

RESOLUTION

WHEREAS, the Board of Directors (the "Board") of Benton Washington Regional Public Water Authority of the State of Arkansas (the "Authority") proposes to undertake the second phase of a multi-phase infrastructure improvement plan consisting of acquiring, constructing, and equipping extensions, betterments, and improvements to the Authority's water system, including particularly, without limitation, (i) the acquisition, construction, equipping, and installation of a high service pump station, (ii) the acquisition, construction, equipping, and installation of parallel water lines and related easement acquisition, and (iii) the acquisition, construction, equipping, and installation of an intake facility (collectively, the "Project"); and

WHEREAS, the Authority can provide all or a portion of the necessary moneys to finance costs of the Project with the proceeds of revenue bonds in the aggregate principal amount of not to exceed \$60,000,000 to be designated as "Benton Washington Regional Public Water Authority of the State of Arkansas Water Revenue Bonds, Series 2024" (the "Bonds"); and

WHEREAS, a Preliminary Official Statement, to be used to offer the Bonds for sale (the "Preliminary Official Statement"), has been presented to and is before this meeting; and

WHEREAS, a Continuing Disclosure Agreement (the "Disclosure Agreement"), providing for the ongoing disclosure obligations of the Authority with respect to the Bonds, has been presented to and is before this meeting; and

WHEREAS, a Bond Purchase Agreement between the Authority and Crews & Associates, Inc. (the "Bond Purchase Agreement"), providing for the sale of the Bonds has been presented to and is before this meeting; and

WHEREAS, a Trust Indenture to be dated as of the dated date of the Bonds (the "Indenture"), by and between the Authority and Regions Bank, as trustee (the "Trustee"), setting forth the terms of the Bonds and conditions and security for the Bonds has been presented to and is before this meeting; and

WHEREAS, in order to proceed with the financing, it is necessary for the Authority (i) to authorize the issuance and marketing of the Bonds; (ii) to designate Friday, Eldredge & Clark, LLP as bond counsel for the Bonds and Crews & Associates, Inc. as underwriter for the Bonds (the "Underwriter"); (iii) to authorize the President and Vice-President of the Board of the Authority to deem final the Preliminary Official Statement for the Bonds and to authorize its use; (iv) to authorize the pricing of Bonds and the execution of the Bond Purchase Agreement with the Underwriter in connection therewith; and (v) to authorize the execution of the Indenture and related documents, all relating to the security and issuance of the Bonds; and

WHEREAS, it is necessary to confirm water rates for wholesale water customers;

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of Benton Washington Regional Public Water Authority of the State of Arkansas, that:

Section 1. The Project is hereby authorized in all respects. The President, Vice-President, Secretary, and General Manager of the Authority are hereby authorized to take, or cause to be taken, all action necessary to accomplish the same and to execute all required contracts.

Section 2. The issuance of the Bonds in the maximum aggregate principal amount of \$60,000,000 for the purpose of financing costs of the Project, providing a debt service reserve, and paying costs of issuing and insuring the Bonds. The Bonds shall be issued in the form and denominations, shall be dated, shall be numbered, shall mature, shall bear interest at the rates, and shall be subject to redemption prior to maturity all upon the terms and conditions set forth in the Indenture and the Bond Purchase Agreement. The Bonds shall mature not later than December 1, 2055, and shall have a true interest cost (after taking into account original issue discount and premium and Underwriter's discount but excluding costs of issuing the Bonds) of not greater than 5.50%.

Section 3. In order to provide for the issuance of the Bonds and to prescribe the terms under which the Bonds will be secured, executed, authenticated, accepted and held, the President, Vice-President and Secretary of the Board of the Authority are hereby authorized to execute all documents necessary for the issuance of the Bonds, including, without limitation:

- (a) the Indenture, to be dated as of the date of the Bonds, between the Authority and the Trustee, setting forth the terms and conditions of the Bonds, mortgaging the Authority's properties as therein described, and providing for the issuance of the Bonds;
- (b) the Bond Purchase Agreement setting forth the purchase price (which shall include an Underwriter's discount not greater than 1.50%) and the other terms and conditions upon which the Bonds will be sold to the Underwriter; and
- (c) the Disclosure Agreement for the Bonds, between the Authority and the Trustee, setting forth certain obligations of the Authority to make continuing disclosure of financial information and material events to the secondary municipal marketplace, as set forth in Rule 15c2-12 of the Securities and Exchange Commission.

The Indenture, the Bond Purchase Agreement, and the Disclosure Agreement shall be in substantially the form presented to the Authority with such changes as shall be approved by the President or the Vice-President. The Board of the Authority recognizes that certain revisions may be made to the Indenture, the Bond Purchase Agreement and the Disclosure Agreement prior to the issuance of the Bonds, and hereby authorizes the President or Vice-President to approve and accept such revisions, the signature of either on each of the Bond Purchase Agreement, the Indenture and the Disclosure Agreement to constitute proof of their acceptance of such revisions. Specifically, the President or the Vice-President is hereby authorized to (i) accept the final maturity schedule and interest rates for the Bonds if he deems such rates and maturity schedule to be appropriate and within the authority granted by this Resolution and execute the final Bond

Purchase Agreement for the Bonds with the Underwriter, and (ii) execute the Disclosure Agreement for the Bonds.

