

RESOLUTION NO. 623

A RESOLUTION OF THE CITY OF PRINEVILLE, OREGON
AUTHORIZING THE ISSUANCE OF BOND ANTICIPATION NOTES,
SERIES 1985 IN AN AMOUNT UP TO \$500,000 FOR THE
FINANCING OF THE CONSTRUCTION OF IMPROVEMENTS TO A
WATER UTILITY SYSTEM.

WHEREAS, the electors of the City of Prineville authorized the issuance of general obligation bonds in an amount not to exceed \$1,800,000 at an election duly conducted on November 6, 1984 to provide funds with which to finance acquisition and construction of improvements to the water utility system servicing the City; and

WHEREAS, the City has entered into a contract with Pacific Power & Light Company to purchase the water system presently serving Prineville and is further committed to construct necessary improvements to that system; and

WHEREAS, Oregon Revised Statutes 287.522 through 287.526 authorize the City to borrow money and issue its notes for the interim financing of public improvements and to determine the method and terms of sale, upon determining that certain conditions have been met; and

WHEREAS, this Council finds that notes issued pursuant to this authority shall not exceed in the aggregate the estimated unpaid cost of the public improvements and that the maturity date of the notes herein authorized is not later than the completion date of the improvement to be financed;

NOW, THEREFORE, BE IT RESOLVED that the common Council of the City of Prineville resolves as follows:

1. Notes Authorized. The City Council authorizes the issuance of Bond Anticipation Notes, Series 1985 (the "Notes") in a principal amount not to exceed \$500,000 pursuant to ORS 287.522, as amended, for the purpose of funding the interim construction of City improvements and the costs of issuing these Notes. The Notes shall be dated January 15, 1985, shall mature April 1, 1986, shall be callable on September 1, 1985 at par and shall bear interest payable at maturity or earlier redemption at a rate which shall not exceed a net effective rate of 12%. The Notes shall be in denominations as specified by the City Administrator in consultation with the purchaser of such Notes.

2. Security. The Notes are payable from the proceeds of bonds to be sold as previously authorized and from other funds available therefor. The full faith and credit of the City of Prineville are also pledged to the punctual payment of principal and interest on the Notes.

3. Purchase Contract. The Administrator is hereby authorized to negotiate the terms and execute, on behalf of the City, a purchase agreement for the Notes with Portland-Northwest Securities Corporation, binding upon the City upon execution by the Administrator. The Administrator shall report the terms of the purchase contract to the City Council.

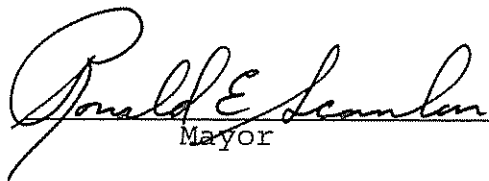
4. Temporary Notes. The Notes herein authorized may be issued as one or more temporary Notes, which may be typewritten and exchanged for definitive Notes when available.

5. Form and Denominations. The Notes shall be executed on behalf of the City with the manual signature of the City Administrator and shall be payable at the office of the City Administrator of the City, Prineville, Oregon. The Notes shall be issued in customary form and in convenient denominations.

6. Authority of Administrator. The Administrator is hereby authorized to enter into any agreements and to execute any documents and deliver the Notes in accordance with this Resolution.

PASSED by the unanimous vote of the Council, with a quorum in attendance, this 22nd day of January, 1985.

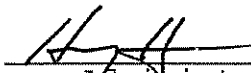
APPROVED by the Mayor this 22nd day of January, 1985.



Mayor

Executed this 22nd day of January, 1985.

ATTEST:



Administrator/Recorder