

RESOLUTION NO. 720

RESOLUTION OF CITY OF PRINEVILLE, CROOK COUNTY, OREGON  
AUTHORIZING NEGOTIATION OF A LEASE-PURCHASE AGREEMENT,  
RELATED DOCUMENTS AND ISSUANCE OF CERTIFICATES OF  
PARTICIPATION.

WHEREAS, the City Council of the City of Prineville  
(the "City") finds:

A. The City is authorized pursuant to the Constitution  
and laws of the State of Oregon to enter into lease-purchase agree-  
ments to finance authorized projects; and

B. It is the best interest of the City to authorize  
negotiation of a Lease-Purchase Agreement, an Escrow Agreement and  
a Certificate Purchase Agreement which provide for the issuance of  
Certificates of Participation in a principal amount of not more than  
\$150,000 to finance street improvements to Del Rio Avenue, Lookout  
Avenue, Loper Avenue and West 10th Street (the "Project") and the  
costs of issuance; therefore be it

RESOLVED, that:

1. The City Administrator of the City be authorized to:

a. Negotiate a Lease-Purchase Agreement in a  
principal amount of not more than \$150,000;

b. Negotiate an Escrow Agreement, which provides  
for the issuance of Certificates of Participation, Series  
1991 (the "Certificates") representing the principal  
amount payable under the Lease-Purchase Agreement; and

c. Covenant for the benefit of the owners of the  
Certificates to comply with all provisions of the Internal  
Revenue Code of 1986, as amended, which are required for  
the interest component of lease payments payable under  
the Lease-Purchase Agreement to be excluded from gross  
income for federal income tax purposes, as provided in  
the Lease-Purchase Agreement.

2. The following parties are hereby appointed.

a. Seattle-Northwest Securities Corporation, as  
senior managing underwriter;

b. Preston Thorgimson Shidler Gates & Ellis, as  
special counsel; and

c. First Interstate Bank of Oregon, N.A., as  
escrow agent and paying agent for the Certificates.

3. The City Administrator or his authorized designees, on behalf of the City, may;

a. participate in the preparation and distribution of a preliminary official statement or other disclosure documents for financing;


b. negotiate the terms of a Certificate Purchase Agreement with the underwriters, establish the final principal amount (not to exceed \$150,000), interest rates (at a true interest cost not to exceed 8%), sale prices and other terms of the Certificates;

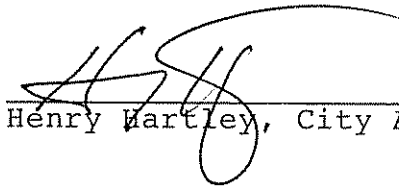
c. execute and deliver the Lease-Purchase Agreement, the Escrow Agreement and the Certificate Purchase Agreement, with such changes as the City Administrator and his authorized designees find are in the best interests of the City; and

d. excute and deliver any other certificates or documents which are reasonably required to finance the Project with the Lease-Purchase Agreement, and to issue, sell and deliver the Certificates in accordance with this resolution.

Approved by the City Council this 24th day of September, 1991.

Signed by the Mayor this 24th day of September, 1991.

  
Steve Uffelman, Mayor

  
Henry Hartley, City Administrator  
Recorder