



City of Ketchum

February 6, 2023

Mayor Bradshaw and City Councilors
City of Ketchum
Ketchum, Idaho

Mayor Bradshaw and City Councilors:

Recommendation to approve Resolution 23-002 – Defeasance of 2014 Wastewater Revenue Bonds

Recommendation and Summary

The City's Financial Advisor (Zions Public Finance) and Bond Counsel (Skinner Fawcett) are recommending the city proceed with the defeasance of 2014 wastewater revenue bonds for the reasons outlined below.

"I move approval of Resolution 23-002."

The reasons for the recommendation are as follows:

- Repayment of existing debt removes parity debt requirements such as debt service reserve requirements (no longer needed) and any additional bonds test.
- Simplifies legal documents for new money bonds and allows for the use of a Master Ordinance.
- Master Ordinance approach provides consistent terms for future bond sales through supplemental ordinances to the Master Ordinance.
- The City will save on interest cost (\$28,000) by retiring the debt early.

Sustainability Impact

No impact.

Financial Requirement/Impact

There are three years remaining on the 2014 bonds. The FY23 budget contained the debt service payment (\$220,000) and a reserve (\$212,000) is in place for one annual payment. The final year (\$250,000) can be funded from Wastewater Fund balance.

Attachments

Resolution 23-002
Escrow Agreement

RESOLUTION NUMBER 23-002

A RESOLUTION OF THE CITY OF KETCHUM CITY COUNCIL
AUTHORIZING THE DEFEASANCE OF THE CITY'S OUTSTANDING
SEWER REVENUE REFUNDING BOND,
DELEGATING CERTAIN AUTHORITY, AND
PROVIDING AN EFFECTIVE DATE

WHEREAS, the City of Ketchum, Blaine County, Idaho, a municipal corporation duly organized and operating under Chapters 1 and 2, Title 50, Idaho Code, as amended (the "City"), previously issued its \$1,950,000 Sewer Revenue Refunding Bond, Series 2014 (the "Bond"); and

WHEREAS, the City now desires to prepay and defease the Bond from moneys available in the City's Wastewater Revenue Fund (the "Wastewater Revenue Fund"), subject to the provisions of City Ordinance No. 1122, adopted by the Ketchum City Council (the "City Council") on October 20, 2014, and the Loan Agreement between the Idaho Bond Bank Authority and the City, executed November 1, 2014; and

WHEREAS, to accomplish the defeasance of the Bond, the City Council desires to authorize the City to take such actions as necessary and appropriate, including the delegation of certain authority, execution of documents, giving of notices and any other requisite action to accomplish such defeasance.

NOW, THEREFORE, IT IS RESOLVED as follows:

Section 1. The City Council hereby authorizes moneys available in the City's Wastewater Revenue Fund to be used to prepay and defease the Bond.

Section 2. The City Council hereby further authorizes the City Administrator to establish a special escrow account with Zions Bancorporation, National Association, as escrow agent (the "Escrow Agent"), for the Bond pursuant to an Escrow Agreement between the City and the Escrow Agent substantially in the form presented to the City Council (the "Escrow Agreement"), and authorizes the execution of the Escrow Agreement by the City Administrator on behalf of the City and the allocation of moneys in the Wastewater Revenue Fund to be held and applied by the Escrow Agent pursuant to the Escrow Agreement exclusively for the defeasance of the Bond and the payment of costs thereof as may be incurred by the City pursuant to the Escrow Agreement.

Section 3. The City Administrator is hereby further authorized to take all acts necessary or appropriate to implement and accomplish the forgoing authorized actions and is hereby delegated the authority to sign, execute and deliver all necessary documents to accomplish such authorized actions.

Section 4. This Resolution shall be effective immediately upon its passage.

PASSED AND ADOPTED by the City Council on this 6th day of February, 2023.

APPROVED AND EXECUTED by the Mayor of the City and attested by the City Clerk,
on this 6th day of February, 2023.

APPROVED:

Neil Bradshaw
Mayor

Attest: _____
Trent Donat
City Clerk

ESCROW AGREEMENT

between

CITY OF KETCHUM, IDAHO

and

ZIONS BANCORPORATION, NATIONAL ASSOCIATION

as Escrow Agent

Dated as of February 6, 2023

Defeasance:

**City of Ketchum
Sewer Revenue Refunding Bond,
Series 2014**

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ESCROW AGREEMENT

THIS ESCROW AGREEMENT is made and entered into as of February [], 2023, by and between the City of Ketchum, Idaho (the “City”) and Zions Bancorporation, National Association (the “Escrow Agent”).

