

**LANE TRANSIT DISTRICT
RESOLUTION NO. 2002-034**

A Resolution Setting Forth the Official Intent of the District to
Reimburse Certain Capital Expenditures for Replacement Buses Out of
the Proceeds of Obligations to Be Issued

WHEREAS, pursuant to the authority conferred under ORS 288.805 to 288.945 (the "**Act**"), Lane Transit District (the "**District**") intends to issue bonds in an amount which, based on current estimates, is not expected to exceed the sum of \$9,000,000 (the "**Bonds**") in order to finance the acquisition of approximately 18 low-floor buses and 5 articulated buses (collectively, the "**Replacement Fleet**"); and

WHEREAS, the District has incurred, or will incur in the future, preliminary expenditures relating to the ordering, design, planning, and feasibility of the Replacement Fleet, all within the meaning of Treasury Regulations, Section 1.150-2, and will continue to incur from time to time additional costs of acquiring the Replacement Fleet (such preliminary expenditures together with such other costs of the Replacement Fleet incurred and paid prior to the issuance of the Bonds being herein collectively called the "Pre-Issuance Expenditures"), which Pre-Issuance Expenditures, in accordance with the budget for the Replacement Fleet and the District's operating budget, will ultimately be financed out of the proceeds of the Bonds as and when such Bonds are issued; and

WHEREAS, pending the issuance of, and the availability of the proceeds derived from the issuance and sale of, the Bonds, the Pre-Issuance Expenditures have been and will be paid on an interim basis out of monies which, in accordance with the District budget and budgetary practices, are not and will not be available on a long-term basis to pay such costs (the "Advances"), with the expectation and intent that the District will be reimbursed for all such Advances out of the proceeds of the Bonds as and when the same are issued;

NOW, THEREFORE, BE IT RESOLVED:

Section 1. The Board of the District hereby declares its intent to finance all Pre-Issuance Expenditures out of the proceeds of the Bonds as and when the same are issued by the District, and to reimburse itself out of the proceeds of the Bonds for all Advances made for the purpose of paying on an interim basis all Pre-Issuance Expenditures. The District acknowledges that such reimbursement from Bond proceeds may be made only to the extent that all other applicable requirements of Treasury Regulations, Section 1.150-2, are met with respect to the Bonds, the Pre-Issuance Costs, the sources of fund used to make the Advances and such reimbursement from Bond proceeds, but intends, and hereby directs all District officials and personnel, to take such lawful actions as may be necessary or appropriate in order to ensure that the Advances may be reimbursed from Bond proceeds to the fullest extent permitted by law.

Section 2. This resolution is intended to constitute an official declaration on the part of the District to reimburse itself out of the proceeds of the Bonds for all Advances made to pay Pre-Issuance Expenditures, all within the meaning of and pursuant to Treasury Regulations, Section 1.150-2.

Section 3. Within 30 days after the date of adoption of this resolution, the clerk of the Board shall make a certified copy hereof available for public inspection at the main administrative offices of the District, and shall keep such certified copy available for public inspection at said administrative offices until all series of Bonds have been issued.

Section 4. This Resolution shall take effect immediately upon its adoption by the Board.

Adopted by the Lane Transit District Board of Directors on the 18th day of September, 2002.

September 18, 2002
Date

Pat Hocken
Board Secretary

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