful purposes of the City related to the System. Amounts withdrawn from the Rate Stabilization Account shall increase Gross Revenue for the period for which they are withdrawn, and amounts deposited in the Rate Stabilization Account shall reduce Gross Revenue for the period for which they are deposited. Credits to or from the Rate Stabilization Account that occur within

90 days after the end of a fiscal year may be treated as occurring within such fiscal year. Earnings on the Rate Stabilization Account shall be credited to the Revenue Fund.

Section 4.6 Adequacy of Revenue. The City Council hereby declares that, in fixing the amounts to be paid into the Bond Fund and the Reserve Account or such other reserve account as provided above, it has exercised due regard for the necessary Operation and Maintenance Costs of the System and the amounts necessary to pay the principal of and interest on the Outstanding Parity Bonds, and has not obligated the City to set aside and pay into the Bond Fund and Reserve Account or such other reserve account, if created, a greater amount of revenue of the System and Assessment Income than in its judgment will be available over and above such Operation and Maintenance Costs and the amounts necessary to pay such principal and interest.

Section 4.7 Contract Resource Obligations. The City may at any time enter into one or more contracts or other obligations for the acquisition, from facilities to be constructed, of water or sewer supply, transmission, or service relating to the System. The City may determine that such contract or other obligation is a Contract Resource Obligation, and may provide that all payments under that Contract Resource Obligation (including payments prior to the time that supply, transmission, or service is being provided, or during a suspension or after termination of supply or service) shall be Operation and Maintenance Costs if the following requirements are met at the time such Contract Resource Obligation is entered into:

(a) No event of default has occurred and is continuing.

(b) There shall be on file a certificate of a Professional Utility Consultant or an independent certified public accountant, stating that: (i) the payments to be made by the City in connection with the Contract Resource Obligation are reasonable for the supply, transmission, treatment, or other service rendered; (ii) the source of any new supply, and any facilities to be constructed to provide the supply, transmission, treatment, or other service, are sound from a water or other commodity supply or transmission planning standpoint, are technically and economically feasible in accordance with prudent utility practice, and are likely to provide supply or transmission or other service no later than a date set forth in the Professional Utility Consultant's, or independent certified public accountant's, certification; and (iii) the Net Revenue (further adjusted by the Professional Utility Consultant's, or independent certified public accountant's, estimate of the payments to be made in accordance with the Contract Resource Obligation) for the five fiscal years following the year in which the Contract Resource Obligation is incurred, as such Net Revenue is estimated by the Professional Utility Consultant, or independent certified public accountant (with such estimate based on such factors as such accountant considers reasonable), will be at least equal to the rate coverage requirement set forth in Section 5.2(a) of this ordinance.

Payments required to be made under Contract Resource Obligations shall not be subject to acceleration.

Nothing in this section shall be deemed to prevent the City from entering into other agreements for the acquisition of water supply, transmission, treatment, or other commodity or service from existing facilities and from treating those payments as Operation and Maintenance Costs of the System. Nothing in this section shall be deemed to prevent the City from entering into other agreements for the acquisition of water supply, transmission, treatment, or other

commodity or service from facilities to be constructed and from agreeing to make payments with respect thereto, such payments constituting a lien and charge on Net Revenue subordinate to that of Parity Bonds.

ARTICLE V COVENANTS

Section 5.1 Pledge; Lien Position of Bondowners. The Gross Revenue of the System, Assessment Income, and money in the Bond Fund are hereby pledged to the repayment of the Parity Bonds. The amounts so pledged to be paid by this ordinance out of the Gross Revenue of the System and Assessment Income into the Bond Fund are hereby declared to be a prior lien and charge upon the Gross Revenue of the System superior to all other charges of any kind or nature except for the Operation and Maintenance Costs of the System, except that amounts so pledged are equal in rank to the lien and charge thereon heretofore made to pay and secure the payment of the principal of and interest on the Outstanding Parity Bonds and which may hereafter be made to pay and secure the payment of the principal of and interest on any Future Parity Bonds.

Section 5.2 General Covenants. The City hereby covenants and agrees with the owner and holder of each of the Bonds for so long as the same remain outstanding as follows:

(a) The City covenants that it will establish, maintain and collect rates and charges for water and sanitary sewage collection and disposal service in an amount to provide Net Revenue together with Assessment Income in amounts necessary to at least equal the Coverage Requirement. For the purpose of meeting the requirement of this paragraph there may be added to Net Revenue for any calendar year any amount withdrawn from the Rate Stabilization Account and credited to Gross Revenue as provided in Section 4.5 of this ordinance. There shall be subtracted from Net Revenue for any calendar year any amounts in such year withdrawn from the Revenue Fund and deposited into the Rate Stabilization Account in such calendar year.

The failure to collect Gross Revenue in any fiscal year sufficient to comply with the covenant contained in this subsection shall not constitute an event of default if the City, before the 90th day of the following fiscal year, both (1) employs a Professional Utility Consultant to recommend changes in the City's rates which are estimated to produce Gross Revenue sufficient (once the rates recommended by the Professional Utility Consultant have been imposed by the City) to meet the requirements of this subsection; and (2) imposes rates at least as high as those recommended by such professional utility consultant at the time or times so recommended.

(b) The City shall determine by March 1 of each year all Assessments which have become delinquent during the preceding calendar year and bring the necessary actions of foreclosure upon the property against which such Assessments were levied by June 1 of such year or, if later, the earliest date permitted by law. The City shall promptly take action to enforce the payment of delinquent service charges by such means as are legally available.