ARTICLE I.

RECITALS

The City desires to prepay and defease its outstanding Sewer Revenue Refunding Bond, Series 2014 (the “Bond”) pursuant to the provisions of this Escrow Agreement, the provisions of Ordinance No. 1122 adopted by the City Council of the City on October 20, 2014 (the “Bond Ordinance”), and the provisions of the Loan Agreement, dated as of November 1, 2014 (the “Loan Agreement”), between the Idaho Bond Bank Authority (the “Bond Bank”) and the City. Pursuant to the Bond Ordinance and the Loan Agreement, the City has determined to pay, redeem, and retire the principal of and interest on the Bond from moneys available in the City’s Wastewater Revenue Fund. The City has irrevocably pledged to redeem and retire the Bond upon the transfer of sufficient funds to the Escrow Account, established herein.

The City has caused to be delivered to the Escrow Agent statements setting forth the interest payment schedules and maturity schedules of the Bond by amount, date of maturity and interest rates, the amount of interest to be paid on each semiannual interest payment date, if any, and the amount of the principal to be paid on the dates that the Bond is to be redeemed; and, by execution of this Escrow Agreement, the Escrow Agent acknowledges receipt of such statements.

ARTICLE II.

DEFINITIONS

All terms used herein, unless otherwise defined herein, shall have the meanings set forth in the Bond Ordinance, and if not therein, then in the Loan Agreement. For all purposes of this Escrow Agreement, except as otherwise expressly provided or unless the context otherwise requires, the following terms shall have the following meanings:

“**Acquired Obligations**” means cash, or any government obligation qualified under Section 67-6416, Idaho Code, as amended. Said Acquired Obligations may include either U.S. Treasury Securities—State and Local Government Series or open market securities. They shall be limited to direct noncallable obligations of the U.S. Government. Investments in mutual funds or unit investment trusts shall be prohibited.

“**Bond**” or “**Bonds**” means the City’s Sewer Revenue Refunding Bond, Series 2014, maturing on September 15, 2025, in the outstanding principal amount of \$700,000.

“**Bond Bank**” means the Idaho Bond Bank Authority, an independent public body corporate and politic.

“**Bond Ordinance**” means the City’s Ordinance No. 1122 adopted by the City Council on October 20, 2014.

“**City**” means the City of Ketchum, Blaine County, Idaho, a municipal corporation duly organized and operating under Chapters 1 and 2, Title 50, Idaho Code, as amended.

“**City Council**” means the City Council of the City.

“**Escrow Account**” means the Escrow Account on deposit with the Escrow Agent created hereunder for the purpose of redeeming the Bond.

“**Escrow Agent**” means Zions Bancorporation, National Association.

“**Escrow Agreement**” means this Escrow Agreement by and between the City and the Escrow Agent providing for the defeasance of the Bond.

“**Loan Agreement**” means the Loan Agreement between the Bond Bank and the City, dated as of November 1, 2014.

“**Repayment Installments**” means the amounts the City is required to pay to the Bond Bank pursuant to the Bond evidencing the loan made to City by the Bond Bank under the Loan Agreement.

ARTICLE III.

MATURITIES AND REDEMPTION PROVISIONS

Pursuant to the Bond Ordinance and the Loan Agreement, the Repayment Installments due on the Bond on or prior to September 15, 2024, are not subject to prepayment. Repayment Installments coming due on or after September 15, 2025, are subject to prepayment, on any date on or after September 15, 2024, at the price of 100% of the Bond to be redeemed, plus accrued interest to the date fixed for prepayment.

The principal Repayment Installments due on the Bond are scheduled to mature and bear interest as follows:

<u>Principal Repayment Installments (September 15)</u>	<u>Principal Amount</u>	<u>Interest Rate</u>
2023	\$220,000	5.000%
2024	\$230,000	5.000%
2025	\$250,000	5.000%

ARTICLE IV.

PLAN OF DEFEASANCE FOR THE BOND

4.1 Deposits Into the Escrow Account.

The Escrow Agent will establish the Escrow Account and will hold the Escrow Account separate and apart from all other funds and accounts held by the Escrow Agent. The City will cause to be deposited irrevocably into the Escrow Account, for the security and benefit of the owners of the Bond, the Acquired Obligations [and cash deposit] as described in Attachment I, receipt of which is hereby acknowledged by the Escrow Agent.