Section 4. The Authority hereby authorizes the use of a Preliminary Official Statement in the marketing of the Bonds and authorizes the production of an Official Statement for the Bonds. The Preliminary Official Statement is hereby approved in substantially the form presented to the Authority. The Board of the Authority recognizes that certain revisions may be made to the Preliminary Official Statement prior to its delivery to prospective purchasers, and hereby authorizes the President or the Vice-President to approve and accept such revisions, the signature of either on such Preliminary Official Statement to constitute proof of acceptance of such revisions. The Board of the Authority hereby authorizes the President or Vice-President to "deem final" for purposes of Rule 15c2-12 of the Securities and Exchange Commission the Preliminary Official Statement for the Bonds with such revisions as may be accepted by the President or Vice-President. The Board of the Authority hereby further authorizes and approves the production of a final Official Statement for the Bonds, and authorizes and directs the President or Vice-President to execute and deliver such Official Statement, in such form as he deems acceptable, in connection with the issuance of the Bonds.

Section 5. The President, Vice-President, Secretary and the General Manager of the Authority are authorized to do any and all things necessary to perform all obligations of the Authority under and pursuant to the Indenture, the Disclosure Agreement, and the Bond Purchase Agreement, and to perform all other acts of whatever nature necessary to effect and carry out the authority conferred by this Resolution. They are further authorized, on behalf of the Authority, to execute all certificates, documents, and other instruments that may be required for carrying out the authority conferred by this Resolution or to evidence that authority and its exercise.

Section 6. In the absence or inability of the President, Vice-President, or Secretary of the Board of Directors of the Authority, any other officer designated by resolution of the Board may execute any instrument which has been authorized and approved for execution by this Resolution. The execution of any instrument by an officer of the Board so designated shall be conclusive evidence of its approval.

Section 7. The Board of the Authority hereby expresses its intent to retain Friday, Eldredge & Clark, LLP, Little Rock, Arkansas as Bond Counsel for the Bonds, and Crews & Associates, Inc., as Underwriter for the Bonds.

Section 8. In order to provide credit enhancement for the Bonds, the Board of the Authority recognizes that it may be economically desirable to obtain a policy of municipal bond insurance (the "Policy"). The Board hereby authorizes the President, Vice-President and General Manager of the Authority, in consultation with the Underwriter, to solicit proposals from municipal bond insurers, and if the terms and conditions of such Policy are favorable and provide economic benefit to the Authority, to obtain such Policy. The President or Vice-President is hereby authorized and directed to execute all documents in connection with the Policy, provided that the President or Vice-President determine that the terms and conditions of the Policy are favorable and provide economic benefit to the Authority.

Section 9. In order to provide a debt service reserve for the Bonds, the Board of the Authority recognizes that it may be economically desirable to obtain a surety bond or debt service reserve insurance policy (the "Reserve Policy"). The Board hereby authorizes the President, Vice-President and General Manager of the Authority, in consultation with the Underwriter, to solicit proposals from municipal bond insurers, and if the terms and conditions of such Reserve Policy are favorable and provide economic benefit to the Authority, to obtain such Reserve Policy. The President or Vice-President is hereby authorized and directed to execute all documents in connection with the Reserve Policy, provided that the President or Vice-President determine that the terms and conditions of the Reserve Policy are favorable and provide economic benefit to the Authority.

Section 10. This Resolution shall constitute an "official intent" for the purpose of U.S. Treasury Regulation 1.150-2 as now or hereafter amended (the "Regulation"). The Authority hereby expresses its official intent under the Regulation to reimburse the Authority from Bond proceeds for any funds of the Authority advanced to pay the costs of the Project prior to the issuance of the Bonds.

Section 11. (a) The rates for wholesale customers of \$3.20 per 1,000 gallons of water purchased that went into effect on January 1, 2024, are hereby continued and confirmed. The rates for wholesale customers of \$3.45 per 1,000 gallons of water purchased that will go into effect on January 1, 2025 are hereby confirmed.

(b) The \$1.50 assessment per active water meter for each wholesale customer is continued and confirmed.

Section 12. The provisions of this Resolution are hereby declared to be separable and if any section, phrase or provision shall for any reason be declared to be invalid, such declaration shall not affect the validity of the remainder of the sections, phrases or provisions.

Section 13. The Secretary shall maintain, as a part of the minutes of the meeting at which this Resolution is adopted, and the permanent records of the Authority, for inspection by any interested person, a copy of the Indenture, the Bond Purchase Agreement, the Disclosure Agreement and the Preliminary Official Statement.

Section 14. All resolutions and parts thereof in conflict herewith are repealed to the extent of such conflict

Section 15. This Resolution shall be in full force and effect from and after its adoption.

ADOPTED April 25, 2024.

President

Secretary

(SEAL)

CERTIFICATE

I, the undersigned, Secretary of the Benton Washington Regional Public Water Authority of the State of Arkansas (the "Authority") hereby certifies that (1) the foregoing is a true, correct and compared copy of a Resolution adopted by the Board of Directors of the Authority on the 25th day of April, 2024 at 10:00 o'clock a.m.; and (2) such proceedings were open to the public at all times and advance public notice of the time and place of such proceedings was duly given in accordance with the Arkansas Freedom of Information Act.

IN WITNESS WHEREOF, I have hereunto set my hand and the seal of the Authority this 25th day of April, 2024.

Secretary

(SEAL)