

**LANE TRANSIT DISTRICT  
RESOLUTION NO. 2002-037**

**A Resolution Setting Forth the Intent of the District to Issue Revenue  
Bonds to Finance the Acquisition of Replacement Buses and  
Providing for Other Matters Pertaining Thereto**

As the preamble to this resolution (the "**Resolution**"), the Board of Directors (the "**Board**") of the Lane Transit District (the "**District**") hereby recites the matters set forth below. To the extent any of the following recitals relates to a finding or determination which must be made by the Board in connection with the subject matter of this Resolution or any aspect thereof, the Board declares that by setting forth such recital such finding or determination is thereby made by the Board. The recitals, findings, and determinations set forth herein constitute a part of this Resolution.

**(1) The District Is a Municipal Corporation and Political Subdivision of the State of Oregon.** The District is a municipal corporation and political subdivision organized and existing under and pursuant to the laws of the State of Oregon.

**(2) Need to Finance Project Costs.** The District currently is in the process of acquiring approximately 18 low-floor buses and 5 articulated buses (collectively, the "**Replacement Fleet**") to replace a portion of its existing fleet of buses. The District currently estimates that in order to finance the cost of acquiring the Replacement Fleet it will be necessary to issue revenue bonds in a principal amount currently estimated to be \$9,000,000.

**(3) Uniform Revenue Bond Act.** Pursuant to and in accordance with the provisions of the Uniform Revenue Bond Act, ORS 288.805 to 288.954 (the "**Act**"), and related provisions of the Oregon Revised Statutes, the District is authorized to issue and sell from time to time revenue bonds for any public purpose. Utilizing this authority, the District intends to issue and sell revenue bonds under the Act in order to provide the moneys needed to finance the costs of acquiring the Replacement Fleet.

**(4) Development of System Revenue Bond Financing Program.** In connection with the issuance of the bonds, it will be in the long-term interest of the District to develop and adopt the Master Indenture described herein in order to provide a comprehensive framework for meeting the current and future financing needs of the District's facilities and operations.

**(5) Authorization of Bonds to Finance Project.** In light of the foregoing, it is appropriate for the District to authorize the issuance of revenue bonds under the Act for the purpose of financing the acquisition of the Replacement Fleet.

**Now, therefore, be it resolved by the Board of the District as follows:**

**Section 1. Definitions.** As used in this Resolution, the following terms shall have the respective meanings set forth in this Section 1:

"**Act**" means the Oregon Uniform Revenue Bond Act, being ORS 288.805 to 288.945, as amended.

**“Bonds”** means the revenue bonds authorized to be issued under Section 2 of this Resolution for the purpose of financing the Project Costs, which bonds shall be issued under this Resolution and the Master Indenture.

**“District”** means the Lane Transit District, a municipal corporation and political subdivision organized and existing under and pursuant to the laws of the State of Oregon.

**“Master Indenture”** means a trust indenture to be hereafter approved by the District’s Board, which trust indenture shall provide a comprehensive framework for the issuance of the Bonds and any additional revenue bonds that may be necessary or appropriate to meet the future financing needs of the District’s facilities and operations, all for the purpose of dedicating and pledging the Revenues of the District to the payment of such revenue bonds, establishing the necessary funds and accounts in connection therewith, and setting forth appropriate covenants, terms, and conditions in order to enable all revenue bonds issued thereunder to be marketed and sold on the favorable terms.

**“Petition”** means a petition filed by the electors of the District asking to have the question of whether to issue the Bonds referred to a vote, all as permitted by ORS 288.815 and as more particularly set forth in Section 3 of this Resolution.

**“Replacement Fleet”** means the buses to be acquired by the District to replace a portion of its existing bus fleet, consisting of approximately 18 low-floor buses and 5 articulated buses.

**“Project Costs”** means all costs and expenses incurred and to be incurred in connection with the design, engineering, acquisition, testing, and financing of the Replacement Fleet, including but not limited to all costs incurred in connection with the issuance and sale of the Bonds, capitalized interest on the Bonds, and the funding of any necessary reserves and contingency amounts.