The City represents the amounts deposited in the Escrow Account pursuant to this Escrow Agreement will provide sufficient funds for payment at maturity all Repayment Installments due on the Bond, including interest accrued thereon.

4.2 Disbursements By Escrow Agent.

The Escrow Agent shall present for payment on the due dates thereof the Acquired Obligations and shall apply the proceeds derived therefrom in accordance with the provisions of this Escrow Agreement.

On or before each interest payment date of the Bond, the Escrow Agent shall transfer money to Zions Bancorporation, National Association, as trustee and paying agent (the "Trustee") for the Bond Bank's Revenue Bonds, Series 2014C (the "Series 2014C Bond Bank Bond") in an amount sufficient to pay the principal of and interest on the Bond as the same shall become due and payable, all in accordance with the escrow verification report attached hereto as Attachment II.

4.3 Acquired Obligations.

The City represents that the Acquired Obligations (described in Attachment I hereto), as such may be substituted pursuant to this Escrow Agreement, shall mature not later than the date(s) needed to pay interest upon, redeem or pay the Bond and will be sufficient to redeem and retire all of the Bond.

4.4 Safekeeping of the Acquired Obligations.

All Acquired Obligations, money and investment income deposited with or received by the Escrow Agent pursuant to this ARTICLE IV shall be subject to the trust created by this Escrow Agreement and irrevocably pledged only for the Bond debt service, and the Escrow Agent shall be liable for the safekeeping thereof. All money deposited with the Escrow Agent or received by the Escrow Agent as maturing principal or interest on the Acquired Obligations prior to the times the Escrow Agent is required to make the payments hereinbefore set forth shall be held by the Escrow Agent and shall not be reinvested.

All income derived from the Acquired Obligations and any money deposited with the Escrow Agent pursuant to Section 4.1 of this Escrow Agreement that is not required to make the payments hereinbefore required to be made shall be paid to the City, upon payment in full of the Bond.

4.5 Substitution of the Acquired Obligations; Reinvestment.

The City has reserved the right to direct the Escrow Agent to substitute higher yielding direct noncallable obligations of the United States for investments in the Escrow Account in the event it may do so pursuant to Section 103 of the Code, provided that at all times the money and Acquired Obligations in the Escrow Account shall be sufficient, without any further investment, to refund and retire the Bond. Prior to each such substitution, the City will obtain:

(a) A supplemental verification addressed to the City and the Escrow Agent from an independent firm of certified public accountants, which shall be satisfactory to nationally recognized bond counsel, that the money and Acquired Obligations on deposit after such substitution will be sufficient, without any further investment, to effect the defeasance of the Bond and that such substitute Acquired Obligations are noncallable; and

(b) An unqualified written legal opinion addressed to the City and the Escrow Agent from nationally recognized bond counsel that such substitution will not cause the interest on the Bond to become includible in gross income for federal and state income tax purposes.

The Escrow Agent shall reinvest, to the extent possible, at the written direction of an Authorized Officer of the City, the proceeds received upon maturity of the Acquired Obligations listed in Attachment I which are not required to pay the Bond on such date, if any, in Acquired Obligations that are state and local government series securities ("SLGS"). The Escrow Agent shall purchase the SLGS for the account of the City directly from the United States Government. The Escrow Agent agrees to comply with Part 344 of Title 31, Code of Federal Regulations and with such other regulations of the United States Treasury, Bureau of Public Debt as are from time to time in effect in subscribing for and purchasing such SLGS, including without limitation requirements with respect to submitting subscriptions to a Federal Reserve Bank or Branch in advance (currently between 60 and 15 days in advance) of the date of purchase of the SLGS.

The Escrow Agent shall not otherwise invest surplus cash which it holds from time to time in the Escrow Account unless it receives written direction from an Authorized Officer of the City, it receives an opinion of the City's bond counsel as to the legality of any such investment and it makes such investment in accordance with the provisions of this Section.

The Escrow Agent shall not be responsible or liable for any diminution of the funds held in the Escrow Account that may result from any investments made (all of which shall be made pursuant to the written direction of the City under this Escrow Agreement, particularly Section 4.5), including any losses on any investment required to be liquidated prior to maturity in order to make a payment or distribution.

