

RESOLUTION NO. 4776

A RESOLUTION AUTHORIZING THE ISSUANCE OF WATER REVENUE BONDS IN ONE OR MORE SERIES IN AN AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED \$43,500,000; DECLARING OFFICIAL INTENT TO REIMBURSE EXPENDITURES, PROVIDING FOR PUBLICATION OF NOTICE, AND RELATED MATTERS.

WHEREAS, the City Council (the "Council") of the City of Albany, Oregon (the "City"), a municipal corporation of the State of Oregon, finds:

1. That it is financially feasible for the City and that is in the City's best interests to provide funds to finance the costs of acquiring real and personal property, and additions, replacements, expansions or improvements to the City's water system and all equipment and appurtenances necessary, useful or convenient thereto (collectively, the "Project") and to fund a reserve fund, if necessary, and pay bond issuance costs;
2. The City is authorized to finance the Project by issuing revenue bonds pursuant to the authority of Oregon Revised Statutes Sections 288.805 to 288.945, commonly known as the Uniform Revenue Bond Act (the "Act"),
3. The cost of the Project, including bond issuance costs and debt service reserve funds, is estimated to not exceed \$43,500,000;
4. The bonds will not be general obligations of the City, nor a charge upon its property tax revenues, but will be payable solely from the revenues which the City pledges to payment of the bonds;
5. The City shall prepare a plan showing that the estimated water revenues are sufficient to pay the estimated debt to be incurred by the City under the revenue bond issue authorized by this Resolution; and
6. The Council anticipates incurring expenditures ("Expenditures") to finance the costs of the Project and wishes to declare its official intent to reimburse itself for the Expenditures made on the Project from the proceeds of the revenue bonds. The interest on the bonds will be excludable from gross income under Section 103 of the Internal Revenue Code of 1986, as amended (the "Code").

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF ALBANY, OREGON, HEREBY RESOLVES:

SECTION 1: WATER REVENUE BONDS AUTHORIZED

- a. The Council hereby authorizes the issuance of Water Revenue Bonds (the "Bonds") in one or more series in an aggregate principal amount not to exceed \$43,500,000 to finance the Project.
- b. Upon completion of the actions stated in Section 3 below pursuant to ORS 288.815, the City Manager, Assistant City Manager, or their designee (the "Authorized Representative") are authorized to determine the dated date and any other terms, conditions or covenants regarding the Bonds, the Project or the revenues which are necessary or desirable to effect the sale of the Bonds. The Authorized Representative is authorized to select a Paying Agent and Registrar for the Bonds.

SECTION 2: NOTICE; PROCEDURE

- a. None of the Bonds may be sold, and no purchase agreement for such amount of Bonds may be executed, for at least 60 days following publication of the Notice of Revenue Bond Authorization, such notice being in substantially the form attached to this Resolution as Exhibit "A" (the "Notice"). The Notice shall specify the last date on which petitions may be submitted, and shall be published in the *Albany Democrat-Herald*, in Albany, Oregon, a newspaper of general circulation within the boundaries of the City, in the same manner as are other public notices of the City.
- b. If petitions for an election, containing valid signatures of not less than five percent (5%) of the City's qualified electors, are received within the time indicated in the Notice, the question of issuing such Bonds in an aggregate principal amount not to exceed \$43,500,000 shall be placed on the ballot at the next legally available election date. If such petitions are received, no such amount of Bonds may be sold until this Resolution and the question of whether to issue such Bonds is approved by a majority of the electors living within the boundaries of the City who vote on that question. Any such petitions will be subject to ORS 288.815.

SECTION 3: DECLARING INTENT TO REIMBURSE

The City hereby declares its official intent to reimburse itself with Bond proceeds for any of the Expenditures incurred by it prior to the issuance of the Bonds.

SECTION 4: BONDS PAYABLE SOLELY FROM REVENUES

The Bonds shall not be general obligations of the City, nor a charge upon its tax revenues, but shall be payable solely from the revenues which the City pledges to payment of the Bonds pursuant to ORS 288.825(1) and the resolution or ordinance to be adopted by the City authorizing the issuance, sale and delivery of the Bonds.

SECTION 5: APPOINTMENT OF FINANCIAL ADVISOR AND BOND COUNSEL

The City's financial advisor, Regional Financial Advisors, Inc. is hereby appointed as financial advisor for the Bonds. The City's bond counsel, Ater Wynne LLP is hereby appointed as bond counsel for the Bonds.

SECTION 6: EFFECTIVE DATE OF RESOLUTION.

This Resolution shall take effect immediately upon its adoption by the City Council.

DATED AND EFFECTIVE THIS 8TH DAY OF JANUARY 2003.



 Mayor

ATTEST:



 City Recorder

EXHIBIT "A"

NOTICE OF WATER REVENUE BOND AUTHORIZATION

NOTICE IS HEREBY GIVEN that the City Council (the "City Council") of the City of Albany, Oregon (the "City"), adopted Resolution No. _____ on January 8, 2003, authorizing the issuance of water revenue bonds. The bonds will be issued to finance the costs of acquiring real and personal property, and additions, replacements, expansions or improvements to the City's water system and all equipment and appurtenances necessary, useful or convenient thereto (collectively, the "Project") and to fund a reserve fund, if necessary, and pay bond issuance costs.

The City Council may establish by subsequent Resolution all terms, conditions, and covenants regarding the bonds and the revenues that are necessary or desirable to effect the sale of the bonds

The City estimates that the bonds will be issued in one or more series in an aggregate principal amount not to exceed \$43,500,000. The bonds will not be general obligations of the City, nor a charge upon its property tax revenues, but will be payable solely from the revenues which the City pledges to the payment of the bonds.

If written petitions, signed by not less than five percent (5%) of the City's qualified electors, are filed at the Office of the City Recorder on or before March __, 2003, (the 61st day after the date of publication of the notice), the question of issuing \$43,500,000 of the water revenue bonds shall be placed on the ballot at the next legally available election date. Any such petition shall be subject to ORS 288.815.

The Office of the City Recorder is located at Albany City Hall, 333 Broadalbin SW, Albany, Oregon, 97321-0144. Information on procedures for filing petitions may also be obtained at such address or by telephone at (541) 917-7500.

The Resolution authorizing the bonds is available for inspection at the Office of the City Recorder.

The bonds will be issued and sold under the Uniform Revenue Bond Act (ORS 288.805 to 288.945); this Notice is published pursuant to ORS 288.815(6).

BY ORDER OF THE CITY COUNCIL: JANUARY 8, 2003.

CITY RECORDER

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