(c) The City will at all times maintain and keep the System in good repair, working order and condition and will also at all times operate the same and the business in connection therewith in an efficient manner and at a reasonable cost.

(d) The City will not sell or otherwise dispose of any of the properties of the System (unless such properties are no longer useful for the operation of such System), unless provision is made for payment into the Bond Fund of a sum sufficient, together with other money available therefor, to pay the principal of and interest on all of the outstanding Parity Bonds in accordance with their terms. The City will not sell or otherwise dispose of the System in its entirety unless simultaneously with such sale or disposition provision is made for payment into the Bond Fund of cash or Government Obligations (as now or hereafter defined in chapter 39.53 RCW) sufficient to pay the principal of and interest on all then outstanding Parity Bonds in accordance with the terms thereof nor will it sell or otherwise dispose of any part of the useful operating properties of the System in excess of 5% of the net utility plant of the System unless provision is made for payment into the Bond Fund of an amount which shall be in at least the same proportion to the net amount of Parity Bonds outstanding (defined as the total amount of such Parity Bonds less the amount of cash and investments in the Bond Fund and accounts therein) that the Net Revenue from the portion of the System sold or disposed of for the preceding fiscal year bears to the Net Revenue of the System for the same period.

(e) It will not issue any Future Parity Bonds except that it reserves the right for:

(i) The purpose of acquiring, constructing and installing additions to and betterments and extensions of, acquiring necessary equipment for, or making necessary repairs or capital improvements to or replacements of equipment of, the System; or

(ii) The purpose of refunding, exchanging with or purchasing and retiring prior to their maturity the outstanding revenue bonds or warrants of the City, to issue Future Parity Bonds and to pledge that payments shall be made out of the Revenue Fund and Assessment Income into the Bond Fund and Reserve Account or other reserve account to pay and secure the payment of the principal of and interest on such Future Parity Bonds on a parity with the payments required to be made out of the Revenue Fund and from Assessment Income into the Bond Fund and the reserve account therein to pay and secure the payment of the principal of and interest on the outstanding Parity Bonds upon compliance with the following conditions:

First: That at the time of the issuance of such Future Parity Bonds there is no deficiency in the Bond Fund or the Reserve Account or any other reserve account created for a Series of Parity Bonds.

Second: That if there are Assessments levied in any ULID in which additions and improvements to and extensions of the System will be constructed from the proceeds of such Future Parity Bonds, the ordinance authorizing such Future Parity Bonds requires that such Assessments shall be paid into the Bond Fund.

Third: That if there are Assessments pledged to be paid into a warrant or bond redemption fund for revenue bonds or warrants being refunded by Future Parity Bonds, the ordinance authorizing the Future Parity Bonds requires such Assessments shall be paid into the Bond Fund.

Fourth: That the City will covenant in each ordinance authorizing the issuance of Future Parity Bonds that it will establish, maintain and collect rates and charges

for water and sanitary sewage collection and disposal service for as long as the Bonds and any Parity Bonds are outstanding in an amount, together with Assessment Income, to at least equal the Coverage Requirement.

Fifth: That the ordinance providing for the issuance of any such Future Parity Bonds shall provide for the payment of the principal thereof and interest thereon out of the Bond Fund and that it will pay into the Reserve Account or such other reserve account out of the Gross Revenue of the System (or, at the option of the City, out of Assessment Income or any other funds legally available for such purpose) not less than approximately equal additional annual future payments so that by five years from the date of such Future Parity Bonds there will have been paid into the Reserve Account or such other reserve account an amount which, with the money already on deposit therein, will be equal to the Maximum Annual Debt Service, the Reserve Account Requirement or such other reserve account requirement, as applicable.

Sixth: That at the time of the issuance of such Future Parity Bonds the City shall have on file in the office of the Finance Director (A) a certificate executed by a Professional Utility Consultant licensed to practice in the State and experienced in the installation and operation of municipal utilities or a certified public accountant, or (B) a certificate signed by the Finance Director.

The certificate of the Professional Utility Consultant or a certified public accountant, shall set forth that the net revenue of the System (based on the City's annual audited or preliminary financial statements) for a period of any 12 months out of the 24 months immediately preceding the month of delivery of such Future Parity Bonds, plus such person's estimate of the annual net revenue to be derived by the City from the operation of any additions to and betterments and extensions of the System to be acquired, constructed and installed out of the proceeds of the sale of such Future Parity Bonds (the "Adjusted Net Revenue"), will equal at least the Coverage Requirement.

The words "net revenue" as first used in subparagraph Sixth above shall mean the Gross Revenue of the System for the 12 month period after deducting therefrom the amount expended for the normal Operation and Maintenance Costs of the System for such 12 months, but before depreciation and before any transfer of moneys to any funds of the City other than the Bond Fund, and taxes or payments in lieu of taxes to the City. If there were any customers added to the System during such 12 month period, such net revenue may be computed on the basis that such customers were customers of the System during such period.

The words "annual net revenue" as first used in subparagraph Sixth above shall mean such Professional Utility Consultant's or such certified public accountant's estimate of the annual Gross Revenue to be derived by the City from the operation of the additions to and betterments and extensions of the System acquired, constructed and installed out of the proceeds of the sale of such additional bonds, based upon an actual count of customers, less the consultant's estimate of any increased annual normal operating and maintenance expenses of the System allocable to such additions, improvements and extensions.