4.6 Surplus Money.

If at any time during the term of the escrow created pursuant to this Escrow Agreement there should be Acquired Obligations and/or money held by the Escrow Agent in excess of that required to make all remaining payments described in Section 4.2. hereof, when due, considering the interest to be earned on such Acquired Obligations, and the City submits written requests that such surplus obligations or the proceeds thereof or such surplus money be returned by the Escrow Agent to the City, the Escrow Agent shall do so forthwith; provided however, that prior to requesting any such transfer, the City shall have furnished to the Escrow Agent a supplemental verification addressed to the City and the Escrow Agent from an independent firm of certified public accountants, which shall be satisfactory to nationally recognized bond counsel, that the money and Acquired Obligations on deposit after such transfer will be sufficient, without any further investment, to effect the defeasance of the Bond.

Notwithstanding any provision of this Section 4.6 to the contrary, any money remaining on deposit with the Escrow Agent (i) after the payment and retirement in full of the Bond and (ii) the payment of the invoices from the payees identified in Attachment III hereto, shall be disbursed to the City.

4.7 Costs of Defeasance.

The Escrow Agent shall pay the costs of defeasance identified in Attachment III hereto upon receipt of the respective invoices from the payees identified in Attachment III hereto.

ARTICLE V.

DUTIES AND OBLIGATIONS OF THE ESCROW AGENT

The duties and obligations of the Escrow Agent shall be prescribed by the provisions of this Escrow Agreement, and the Escrow Agent shall not be liable except for the performance of its duties and obligations as specifically set forth herein and to act in good faith in the performance thereof and no implied duties or obligations shall be incurred by such Escrow Agent other than those specified herein.

The Escrow Agent may consult with counsel of its choice and the opinion of such counsel shall be full and complete authorization and protection with respect to any action taken or not taken or suffered by it hereunder in good faith and in accordance with the opinion of such counsel.

Nothing contained herein shall require the Escrow Agent to advance its own funds or otherwise incur direct financial liability to carry out its obligations hereunder or to exercise any of its rights or powers hereunder. If there are any difficulties in payment of the Bond, the Escrow Agent shall notify the City in writing.

Any notice, authorization, request, or demand required or permitted to be given in accordance with the terms of this Escrow Agreement shall be in writing.

ARTICLE VI.

NOTICE OF DEFEASANCE AND REDEMPTION

6.1 Notice of Defeasance.

As soon as practicable after the execution and delivery of this Escrow Agreement, the Escrow Agent agrees to provide notice to the Bond Bank and the Trustee that the principal amount of the Bond and interest accrued thereon are deemed to have been paid in accordance with the Bond Ordinance and the Loan Agreement with such notice to be in substantially the following form:

NOTICE OF DEFEASANCE

CITY OF KETCHUM, BLAINE COUNTY, IDAHO
SEWER REVENUE REFUNDING BONDS, SERIES 2014
Dated November 18, 2014

NOTICE IS HEREBY GIVEN to the holders of the Sewer Revenue Refunding Bond, Series 2014, maturing on September 15, 2025, as hereinafter described (the "Bond") of the City of Ketchum, Idaho (the "City") that money and direct obligations of the United States of America, the principal of and the interest on which, when due, will be sufficient to pay, when due, the principal, and interest due and to become due on the Bond on the maturity date thereof, have been deposited in escrow with Zions Bancorporation, National Association, as Escrow Agent, under an Escrow Agreement.

In accordance with the terms of the Ordinance of the City pursuant to which the Bond was issued and the Loan Agreement, dated as of November 1, 2014 (the "Loan Agreement"), between the Idaho Bond Bank Authority and the City, the following-described principal amortization of the Bond and the interest accrued thereon are deemed to have been paid:

Principal Repayment Installments (September 15)	<u>Principal Amount</u>	<u>Interest Rate</u>
2023	\$220,000	5.000%
2024	\$230,000	5.000%
2025	\$250,000	5.000%

Monies will be available from the money and from the principal of and interest on such direct obligations of the United States of America held in escrow by the Escrow Agent for the Bond and shall be used to pay the Bond in accordance with its terms, the terms of the Ordinance of the City pursuant to which the Bond was issued, and the terms of the Loan Agreement.

Dated this ____ day of February, 2023.

