

LANE TRANSIT DISTRICT
RESOLUTION

AUTHORIZING THE DISTRICT TO OBTAIN A LOAN
FROM THE OREGON TRANSPORTATION INFRASTRUCTURE FUND
PURSUANT TO A LOAN AGREEMENT WITH
THE OREGON DEPARTMENT OF TRANSPORTATION

WHEREAS the 1997 Legislature enacted House Bill 2097, found at Oregon Laws Chapter 679 (1997), relating to the Oregon Transportation Infrastructure Fund and allowing the Oregon Department of Transportation to make grants and loans to finance transportation infrastructure projects, and to authorize municipalities, including special districts, to obtain loans from the Fund; and

WHEREAS Lane Transit District is a municipality within the meaning of Oregon Laws Chapter 679; and

WHEREAS Lane Transit District has filed an application with the Oregon Department of Transportation to obtain financial assistance from the Oregon Transportation Infrastructure Fund for a Signal Prioritization Project, which is a transportation project within the meaning of Oregon Laws Chapter 679; and

WHEREAS the Oregon Department of Transportation has approved Lane Transit District's application for such financial assistance from the Oregon Transportation Infrastructure Fund in the form of an Infrastructure Loan; and

WHEREAS Notice relating to Lane Transit District's intent to obtain such an Infrastructure Loan was published in a newspaper of general distribution within Lane County at least fourteen (14) calendar days in advance of the District's execution of the Loan Agreement;

NOW, THEREFORE, IT IS HEREBY RESOLVED:

1. Loan Authorized. The Lane Transit District Board of Directors authorizes the District's General manager to execute the Loan Agreement and the Promissory Note attached as Exhibit "D" to the Loan Agreement, and such other documents as may be necessary to obtain the Infrastructure Loan from the Oregon Department of Transportation, provided that the principal amount of the Infrastructure Loan is not in excess of \$781,000.00, and the interest rate on such loan is not in excess of FOUR AND SIXTY-THREE HUNDREDTHS percent (4.63%) per annum, and provided further that the proceeds of such loan shall be applied solely to the Signal Prioritization project, as such term is defined in the Loan Agreement.
2. Security. Repayment of Lane Transit District's obligations under the Loan Agreement and Promissory Note and related documents is secured by a pledge of the District's general operating revenues.

- 3. Tax Exempt Status. Lane Transit District covenants not to take any action or omit to take any action if the taking or omission would cause interest paid by the District pursuant to the Infrastructure Loan documents not to qualify for the exclusion from gross income provided by §103(A) of the Internal Revenue Code of 1986, as amended. The District's Chief Financial Officer may enter into covenants on behalf of the District to protect the tax exempt status of the interest paid by the District pursuant to the terms of the Infrastructure Loan, and shall execute such certificates, Internal Revenue Service forms or other documents reasonably required by the Oregon Department of Transportation or its Bond Counsel to protect the tax exempt status of such interest.

- 4. Reimbursement Bonds. Lane Transit District may reimburse expenditures for the Signal Prioritization Project with proceeds of the Infrastructure Loan and understands that the Oregon Department of Transportation may fund or reimburse itself for the funding of the Infrastructure Loan with the proceeds of bonds issued by the State of Oregon, pursuant to ORS 367.655 and ORS 367.700 – 367.750. This Resolution shall constitute "official intent," within the meaning of §1.150-2 of the U.S. Treasure Regulations, with respect to the funding or reimbursement of the funding of the cost of the Signal Prioritization Project from the proceeds of the Infrastructure Loan, and from the proceeds of any bonds issued by the State of Oregon pursuant to ORS 367.655 and ORS 367.700 – 367.750.

11/19/97
Date Adopted

Pat Hochen
Board President's Signature

ATTEST:

Jo Sullivan
Secretary