Whenever "net revenue" or "annual net revenue" has been determined as provided in this subsection, the same shall be increased or decreased on a pro forma basis in the event that there

has been any change in the rates or charges upon which such “net revenue” or “annual net revenue” was based authorized by the City Council to be effective at least fifteen days prior to the sale of such Future Parity Bonds.

The certificate of the Finance Director that shall set forth:

(i) the amount of the Net Revenues (based on the City’s annual audited or preliminary financial statements) for any 12 consecutive months of the 24 months prior to the date of the issuance of such Future Parity Bonds;

(ii) the amount of the Maximum Annual Debt Service thereafter on account of all Parity Bonds then outstanding and the Future Parity Bonds then to be issued hereunder; and

(iii) the percentage derived by dividing the amount shown in (i) above by the amount shown in (ii) above, and shall state that such percentage is not less than the Coverage Requirement.

In the event that such Future Parity Bonds are issued for the sole purpose of refunding a like principal amount of Parity Bonds, and the average annual amount required for debt service during the life of said Future Parity Bonds to be issued is less than the average annual amount required for debt service on the bonds being refunded and the last maturity date of such Future Parity Bonds to be issued is not later than the last maturity date of the bonds being refunded, then the certificate required above need not be obtained to permit the issuance of such Future Parity Bonds.

(f) Nothing herein contained shall prevent the City from issuing revenue bonds or revenue warrants which are a charge upon the money in the Revenue Fund junior or inferior to the payments required to be made to pay and secure the payment of the principal of and interest on the outstanding Parity Bonds or from issuing revenue bonds to refund maturing revenue bonds for the payment of which moneys are not otherwise available.

Section 5.3 Preservation of Tax Exemption for Interest on Bonds. The City covenants that it will take all actions necessary to prevent interest on the Bonds from being included in gross income for federal income tax purposes, and it will neither take any action nor make or permit any use of proceeds of the Bonds or other funds of the City treated as proceeds of the Bonds that will cause interest on the Bonds to be included in gross income for federal income tax purposes. The City also covenants that it will, to the extent the arbitrage rebate requirements of Section 148 of the Code are applicable to the Bonds, take all actions necessary to comply (or to be treated as having complied) with those requirements in connection with the Bonds.

Section 5.4 Post-Issuance Compliance. The Finance Director is authorized and directed to review and revise the City’s written procedures to facilitate compliance by the City with the covenants in this ordinance and the applicable requirements of the Code that must be satisfied after the Issue Date to prevent interest on the Bonds from being included in gross income for federal tax purposes.

Section 5.5 Designation of Bonds as “Qualified Tax-Exempt Obligations.” A Series of Bonds may be designated as “qualified tax-exempt obligations” for the purposes of Section 265(b)(3) of the Code, if the following conditions are met:

(a) the Series does not constitute “private activity bonds” within the meaning of Section 141 of the Code;

(b) the reasonably anticipated amount of tax-exempt obligations (other than private activity bonds and other obligations not required to be included in such calculation) that the City and any entity subordinate to the City (including any entity that the City controls, that derives its authority to issue tax-exempt obligations from the City, or that issues tax-exempt obligations on behalf of the City) will issue during the calendar year in which the Series is issued will not exceed \$10,000,000; and

(c) the amount of tax-exempt obligations, including the Series, designated by the City as “qualified tax-exempt obligations” for the purposes of Section 265(b)(3) of the Code during the calendar year in which the Series is issued does not exceed \$10,000,000.

ARTICLE VI FORM OF BOND

Section 6.1 Bond Form. The Bonds shall be in substantially the following form:

NO. _____ \$ _____

UNITED STATES OF AMERICA

STATE OF WASHINGTON

CITY OF CAMAS

WATER AND SEWER REVENUE AND REFUNDING BOND, 2025

INTEREST RATE:

MATURITY DATE:

CUSIP NO.

REGISTERED OWNER:

PRINCIPAL AMOUNT: _____ DOLLARS

The City of Camas, Washington (the “City”), for value received, hereby promises to pay to the Registered Owner identified above, or registered assigns, on the Maturity Date identified above, the Principal Amount indicated above and to pay interest thereon from _____, 2025, or the most recent date to which interest has been paid or duly provided for until payment of this Bond at the Interest Rate set forth above, payable on _____, 20__, and semiannually thereafter on the first days of each [June and December]. The principal of and interest on this bond are payable solely out of the special fund of the City known as the “Water-Sewer Revenue Bond Fund” (“Bond Fund”). Both principal of and interest on this bond are payable in lawful money of the United States of America. For so long as the bonds of this issue are held in fully immobilized

form, payments of principal and interest thereon shall be made as provided in accordance with the operational arrangements of The Depository Trust Company (“DTC”) referred to in the Blanket Issuer Letter of Representations from the City to DTC. In the event that the bonds of this issue are no longer held in fully immobilized form, interest on this bond shall be paid by check or draft mailed to the Registered Owner at the address appearing on the Bond Register on the 15th day of the month preceding the interest payment date, and principal of this bond shall be payable upon presentation and surrender of this bond by the Registered Owner at the principal office at the principal office of the fiscal agent of the State of Washington (the “Bond Registrar”); provided, however, that if so requested in writing by the Registered Owner of at least \$1,000,000 principal amount of bonds, interest will be paid by wire transfer on the date due to an account with a bank located within the United States.

This bond is one of a series of bonds issued under authority of Ordinance No. _____ adopted by the City Council on _____, 2025 (the “Bond Ordinance”), for the purpose of financing certain improvements to the water and sewerage system, refunding certain outstanding bonds of the City, and paying costs of issuing the Bonds.