ZIONS BANCORPORATION, NATIONAL ASSOCIATION, as Escrow Agent

By _____
Its _____

6.2 Notice of Redemption.

The Escrow Agent shall give notice of the redemption of the principal Repayment Installment due on the Bond maturing on September 15, 2025, to the Bond Bank and the Trustee not less than sixty (60) days prior to the date fixed for redemption, according to the provisions of the Bond Ordinance and the Loan Agreement, with such notice to be in substantially the following form:

NOTICE OF REDEMPTION

CITY OF KETCHUM, BLAINE COUNTY, IDAHO
SEWER REVENUE REFUNDING BONDS, SERIES 2014
Dated November 18, 2014

NOTICE IS HEREBY GIVEN to the holders of the Sewer Revenue Refunding Bond, Series 2014, maturing on September 15, 2025, as hereinafter described (the "Bond") of the City of Ketchum, Idaho (the "City"), that the City will prepay on September 15, 2024, the September 15, 2025 Repayment Installment due on the Bond pursuant to the City's Ordinance No. 1122 adopted on October 20, 2014, and the Loan Agreement, dated as of November 1, 2014, between the Idaho Bond Bank Authority and the City, with such Repayment Installment further described below:

Principal Repayment Installment September 15, 2025	<u>Principal Amount</u> \$250,000	<u>Interest Rate</u> 5.000%
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Dated this _____ day of _____, 2024.

ZIONS BANCORPORATION, NATIONAL ASSOCIATION, as Escrow Agent

By _____
Its _____

ARTICLE VII.

COMPENSATION OF ESCROW AGENT

By execution hereof the Escrow Agent acknowledges receipt of the sum of \$1,300.00 for services rendered and to be rendered by it pursuant to the provisions of this Escrow Agreement in payment of all fees, compensation and expenses of the Escrow Agent, and the Escrow Agent expressly acknowledges that it is not entitled to a lien, nor shall it ever assert a lien, on any Acquired Obligations or other obligations or money of the City held by it pursuant to this Escrow Agreement. The Escrow Agent hereby agrees that such compensation has been made to the satisfaction of the Escrow Agent.

ARTICLE VIII.

AMENDMENTS TO THIS ESCROW AGREEMENT

The Escrow Agent and the City recognize that the owners of the Bond have a beneficial interest in the money and the Acquired Obligations to be held in the Escrow Account in trust by the Escrow Agent pursuant to this Escrow Agreement. Therefore, this Escrow Agreement shall be subject to revocation or amendment only for the purposes of clarifying an ambiguity in the duties and obligations set forth hereunder, or altering the reporting or other ministerial obligations of the Escrow Agent to the City, provided that no such amendment shall permit the Escrow Agent to invest in or deposit in the Escrow Account any obligations other than noncallable direct obligations of the United States of America, and each such amendment shall be accompanied by:

(a) A supplemental verification addressed to the City and the Escrow Agent from an independent firm of certified public accountants, which shall be satisfactory to nationally recognized bond counsel, that the money and Acquired Obligations, if any, on deposit after the amendment will be sufficient, without any further investment, to effect the defeasance of the Bond;

(b) An unqualified written legal opinion addressed to the City and the Escrow Agent from nationally recognized bond counsel that such amendment will not cause the interest on the Bond to become includible in gross income for federal and state income tax purposes;

(c) A certificate signed by the Chairman of the City confirming that the City has provided the notice of the amendment to the respective rating agencies that rated the Bond.

No amendment shall be effective unless the same shall be in writing and signed by the parties thereto.

ARTICLE IX.

NOTIFICATION OF DEFICIENCY

The Escrow Agent shall give the City prompt notice if the Escrow Agent shall determine there are or will be insufficient money or Acquired Obligations to make the payments specified in

Section 4.2 hereof, and the City shall deposit with the Escrow Agent additional sums of money required to correct such deficiencies.

ARTICLE X.

SUCCESSOR ESCROW AGENT

The obligations assumed by the Escrow Agent pursuant to this Escrow Agreement may be transferred by the Escrow Agent to a successor, upon 30 days' written notice to the City, if (a) the Escrow Agent has presented evidence satisfactory to the City and its bond counsel that the successor meets the requirements of Section 57-504, Idaho Code, as now in effect or hereafter amended; (b) the successor has assumed all the obligations of the Escrow Agent under this Escrow Agreement; and (c) all the Acquired Obligations and money then held by the Escrow Agent pursuant to this Escrow Agreement have been duly transferred to such successor.

Any company into which the Escrow Agent may be merged or converted or with which it may be consolidated or any company resulting from any merger, conversion or consolidation to which it shall be a party or any company to which the Escrow Agent may sell or transfer all or substantially all of its corporate trust business, shall be the successor to the Escrow Agent without the execution or filing of any paper or further act, anything herein to the contrary notwithstanding.

ARTICLE XI.

