

RESOLUTION NO. 24

A RESOLUTION OF THE CITY OF LEBANON, OREGON
AUTHORIZING THE ISSUANCE OF WATER REVENUE
BONDS.

WHEREAS, the City of Lebanon, Oregon (the "City"), in the event a proposed general obligation bond issue in the amount of \$4,535,000 to be submitted to the legal voters of the City on September 18, 1984 is unsuccessful intends to issue its Water Revenue Bonds to finance the purchase and acquisition of the existing water utility system and the construction of improvements to and extensions to the system presently servicing the City; and

The estimated cost of the purchase and acquisition of the water utility system is the sum of \$3,843,841.00. The estimated cost of the improvements to and extensions to the water utility system and the costs of issuing the Bonds is the sum of \$690,000.00. The City proposes to issue its Water Revenue Bonds in the sum of \$4,535,000.00 to pay the costs of the purchase and acquisition of the presently existing water utility system and the construction of improvements to and extensions to the existing system and the cost of issuance of the Bonds. The City has caused to be prepared a plan showing that the estimated net revenues of the Water Utility System (the "Facilities") are sufficient to pay the estimated debt incurred by the Water Revenue Bond issue;

NOW, THEREFORE, BE IS RESOLVED BY THE CITY COUNCIL OF THE CITY OF LEBANON, OREGON:

1. The City hereby authorizes the issuance of its Water Revenue Bonds in the principal sum of \$4,535,000.00 for the purpose of financing the purchase and acquisition of the existing water system and the construction of improvements to and extensions to the water utility system and the cost of issuance of the Bonds.

2. The Water Revenue Bonds shall not be general obligation of the City nor a charge upon the tax revenues of the City. The gross revenues of the water system, after payment of operating and maintainance expenses and admistrative overhead are pledged to the payment of the principal of the interest upon the Water Revenue Bonds. Such revenues are estimated by the City to be sufficient to pay the debt incurred by the Water Revenue Bonds. So long as the Water Revenue Bonds are outstanding the City


Council of the City does covenant to fix rates and collect charges for water services adequate to provide sufficient gross revenue to pay the principal of and interest on the Water Revenue Bonds.

3. The City Administrator is authorized and directed to publish a notice of intent to issue water revenue bonds and describing the purposes for which the Water Revenue Bonds are to be sold, in the form attached hereto as Exhibit A, in one issue of the Lebanon Express, a newspaper of general circulation within the City and shall give such further notice as is given for other public notices within the City. The Water Revenue Bonds, if authorized to be sold, may be sold at public competitive bid or a private negotiated sale as shall be determined by the City Council. The Water Revenue Bonds shall not be sold at public competitive bid nor shall a purchase agreement for a private negotiated sale be executed, for at least sixty (60) days following the publication of the Notice of Intent to Issue the Water Revenue Bond.

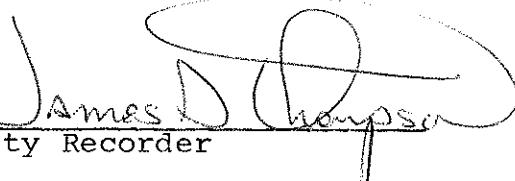
4. Voters residing within the City may file a petition with the City asking to have the question of whether to issue the Water Revenue Bonds referred to a vote of the registered voters residing within the City. If the City receives petitions containing valid signatures of registered voters residing within the City totalling not less than five percent (5%) of the registered voters within the City, the question of issuing the Water Revenue Bonds shall be placed on the ballot at the next legally available election date. In the event the City receives such petition within sixty (60) days from publication of the Notice of Intent to Issue Water Revenue Bonds, the Bonds will not be sold until this Resolution is approved by a majority of the registered voters residing within the City and voting on the Resolution. If sufficient petitions are not filed within the sixty (60) days, the City may proceed to issue the Water Revenue Bonds.

ADOPTED by the City Council by a vote of 5 For
and 0 Against the Resolution.

CITY OF LEBANON, OREGON

By 
Mayor

ATTEST:

By 
City Recorder