Under the Bond Ordinance, the City is obligated to set aside and pay into the Bond Fund out of the Gross Revenue of its water and sewer system, including all additions to and betterments and extensions thereof, certain fixed amounts sufficient to pay the principal of and interest on all the bonds issued under the Bond Ordinance at any time outstanding as the same shall become due and payable, all as more fully provided in the Bond Ordinance. The bonds of this issue and other Outstanding Parity Bonds, as defined in the Bond Ordinance, constitute the only charge against such Bond Fund.

The amounts so pledged and to be paid into the Bond Fund and the Reserve Account therein for the purpose of paying and securing the principal of and interest on the bonds, the outstanding Water and Sewer Revenue and Refunding Bonds, 2015, Water and Sewer Revenue Bonds, 2019, and any water and sewer revenue bonds which may hereafter be issued on a parity of lien with the bonds, are hereby declared to be a prior lien and charge upon such gross revenue superior to all other charges of any kind or nature except the Operation and Maintenance Costs of the water and sewer system of the City.

The pledge of gross revenue and other obligations of the City under the Bond Ordinance may be discharged at or prior to the maturity or redemption of the bonds of this issue upon the making of provision for the payment thereof on the terms and conditions set forth in the Bond Ordinance.

This Bond is one of a total issue of \$_____ par value of the Bonds, all of like date and tenor, except as to maturity, redemption provisions and interest rates, all payable from the Bond Fund and all issued by the City under and pursuant to the laws of the State of Washington and the Bond Ordinance for the purpose of providing funds to pay the cost of certain capital improvements to the water and sewer system of the City as specified in the Bond Ordinance.

The Bonds are subject to redemption as provided in the Bond Ordinance.

The City hereby covenants and agrees with the owners of the Bonds to carry out fully all covenants and meet all obligations of the City as set forth herein and in the Bond Ordinance, and reference is hereby made to the Bond Ordinance for a complete statement of such covenants.

This Bond shall not become valid or obligatory for any purpose until the certificate of authentication set forth hereon has been manually signed by the Bond Registrar.

This Bond is interchangeable for Bonds of any Authorized Denomination of an equal aggregate principal amount, and of the same interest rate and maturity. This Bond is transferable only upon the registry books of the Bond Registrar by surrender of this certificate to the Bond Registrar, duly assigned and executed as indicated below. Such exchange or transfer shall be without cost to the owner or transferee. The City may deem the person in whose name this Bond is registered to be the absolute owner thereof for the purpose of receiving payment of the principal of and interest on such Bond and for any and all other purposes whatsoever. The Bond Registrar shall not be obligated to transfer or exchange this Bond during the fifteen days preceding any interest payment date or the date on which notice of redemption of such Bond is to be given nor after such notice has been given.

It is hereby certified and declared that the Bonds are issued pursuant to and in strict compliance with the Constitution and laws of the State of Washington and the ordinances of the City and that all acts, conditions and things required to be done precedent to and in the issuance of this Bond have happened, have been done and have been performed as required by law.

IN WITNESS WHEREOF, the City has caused this Bond to be signed by the manual or facsimile signature of its Mayor and attested by the manual or facsimile signature of its City Clerk, and its corporate seal to be impressed or a facsimile thereof imprinted hereon this ____ day of _____, 2025.

CITY OF CAMAS, WASHINGTON

By: _____
/s/
Mayor

ATTEST:

/s/
City Clerk

CERTIFICATE OF AUTHENTICATION

Date of Authentication: _____

This is one of the City of Camas, Washington, Water and Sewer Revenue and Refunding Bonds, 2025, dated _____, 2025, described in the Bond Ordinance.

WASHINGTON STATE FISCAL AGENT
Bond Registrar

By: _____
Authorized Officer

ARTICLE VII SUPPLEMENTAL ORDINANCES

Section 7.1 Supplemental Ordinances Without Consent of Bond Owners. The City Council from time to time and at any time may adopt an ordinance supplemental hereto, which ordinance thereafter shall become a part of this ordinance, for any one or more or all of the following purposes:

- (a) To add to the covenants and agreements of the City in this ordinance other covenants and agreements thereafter to be observed, or to surrender any right or power herein reserved to or conferred upon the City.
- (b) To make such provisions for the purpose of curing any ambiguity or of curing, correcting or supplementing any defective provision contained in this ordinance or in regard to matters or questions arising under this ordinance as the City Council may deem necessary or desirable and not inconsistent with this ordinance and which shall not adversely affect the interests of the Registered Owners of the Bonds.

Any such supplemental ordinance of the City Council may be adopted without the consent of the Registered Owners of any of the Bonds at any time outstanding, notwithstanding any of the provisions of Section 7.2 of this Article VII.

Section 7.2 Supplemental Ordinance With Consent of Bond Owners. With the consent of the Registered Owners of not less than two-thirds in aggregate principal amount of the Parity Bonds at the time outstanding, the City Council may adopt an ordinance supplemental hereto for the purpose of adding any provisions to or changing in any manner or eliminating any of the provisions of this ordinance or of any supplemental ordinance; provided, however, that no such supplemental ordinance shall:

- (a) Extend the fixed maturity of any of the Bonds, or reduce the rate of interest thereon, or extend the time of payments of interest from their due date, or reduce the amount of the principal thereof, or reduce any premium payable on the redemption thereof, without the consent of the holder of each Bond so affected; or

(b) Reduce the aforesaid percentage of holders of Bonds required to approve any such supplemental ordinance without the consent of the holders of all of the Bonds then outstanding.