INDEMNIFICATION

To the extent permitted by law, the City hereby assumes liability for, and hereby agrees (whether or not any of the transactions contemplated hereby are consummated) to indemnify, protect, save and keep harmless the Escrow Agent and its respective successors, assigns, agents, and employees, from and against any and all liabilities, obligations, losses, damages penalties, claims, actions, suits, costs, expenses and disbursements (including reasonable legal fees and disbursements) of whatsoever kind and nature which may be imposed on, incurred by, or asserted against, the Escrow Agent at any time (whether or not also indemnified against the same by the City or any other person under any other agreement or instrument, but without double indemnity) in any way relating to or arising out of the execution, delivery and performance of this Escrow Agreement (including without limitation, actions taken in connection with Section 4.5), the establishment hereunder of the Escrow Account, the acceptance of the funds and securities deposited therein, the purchase of any securities to be purchased pursuant hereto, the retention of such securities or the proceeds thereof and any payment, transfer or other application of moneys or securities by the Escrow Agent in accordance with the provisions of this Escrow Agreement; provided, however, that the City shall not be required to indemnify the Escrow Agent against the Escrow Agent's or the Escrow Agent's respective successors, assigns, agents and employees own negligence, willful misconduct, or its failure to cure, after reasonable notice, a legal default in the performance of any obligation imposed on it under the Escrow Agreement. In no event shall the City or the Escrow Agent be liable to any person by reason of the transactions contemplated hereby other than to each other as set forth in this ARTICLE XI. The indemnities contained in this ARTICLE XI shall survive the termination of this Escrow Agreement.

The Escrow Agent shall be under no obligation to inquire into or be in any way responsible for the performance or nonperformance by the City of any of its obligations, or to protect any of the City's rights under any bond proceeding or any of the City's other contracts with or franchises or privileges from any state, county, municipality or other governmental agency or with any person. The Escrow Agent shall not be liable for any act done or step taken or omitted by it, or for any mistake of fact or law, or for anything which it may do or refrain from doing, except for its negligence, willful misconduct, or its failure to cure, after reasonable notice, a legal default in the performance of any obligation imposed on it under the Escrow Agreement. The Escrow Agent shall not be liable or responsible for any loss resulting from any investment made pursuant to this Escrow Agreement and in full compliance with the provisions hereof.

If the Escrow Agent renders any service hereunder not provided for in this Escrow Agreement, or the Escrow Agent is made a party to or intervenes in any litigation pertaining to this Escrow Agreement or institutes interpleader proceedings relative hereto, the Escrow Agent shall be compensated reasonably by the City for such extraordinary services and reimbursed for any and all claims, liabilities, losses, damages, fines, penalties and expenses, including out-of-pocket and incidental expenses and legal fees and expenses occasioned thereby.

ARTICLE XII.

MISCELLANEOUS

In the event any one or more of the provisions contained in this Escrow Agreement shall for any reason be held to be invalid, illegal, or unenforceable in any respect, such invalidity, illegality, or unenforceability shall not affect any other provision of this Escrow Agreement, but this Escrow Agreement shall be construed as if such invalid or illegal or unenforceable provision had never been contained herein. If any portion of this Escrow Agreement is amended, severed or revoked, the City agrees to notify and provide draft copies of any amendatory documents to any rating agency with a current rating on the Bond prior to such action.

Execution of this Escrow Agreement by the Escrow Agent shall constitute written acknowledgment by the Escrow Agent of its receipt from the City of all monies and Acquired Obligations to be deposited into the Escrow Account as specified herein.

This Escrow Agreement may be executed in several counterparts, each of which shall be regarded as the original and all of which shall constitute one and the same Escrow Agreement.

Dated as of the day and year first above written.

CITY OF KETCHUM, BLAINE COUNTY, IDAHO

By: _____
MAYOR

Attest:

City Clerk

**ZIONS BANCORPORATION, NATIONAL
ASSOCIATION, as Escrow Agent**

By: _____
Authorized Officer, Zions Bank Division

ATTACHMENT I

Acquired Obligations

1.	Acquired Obligations as set forth on the attached:	\$[]
2.	Cash Deposit:	[]
	TOTAL	\$[]

ATTACHMENT II
Escrow Verification Report

(Attached)

ATTACHMENT III

COSTS OF DEFEASANCE

<u>Costs of Defeasance</u>	<u>Amount</u>
Verification Agent (Public Finance Partners LLC)	\$1,500.00
Escrow Agent (Zions Bancorporation, National Association)	\$1,300.00
TOTAL	\$2,800.00