

RESOLUTION NO. 5377-18

A RESOLUTION AUTHORIZING THE SALE OF GENERAL OBLIGATION BONDS AND REFUNDINGS.

WHEREAS, the voters of the City of Tualatin (the "City") approved Measure 34-282 at the May 15, 2018 election, authorizing the City to issue up to \$20,000,000 of general obligation bonds (the "2018 Bonds") to finance capital costs to provide improvements for traffic congestion relief, neighborhood traffic safety, and safe access to schools throughout the community, as described in the ballot title for Measure 34-282 (collectively, the "Projects"); and

WHEREAS, it is now desirable to authorize the sale of the 2018 Bonds; and

WHEREAS, the City may be able to reduce its debt service expense and the property tax levies by refunding its outstanding General Obligation Bonds, Series 2005 and its outstanding General Obligation Library Bonds, Series 2006 (collectively, the "Refundable Bonds"); and

WHEREAS, the City is authorized by ORS Sections 287A.360 to 287A.380 to issue bonds to refund outstanding general obligation bonds; and

WHEREAS, under current market conditions, refunding all or a portion of the Refundable Bonds may produce debt service savings; and

WHEREAS, it is now desirable to authorize the sale of bonds to refund all or a portion of the Refundable Bonds; and

WHEREAS, ORS 287A.050 limits the amount of general obligation bonds cities can issue for certain kinds of projects to three percent of the real market value of taxable property in the City, and issuing the 2018 Bonds and refunding the Refundable Bonds will not cause the City to exceed this limit; and

WHEREAS, prior to the issuance of the 2018 Bonds the City desires to incur certain capital expenditures (the "Expenditures") with respect to the Projects from available moneys of the City; and

WHEREAS, the City has determined that those moneys advanced to pay the Expenditures prior to the issuance of the 2018 Bonds are available only for a temporary period and it is necessary to reimburse the City for the Expenditures from the proceeds of the 2018 Bonds;

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Tualatin, Oregon that:

Section 1. 2018 Bonds Authorized. The City hereby authorizes the issuance of the 2018 Bonds.

Section 2. Refunding Bonds Authorized. The City hereby authorizes the issuance of general obligation refunding bonds (the "Refunding Bonds") to refund all or any portion of the Refundable Bonds to achieve debt service savings. The Refunding Bonds may be issued in an amount that is sufficient to refund all or any portion of the Refundable Bonds and to pay costs related to issuing the Refunding Bonds and refunding the Refundable Bonds.

Section 3. Delegation. The City Manager, the Finance Director or the person designated by the City Manager or the Finance Director to act on behalf of the City pursuant to this Resolution (each a "City Official") may, on behalf of the City and without further action by the Council:

- (1) Sell and issue all or any portion of the 2018 Bonds and the Refunding Bonds (collectively, the "Bonds") in one or more series, which may be sold at different times.
- (2) Participate in the preparation of, authorize the distribution of, and deem final any official statement or other disclosure documents relating to each series of the Bonds.
- (3) Establish the form, final principal amounts, payment terms, prepayment terms and other terms of each series of the Bonds.
- (4) Execute and deliver a bond declaration for each series of the Bonds specifying the terms under which each series of the Bonds are issued and making covenants for the benefit of Bond owners and any providers of credit enhancement for the Bonds.
- (5) Solicit competitive bids for the purchase of each series of the Bonds and award their sale to the bidder offering the most favorable terms to the City, select one or more commercial banks or other lenders and negotiate the sale of any series with those commercial banks or lenders, or negotiate the terms of the sale of each series of Bonds with Piper Jaffray & Co., as underwriter, and sell that series to the underwriter.
- (6) Undertake to provide continuing disclosure for each series of the Bonds and to comply with Rule 15c2-12 and any other applicable requirements of the United States Securities and Exchange Commission and any other federal agencies.
- (7) Apply for ratings for each series of the Bonds, determine whether to purchase municipal bond insurance or obtain other forms of credit enhancements for each series of the Bonds, enter into agreements with the providers of credit enhancement, and execute and deliver related documents.
- (8) Engage the services of verification agents, escrow agents, paying agents and any other professionals whose services are desirable for the Bonds and negotiate the terms of and execute any agreement with such professionals.
- (9) Determine whether each series of the Bonds will bear interest that is excludable from gross income under the Internal Revenue Code of 1986, as amended (the "Code"), or is includable in gross income under the Code. If a series bears interest that is excludable from gross income under the Code, the City Official may enter into covenants to maintain the excludability of interest on that series of the Bonds from gross income.
- (10) Determine whether the savings produced by refunding the Refundable Bonds are adequate to justify the refunding, and select the Refundable Bonds that will be refunded.
- (11) Provide for the call, defeasance, and redemption of any Refundable Bonds that are refunded, enter into related agreements and take related actions.

- (12) Execute and deliver each series of the Bonds to their purchaser.
- (13) Execute and deliver any agreements or certificates and take any other action in connection with each series of the Bonds which the City Official finds is desirable to permit the sale and issuance of that series of the Bonds in accordance with this Resolution.

Section 4. Security for Bonds. The Bonds shall be general obligations of the City. Pursuant to ORS 287A.315, the City hereby pledges its full faith and credit to pay the Bonds, and the City covenants for the benefit of the Bond owners that the City shall levy annually, as provided by law, in addition to its other ad valorem property taxes and outside the limitations of Sections 11 and 11b of Article XI of the Oregon Constitution, a direct ad valorem tax upon all of the taxable property within the City in sufficient amount, after considering discounts taken and delinquencies that may occur in the payment of such taxes, to pay the Bonds promptly as they mature.

Section 5. Reimbursement. The City hereby declares its official intent to reimburse itself for the Expenditures with the proceeds of the 2018 Bonds. This resolution is adopted as official action of the City in order to comply with Treasury Regulation Section 1.150-2 and any other regulations of the Internal Revenue Service relating to the qualification for reimbursement of Expenditures of the City incurred related to the Projects prior to the date of issue of the 2018 Bonds.

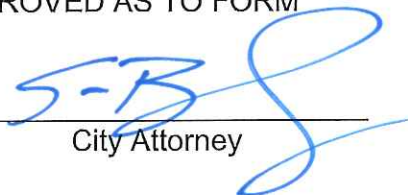
Section 6. Effective Date. This resolution is effective immediately upon its passage.

INTRODUCED AND ADOPTED this 25th day of June, 2018.

CITY OF TUALATIN, OREGON

BY 
Mayor

APPROVED AS TO FORM

BY 
City Attorney

ATTEST:

BY 
City Recorder