It shall not be necessary for the consent of the Registered Owners under this Section 7.2 to approve the particular form of any proposed supplemental ordinance, but is shall be sufficient if such consent shall approve the substance thereof.

Section 7.3 Effect of Supplemental Ordinance. Upon the adoption of any supplemental ordinance pursuant to the provisions of this Article VII, this ordinance shall be deemed to be modified and amended in accordance therewith, and the respective rights, duties and obligations of the City under this ordinance and of all Registered Owners of Bonds outstanding hereunder shall thereafter be determined, exercised and enforced thereunder, subject in all respects to such modification and amendments, and all the terms and conditions of any such supplemental ordinance shall be deemed to be part of the terms and conditions of this ordinance for any and all purposes.

Bonds executed and delivered after the execution of any supplemental ordinance adopted pursuant to the provisions of this Article VII may bear a notation as to any matter provided for in such supplemental ordinance, and if such supplemental ordinance shall so provide, new bonds so modified as to conform, in the opinion of the Council, to any modification of this ordinance contained in any such supplemental ordinance, may be prepared by the City and delivered without cost to the holders of the Bonds then outstanding, upon surrender for cancellation of such bonds, if any, not fully paid, in equal aggregate principal amounts.

ARTICLE VIII ONGOING DISCLOSURE

Section 8.1 Undertaking to Provide Ongoing Disclosure. To meet the requirements of paragraph (b)(5) of Rule 15c2-12, as applicable to a participating underwriter for the Bonds, the City makes the following written undertaking (the “Undertaking”) for the benefit of holders of the Bonds:

(a) *Undertaking to Provide Annual Financial Information and Notice of Listed Events.* The City undertakes to provide or cause to be provided, either directly or through a designated agent, to the MSRB, in an electronic format as prescribed by the MSRB, accompanied by identifying information as prescribed by the MSRB:

(i) Annual financial information and operating data of the type included in the final official statement for the Bonds and described in paragraph (b) (“annual financial information”);

(ii) Timely notice (not in excess of 10 business days after the occurrence of the event) of the occurrence of any of the following events with respect to the Bonds: (A) principal and interest payment delinquencies; (B) non-payment related defaults, if material; (C) unscheduled draws on debt service reserves reflecting financial difficulties; (D) unscheduled draws on credit enhancements reflecting financial difficulties; (E) substitution of credit or liquidity providers, or their failure to perform; (F) adverse tax opinions, the issuance by the Internal

Revenue Service of proposed or final determinations of taxability, Notice of Proposed Issue (IRS Form 5701 – TEB) or other material notices or determinations with respect to the tax status of the Bonds; (G) modifications to rights of holders of the Bonds, if material; (H) bond calls (other than scheduled mandatory redemptions of Term Bonds), if material, and tender offers; (I) defeasances; (J) release, substitution, or sale of property securing repayment of the Bonds, if material; (K) rating changes; (L) bankruptcy, insolvency, receivership or similar event of the City, as such “Bankruptcy Events” are defined in Rule 15c2-12; (M) the consummation of a merger, consolidation, or acquisition involving the City or the sale of all or substantially all of the assets of the City other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material; (N) appointment of a successor or additional trustee or the change of name of a trustee, if material; (O) incurrence of a financial obligation of the City or obligated person, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a financial obligation of the City or obligated person, any of which affect security holders, if material; and (P) default, event of acceleration, termination event, modification of terms, or other similar events under the terms of the financial obligation of the City or obligated person, any of which reflect financial difficulties. The term “financial obligation” means a (i) debt obligation; (ii) derivative instrument entered into in connection with, or pledged as security or a source of payment for, an existing or planned debt obligation; or (iii) guarantee of (i) or (ii). The term “financial obligation” shall not include municipal securities as to which a final official statement has been provided to the MSRB consistent with Rule 15c2-12.

(iii) Timely notice of a failure by the City to provide required annual financial information on or before the date specified in paragraph (b).

(b) *Type of Annual Financial Information Undertaken to be Provided.* The annual financial information that the City undertakes to provide in paragraph (a):

(i) Shall consist of (A) annual financial statements prepared (except as noted in the financial statements) in accordance with applicable generally accepted accounting principles applicable to local governmental units of the State such as the City, as such principles may be changed from time to time, which statements may be unaudited, provided, that if and when audited financial statements are prepared and available they will be provided; (B) principal amount of Parity Bonds outstanding; (C) debt service coverage for Parity Bonds; and (D) number of customers of the System; and

(ii) Shall be provided not later than the last day of the ninth month after the end of each fiscal year of the City (currently, a fiscal year ending December 31), as such fiscal year may be changed as required or permitted by State law, commencing with the City’s fiscal year ending December 31, 2025; and

(iii) May be provided in a single or multiple documents, and may be incorporated by specific reference to documents available to the public on the Internet website of the MSRB or filed with the SEC.

(c) *Amendment of Undertaking.* This Undertaking is subject to amendment after the primary offering of the Bonds without the consent of any holder of any Bond, or of any

broker, dealer, municipal securities dealer, participating underwriter, Rating Agency or the MSRB, under the circumstances and in the manner permitted by Rule 15c2-12. The City will give notice to the MSRB of the substance (or provide a copy) of any amendment to this Undertaking and a brief statement of the reasons for the amendment. If the amendment changes the type of annual financial information to be provided, the annual financial information containing the amended financial information will include a narrative explanation of the effect of that change on the type of information to be provided.

