

RESOLUTION NO. 5191-14

A RESOLUTION AUTHORIZING THE REFUNDING OF WATER REVENUE BONDS TO OBTAIN DEBT SERVICE SAVINGS.

WHEREAS, the City of Tualatin, Oregon (the "City") currently has outstanding approximately \$5.065 million of Water Revenue Bonds, Series 2005 (the "Refundable Bonds"); and,

WHEREAS, Oregon Revised Statutes sections 287A.360 through 287A.375 authorize Oregon cities to refund outstanding bonds; and,

WHEREAS, under current market conditions, refunding the Refundable Bonds will produce debt service savings; and,

WHEREAS, the above-referenced statutes, the ordinance authorizing the Refundable Bonds, and ORS 287A.315 authorize the City to secure refunding bonds with any lawfully available funds of the City and to pledge the City's full faith and credit and taxing power to pay the refunding bonds; and,

WHEREAS, pledging the City's full faith and credit and taxing power to pay the refunding bonds will increase the savings produced by the refunding; and,

WHEREAS, it is now desirable for the City to authorize the issuance of full faith and credit refunding bonds to refund the Refundable Bonds as provided in this resolution;

NOW THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF TUALATIN, OREGON, that:

Section 1. Authorization. The City Council hereby authorizes the issuance of its full faith and credit water refunding bonds (the "Refunding Bonds") to achieve debt service savings by refunding the Refundable Bonds. The Refunding Bonds shall be sold and issued pursuant to ORS Chapter 287A and as provided in this resolution. The Refunding Bonds may be issued in an amount sufficient to pay and redeem the Refundable Bonds, plus an amount sufficient to pay estimated costs related to the refunding and the Refunding Bonds.

Section 2. Security. Pursuant to ORS 287A.315 the City may pledge its full faith and credit and taxing power to pay the Refunded Bonds.

Section 3. The Finance Director or the City Manager, or the person designated by the Finance Director or the City Manager (each of whom is

referred to herein as a "City Official") are hereby authorized, on behalf of the City and without further action by the City Council, to:

- (1) Issue the Refunding Bonds in one or more series which may be sold at different times.
- (2) Prepare, execute and deliver a bond declaration for each series of the Refunding Bonds specifying the terms under which each series of Bonds is issued, and making covenants for the benefit of Bondowners. The bond declarations may also contain covenants for the benefit of any credit providers.
- (3) Participate in the preparation of, authorize the distribution of, and deem final the preliminary and final official statements and any other disclosure documents for each series of the Refunding Bonds.
- (4) Establish the final principal amounts, maturity schedules, interest rates, sale prices, redemption terms, payment terms and dates, record date, and other terms of each series of the Refunding Bonds.
- (5) Publish a notice of sale, receive bids, and award the sale of each series of Refunding Bonds to the bidder complying with the notice and offering the most favorable terms to the City, or select one or more underwriters, commercial banks, or other investors, and negotiate the sale of any series of the Refunding Bonds with those underwriters, commercial banks, or investors.
- (6) Undertake to provide continuing disclosure for each series of the Refunding Bonds in accordance with Rule 15c2-12 of the United States Securities and Exchange Commission.
- (7) Appoint and enter into agreements with a paying agent, verification agent, escrow agent, registrar, and any other professionals and service providers that the City Official determines are desirable in connection with the Refunding Bonds.
- (8) Apply for ratings for each series of Refunding Bonds, determine whether to purchase municipal bond insurance or obtain other forms of credit enhancements for each series of Refunding Bonds, enter into agreements with the providers of credit enhancement, and execute and deliver related documents.
- (9) Determine whether each series of Refunding Bonds will bear interest that is excludable from gross income under the Internal Revenue Code of 1986, as amended, or is includable in gross income under that code. If a series bears interest that is excludable from gross income under that code, the City Official may enter into covenants to maintain the

excludability of interest on that series of the Refunding Bonds from gross income.

- (10) File any required advance refunding plans for the Refunding Bonds with the State of Oregon.
- (11) Determine whether the savings produced by refunding are adequate to justify the refunding, and select the outstanding Refundable Bonds that will be refunded.
- (12) Enter into escrow deposit agreements and take any other actions to call, defease and refund any Refundable Bonds that will be refunded.
- (13) Issue, sell and deliver the Refunding Bonds and execute any documents and take any other action in connection with the Refunding Bonds which the City Official finds will be advantageous to the City.

Section 4. The resolution is effective immediately upon adoption.

Adopted by the City Council this 27 Day of May, 2014.

CITY OF TUALATIN, OREGON

BY [Signature]
Mayor

APPROVED AS TO FORM

BY [Signature]
City Attorney

ATTEST:

BY [Signature]
City Recorder