**“Revenues”** means the tax revenues derived by the District from the payroll and self-employment taxes imposed by the District pursuant to ORS 267.380 and 267.385, all as the same shall be more particularly described in the Master Indenture.

**Section 2. Authorization of Revenue Bonds to Finance Project and Related Matters.**

**(a) Principal Amount.** For the purpose of financing the Project Costs, the Bonds are hereby authorized to be issued pursuant to the Act in an aggregate principal amount not to exceed \$9,000,000; provided that in the event any Bonds are issued and sold at an original issue discount, such original issue discount shall not, for purposes of the maximum principal amount of Bonds authorized to be issued hereunder, be deemed to be a part of the principal amount thereof, it being the intent hereof that the stated principal amount of the Bonds less any such original issue discount shall not exceed \$9,000,000. The Bonds shall be issued pursuant to this Resolution and the Master Indenture, and shall be secured by and payable from the Revenues, and shall have such terms, conditions, and provisions, all as shall be set forth in the Master Indenture.

**(b) Limited Obligations.** The Bonds and all obligations of the District under or with respect to the Bonds shall be and remain limited obligations of the District payable solely and only out of the Revenues and other assets and properties of the District hereafter pledged or mortgaged thereto

pursuant to the Master Indenture (the Revenues together with such other assets and properties being herein called the "**Trust Estate**"). No recourse shall be had against any properties, funds, or assets of the District (other than the Trust Estate) for the payment of any amounts owing under or with respect to the Bonds. Neither the Bonds nor the obligations of the District under or with respect thereto shall constitute or create an indebtedness of the District within the meaning of any constitutional or statutory debt limitation. No recourse shall be had for the payment of the principal of or interest on the Bonds or for any claim based thereon against any member, officer, or employee of the District or any person executing the Bonds.

**(c) Preparation of Master Indenture.** The District General Manager, the District Director of Finance and Information Technology, and the District's staff, financial advisor, and bond counsel are hereby authorized and directed to prepare the Master Indenture as contemplated herein and to present such Master Indenture to the Board for consideration and approval.

**Section 3. Right of Electors to Refer Bonds to Vote.** Pursuant to and in accordance with the requirements of the Act, the issuance of the Bonds as authorized by this Resolution is subject to the following limitations and conditions:

**(a) Petition to Refer Bonds to Vote.** The electors of the District may file a Petition with District asking to have the question of whether to issue the Bonds referred to a vote, as provided and required under ORS 288.815(3).

**(b) Signatures Required and Time for Filing Petition.** If:

(i) a Petition is filed within 60 days following publication of the notice described in Section 4 of this Resolution; and

(ii) such Petition contains the valid signatures of electors of District totaling not less than 5 percent of District's electors;

then and in such event the question of issuing the Bonds shall be placed on the ballot at the next legally available election date, and no Bonds may be sold until this Resolution is approved by a majority of the electors of District voting on such question.

If no Petition meeting the requirements of (ii) above is filed with the District within the 60-day time period referred to in (i) above, the District may proceed with the issuance and sale of the Bonds at any time following the expiration of such 60-day time period.

**Section 4. Publication of Notice.** The District's Director of Finance and Information Technology is hereby authorized, empowered, and directed, for and on behalf of the District, to publish a notice in the form attached hereto as Exhibit A. Such notice shall be published in *The Register-Guard*, a newspaper of general circulation within the jurisdictional boundaries of the District.

**Section 5. Additional Actions Authorized.** The District's General Manager and Director of Finance and Information Technology, and such other District personnel as shall be directed by any of the foregoing, are each hereby authorized, empowered, and directed, for and on behalf of the District, to take any and all actions necessary or appropriate in order to carry out the intended purposes of this Resolution.

**Section 6. Governing Law.** This Resolution shall be interpreted, governed by, and construed under the laws of the State of Oregon, including the Act.

**Section 7. Headings Not Binding.** The headings in this Resolution are for convenience only and in no way define, limit, or describe the scope or intent of any provisions or sections of this Resolution.

**Section 8. Effective Date.** This Resolution shall become effective immediately upon adoption.

Adopted by the Lane Transit District Board of Directors on the 18<sup>th</sup> day of December, 2002.

December 18, 2002  
Date

*Pat Hocken*  
Board Secretary