(d) *Beneficiaries.* This Undertaking shall inure to the benefit of the City and the holder of each Bond, and shall not inure to the benefit of or create any rights in any other person.

(e) *Termination of Undertaking.* The City's obligations under this Undertaking shall terminate upon the redemption, maturity or legal defeasance of all of the Bonds. In addition, the City's obligations under this Undertaking shall terminate if the provisions of Rule 15c2-12 that require the City to comply with this Undertaking become legally inapplicable in respect of the Bonds for any reason, as confirmed by an opinion of Bond Counsel delivered to the City, and the City provides timely notice of such termination to the MSRB.

(f) *Remedy for Failure to Comply with Undertaking.* As soon as practicable after the City learns of any failure to comply with this Undertaking, the City will proceed with due diligence to cause such noncompliance to be corrected. No failure by the City or other obligated person to comply with this Undertaking shall constitute an event of default under this ordinance. The sole remedy of any holder of a Bond shall be to take action to compel the City or other obligated person to comply with this Undertaking, including seeking an order of specific performance from an appropriate court.

(g) *Designation of Official Responsible to Administer Undertaking.* The Finance Director or such officer's designee is the person designated, in accordance with this ordinance, to carry out this Undertaking in accordance with Rule 15c2-12, including, without limitation, the following actions:

(i) Preparing and filing the annual financial information undertaken to be provided;

(ii) Determining whether any event specified in paragraph (a) has occurred, assessing its materiality, where necessary, with respect to the Bonds, and preparing and disseminating any required notice of its occurrence;

(iii) Determining whether any person other than the City is an "obligated person" within the meaning of Rule 15c2-12 with respect to the Bonds, and obtaining from such person an undertaking to provide any annual financial information and notice of listed events for that person required under Rule 15c2-12;

(iv) Selecting, engaging and compensating designated agents and consultants, including financial advisors and legal counsel, to assist and advise the City in carrying out this Undertaking; and

- (v) Effecting any necessary amendment of this Undertaking.

ARTICLE IX REFUNDING PROVISIONS

Section 9.1 Refunding of the Refunded Bonds.

(a) *Appointment of Refunding Trustee.* The Designated Representative is authorized to appoint a Refunding Trustee in connection with the Bonds.

(b) *Use of Bond Proceeds; Acquisition of Acquired Obligations.* The portion of the proceeds of the sale of the Bonds used to carry out the Refunding Plan shall be deposited immediately upon the receipt thereof with the Refunding Trustee and used to discharge the obligations of the City relating to the Refunded Bonds under Ordinance No. 15-013 by providing for the payment of the amounts required to be paid by the Refunding Plan. To the extent practicable, such obligations shall be discharged fully by the Refunding Trustee's simultaneous purchase of the Acquired Obligations, bearing such interest and maturing as to principal and interest in such amounts and at such times so as to provide, together with a beginning cash balance, if necessary, for the payment of the amount required to be paid by the Refunding Plan. The Acquired Obligations will be listed and more particularly described in an exhibit to be attached to the Refunding Trust Agreement between the City and the Refunding Trustee, but are subject to substitution as set forth below. Any Bond proceeds or other money deposited with the Refunding Trustee not needed to purchase the Acquired Obligations and provide a beginning cash balance, if any, and pay the costs of issuance of the Bonds shall be returned to the City at the time of delivery of the Bonds to the initial purchaser thereof and deposited in the Bond Fund to pay interest on the Bonds on the first interest payment date.

If payment of the costs of issuance of the Bonds is not included in the Refunding Plan, the Bond proceeds that are not deposited with the Refunding Trustee will be deposited with the City to be used to pay the costs of issuance of the Bonds.

(c) *Substitution of Acquired Obligations.* Prior to the purchase of any Acquired Obligations by the Refunding Trustee, the City reserves the right to substitute other direct, noncallable obligations of the United States of America ("Substitute Obligations") for any of the Acquired Obligations and to use any savings created thereby for any lawful City purpose if, (a) in the opinion of the City's bond counsel, the interest on the Bonds and the Refunded Bonds will remain excluded from gross income for federal income tax purposes under Sections 103, 148, and 149(d) of the Code, and (b) such substitution shall not impair the timely payment of the amounts required to be paid by the Refunding Plan, as verified by a nationally recognized independent certified public accounting firm.

After the purchase of the Acquired Obligations by the Refunding Trustee, the City reserves the right to substitute therefor cash or Substitute Obligations subject to the conditions that such money or securities held by the Refunding Trustee shall be sufficient to carry out the Refunding Plan, that such substitution will not cause the Bonds or the Refunded Bonds to be arbitrage bonds within the meaning of Section 148 of the Code and regulations thereunder in effect on the date of such substitution and applicable to obligations issued on the issue dates of the Bonds and the

Refunded Bonds, as applicable, and that the City obtain, at its expense: (1) a verification by a nationally recognized independent certified public accounting firm acceptable to the Refunding Trustee confirming that the payments of principal of and interest on the substitute securities, if paid when due, and any other money held by the Refunding Trustee will be sufficient to carry out the Refunding Plan; and (2) an opinion from a nationally recognized bond counsel to the City, to the effect that the disposition and substitution or purchase of such securities, under the statutes, rules, and regulations then in force and applicable to the Bonds, will not cause the interest on the Bonds or the Refunded Bonds to be included in gross income for federal income tax purposes and that such disposition and substitution or purchase is in compliance with the statutes and regulations applicable to the Bonds. Any surplus money resulting from the sale, transfer, other disposition, or redemption of the Acquired Obligations and the substitutions therefor shall be released from the trust estate and transferred to the City to be used for any lawful City purpose.

