

RESOLUTION NO. 1420

RESOLUTION OF AUTHORIZING NEGOTIATION OF A LEASE-PURCHASE AGREEMENT, RELATED DOCUMENTS AND ISSUANCE OF FULL FAITH AND CREDIT OBLIGATIONS.

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

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

B. It is in the best interest of the City to authorize negotiation of a Lease-Purchase Agreement, an Escrow Agreement and an Obligation Purchase Agreement which provide for the issuance of Full Faith and Credit Obligations in a principal amount of not more than \$800,000 to reimburse the City for costs advanced to and the costs required to acquire land for future city buildings (the "Project") and the costs of issuance;

NOW THEREFORE BE IT RESOLVED BY THE COUNCIL OF THE CITY OF TROUTDALE:

Section 1. The City Manager or the Finance Director or their designee (the "City Representative") of the City be authorized to:

- a. Negotiate a Lease-Purchase Agreement in a principal amount of not more than \$800,000;
- b. Negotiate an Escrow Agreement, which provides for the issuance of Full Faith and Credit Obligations, Series 1998 (the "Obligations") 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:

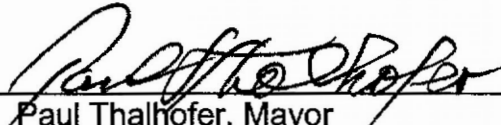
- a. Seattle-Northwest Securities Corporation, as financial advisor,
- b. Preston Gates & Ellis LLP, as special counsel; and

c. U.S. Bank Trust National Association, as escrow agent and paying agent as necessary.

3. The City Representative, on behalf of the City, may:

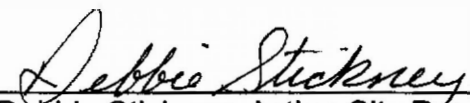
- a. Participate in the preparation and distribution of a preliminary and final official statement or other disclosure documents for financing;
- b. Negotiate the terms of an Obligation Purchase Agreement with the underwriters, establish the final principal amount (not to exceed \$800,000), interest rates (at a true interest cost not to exceed 7%), sale prices and other terms of the Obligations;
- c. Execute and deliver the Lease-Purchase Agreement, the Escrow Agreement and the Obligation Purchase Agreement; and
- d. Execute 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 Obligations in accordance with this resolution.

Yeas: 6
Nays: 0
Abstained: 0



Paul Thalhoffer, Mayor

Dated: 11-16-98



Debbie Stickney, Acting City Recorder

Adopted: 11-10-98