(d) *Administration of Refunding Plan.* The Refunding Trustee is authorized and directed to purchase the Acquired Obligations (or substitute obligations), if so directed by the Designated Representative, and to make the payments required to be made by the Refunding Plan from the Acquired Obligations (or substitute obligations) and money deposited with the Refunding Trustee pursuant to this ordinance. All Acquired Obligations (or substitute obligations) and the money deposited with the Refunding Trustee and any income therefrom shall be held irrevocably, invested and applied in accordance with the provisions of Ordinance No. 15-013, this ordinance, chapter 39.53 RCW and other applicable statutes of the State and the Refunding Trust Agreement. All necessary and proper fees, compensation, and expenses of the Refunding Trustee for the Bonds and all other costs incidental to the setting up of the escrow to accomplish the refunding of the Refunded Bonds and costs related to the issuance and delivery of the Bonds, including bond printing, verification fees, Bond Counsel's fees, and other related expenses, shall be paid out of the proceeds of the Bonds.

(e) *Authorization for Refunding Trust Agreement.* To carry out the Refunding Plan provided for by this ordinance, the Designated Representative is authorized and directed to execute and deliver to the Refunding Trustee a Refunding Trust Agreement setting forth the duties, obligations and responsibilities of the Refunding Trustee in connection with the payment, redemption, and retirement of the Refunded Bonds as provided herein and stating that the provisions for payment of the fees, compensation, and expenses of such Refunding Trustee set forth therein are satisfactory to it. Prior to executing the Refunding Trust Agreement, the Designated Representative of the City is authorized to make such changes therein that do not change the substance and purpose thereof or that assure that the escrow provided therein and the Bonds are in compliance with the requirements of federal law governing the exclusion of interest on the Bonds from gross income for federal income tax purposes.

Section 9.2 Call for Redemption of the Refunded Bonds. The City calls for redemption on such date or dates as determined by the Designated Representative, all of the Refunded Bonds at par plus accrued interest. Such call for redemption shall be irrevocable after the delivery of proceeds of the Bonds and other available funds of the City, if any, to the Refunding Trustee.

The proper City officials are authorized and directed to give or cause to be given such notices as required, at the times and in the manner required, pursuant to Ordinance No. 15-013, applicable, in order to effect the redemption prior to their maturity of the Refunded Bonds.

Section 9.3 Findings with Respect to Refunding. The City Council authorizes the Designated Representative to select the Refunded Bonds and to authorize the issuance of the Bonds to refund such Refunded Bonds if it will achieve debt service savings to the City as provided in Section 10.1(h) of this ordinance and is in the best interest of the City and its ratepayers and in the public interest. In making such finding and determination, the Designated Representative will give consideration to the fixed maturities of the Bonds and the Refunded Bonds, the costs of issuance of the Bonds and the known earned income from the investment of the proceeds of the issuance and sale of the Bonds and other money of the City used in the Refunding Plan, if any, pending payment and redemption of the Refunded Bonds.

The Designated Representative may also purchase Acquired Obligations to be deposited with the Refunding Trustee, together with the income therefrom, and with any necessary beginning cash balance, which will be sufficient to redeem the Refunded Bonds and will discharge and satisfy the obligations of the City under Ordinance No. 15-013 with respect to the Refunded Bonds, and the pledges, charges, trusts, covenants, and agreements of the City therein made or provided for as to the Refunded Bonds, and that the Refunded Bonds shall no longer be deemed to be outstanding under such ordinance immediately upon the deposit of such money with the Refunding Trustee.

ARTICLE X
SALE OF BONDS, APPROVAL OF OFFICIAL STATEMENT, DEFEASANCE,
MISCELLANEOUS

Section 10.1 Sale of the Bonds; Delivery of Bonds. The City Council has determined that it is in the best interest of the City to delegate to the Finance Director, or the City Administrator in the absence of the Finance Director (each a “Designated Representative”), the authority to approve the Final Terms of each Series of Bonds, with such additional terms and covenants as the Designated Representative deems advisable, within the following parameters:

- (a) The Bonds may be issued in one or more Series, and the aggregate principal amount of the Bonds does not exceed \$42,500,000;
- (b) One or more rates of interest may be fixed for the Bonds, and no rate of interest for any maturity of the Bonds may exceed 6.00%;
- (c) The aggregate true interest cost to the City for each Series of the Bonds does not exceed 5.50%;
- (d) The aggregate purchase price for each Series of the Bonds shall not be less than 98% or more than 120% of the aggregate stated principal amount of the Bonds;
- (e) The Bonds shall be issued subject to optional and mandatory redemption provisions, including designation of Term Bonds, if any;
- (f) The Bonds shall be dated as of the Issue Date, which date for the issuance and delivery of the Bonds shall not be later than June 30, 2026;
- (g) Interest shall be payable at fixed rates semiannually, principal shall be payable annually and the final maturity shall not be later than December 1, 2055; and

(h) There is a minimum net present value savings (in the aggregate) of 3.00% of the Refunded Bonds.

In determining the number of series, the series designation and other Final Terms of each Series of the Bonds, the Designated Representative, in consultation with other City officials and staff and advisors, shall take into account those factors that, in the judgment of the Designated Representative, will result in the lowest true interest cost on the Bonds to their maturity, including, but not limited to current financial market conditions and current interest rates for obligations comparable to the Bonds.

The Bonds shall be sold by negotiated sale to the Purchaser. Subject to the terms and conditions set forth in this Section 10.1, the Designated Representative is hereby authorized to execute the Bond Purchase Agreement on behalf of the City upon the determination of the Designated Representative that the conditions of this Section 10.1 have been met.

Section 10.2 Preparation, Execution and Delivery of the Bonds. The Bonds will be prepared at City expense and will be delivered to the Purchaser in accordance with the Bond Purchase Agreement, together with the approving legal opinion of Bond Counsel regarding the Bonds.

Section 10.3 Preliminary Official Statement Deemed Final. The Designated Representative shall review and, if acceptable, approve the preliminary Official Statement prepared in connection with each sale of a Series of the Bonds to the public or through a Purchaser as a placement agent. For the sole purpose of the Purchaser's compliance with paragraph (b)(1) of Rule 15c2-12, if applicable, the Designated Representative is authorized to deem that preliminary Official Statement final as of its date, except for the omission of information permitted to be omitted by Rule 15c2-12. The City approves the distribution to potential purchasers of the Bonds of a preliminary Official Statement that has been approved by the Designated Representative and been deemed final, if applicable, in accordance with this subsection.

Section 10.4 Approval of Final Official Statement. The City approves the preparation of a final Official Statement for each Series of the Bonds to be sold to the public in the form of the preliminary Official Statement that has been approved and deemed final in accordance with Section 10.3 herein, with such modifications and amendments as the Designated Representative deems necessary or desirable, and further authorizes the Designated Representative to execute and deliver such final Official Statement to the Purchaser if required under Rule 15c2-12. The City authorizes and approves the distribution by the Purchaser of the final Official Statement so executed and delivered to purchasers and potential purchasers of a Series of the Bonds.

Section 10.5 Refunding or Defeasance of the Bonds. The City may issue refunding bonds pursuant to State law or use money available from any other lawful source to carry out a refunding or defeasance plan, which may include (a) paying when due the principal of and interest on any or all of the Bonds (the "defeased Bonds"); (b) redeeming the defeased Bonds prior to their maturity; and (c) paying the costs of the refunding or defeasance. If the City sets aside in a special trust fund or escrow account irrevocably pledged to that redemption or defeasance (the "trust account"), money and/or Government Obligations maturing at a time or times and bearing interest in amounts sufficient to redeem, refund or defease the defeased Bonds in accordance with their

terms, then all right and interest of the Owners of the defeased Bonds in the covenants of this ordinance and in the funds and accounts obligated to the payment of the defeased Bonds shall cease and become void. Thereafter, the Owners of defeased Bonds shall have the right to receive payment of the principal of and interest on the defeased Bonds solely from the trust account and the defeased Bonds shall be deemed no longer outstanding. In that event, the City may apply money remaining in any fund or account (other than the trust account) established for the payment or redemption of the defeased Bonds to any lawful purpose.

Unless otherwise specified by the City in a refunding or defeasance plan, notice of refunding or defeasance shall be given, and selection of Bonds for any partial refunding or defeasance shall be conducted, in the manner prescribed in this ordinance for the redemption of Bonds.

Section 10.6 General Authorization and Ratification. The Mayor, City Administrator, Finance Director, City Clerk and other appropriate officers of the City are severally authorized to take such actions and to execute such documents as in their judgment may be necessary or desirable to carry out the transactions contemplated in connection with this ordinance, and to do everything necessary for the prompt delivery of each Series of the Bonds to the Purchaser thereof and for the proper application, use and investment of the proceeds of the Bonds. All actions taken prior to the effective date of this ordinance in furtherance of the purposes described in this ordinance and not inconsistent with the terms of this ordinance are ratified and confirmed in all respects.

Section 10.7 Severability. The provisions of this ordinance are declared to be separate and severable. If a court of competent jurisdiction, all appeals having been exhausted or all appeal periods having run, finds any provision of this ordinance to be invalid or unenforceable as to any person or circumstance, such offending provision shall, if feasible, be deemed to be modified to be within the limits of enforceability or validity. However, if the offending provision cannot be so modified, it shall be null and void with respect to the particular person or circumstance, and all other provisions of this ordinance in all other respects, and the offending provision with respect to all other persons and all other circumstances, shall remain valid and enforceable.

Section 10.8 Effective Date of Ordinance. This ordinance shall take effect and be in force from and after its passage and five days following its publication as required by law.

PASSED by the City Council and APPROVED by the Mayor of the City of Camas, Washington, at an open public meeting thereof, this 4th day of August, 2025.

Mayor

ATTEST:

City Clerk

APPROVED AS TO FORM:

Bond Counsel

CERTIFICATION

I, the undersigned, City Clerk of the City of Camas, Washington (the “City”), hereby certify as follows:

1. The attached copy of Ordinance No. ____ (the “Ordinance”) is a full, true and correct copy of an ordinance duly passed at a regular meeting of the City Council of the City held at the regular meeting place thereof on August 4, 2025, as that ordinance appears on the minute book of the City.

2. That said meeting was duly convened, held and included an opportunity for public comment, in all respects in accordance with law; due and proper notice of such meeting was given; that a legal quorum of the members of the City Council was present throughout the meeting; and a majority of the members voted in the proper manner for the passage of the Ordinance.

3. The Ordinance will be in full force and effect five days after publication in the City’s official newspaper, which publication date is expected to be August __, 2025.

Dated: August 4, 2025.

CITY OF CAMAS, WASHINGTON

City Clerk