

**BEFORE THE BOARD OF COUNTY COMMISSIONERS**

**MULTNOMAH COUNTY, OREGON**

A Resolution of the Board of County Commissioners )  
of Multnomah County, Oregon Authorizing the Execution )  
and Delivery of a Lease-Purchase Agreement and an ) **RESOLUTION NO. 96- 85**  
Escrow Agreement; Designating an Authorized )  
Representative; Authorizing the Negotiated Sale )  
of Certificates of Participation in an amount not )  
exceeding \$1,900,000; Designating a Financial Advisor, )  
Special Counsel, Registrar and Paying Agent; and Other )  
Matters. )

WHEREAS, the above-entitled matter is before the Board of County Commissioners (the "Board") of Multnomah County, Oregon (the "County"), upon a showing by the Director, Finance Division, that, the County is authorized pursuant to the Charter of the County and Oregon Revised Statutes Sections 279.101(2) and 271.390 to execute and deliver a Lease-Purchase Agreement and Escrow Agreement and to authorize the sale or a private negotiated sale of Certificates of Participation, Series 1996 (the "Certificates"), in an amount not to exceed \$1,900,000, to finance the following:

- acquire assessment and taxation computer technology equipment;
- acquire video arraignment equipment;
- acquire mobile radios and accessories;
- fund a debt reserve account;
- pay all costs of issuance of the Certificates;

WHEREAS, it is advantageous for the County to authorize and enter into a Lease-Purchase Agreement to finance the acquisition and installation of the equipment, as described in Exhibit "A" attached hereto (the "Equipment"), and to pay all costs incidental thereto. In addition, the County will enter into an Escrow Agreement which will authorize the Escrow Agent to issue the Certificates which will represent undivided proportional interests in the Lease-Purchase Agreement in a principal amount not exceeding \$1,900,000; and

NOW, THEREFORE, BE IT RESOLVED, as follows:

1. Authorization. The County authorizes:
  - a. Lease-Purchase Agreement. The execution and delivery of a Lease-Purchase Agreement to lease and purchase the Equipment.

b. Issuance and Sale of Certificates. The private negotiated sale of the Certificates of Participation, Series 1996, shall be issued by the Escrow Agent in an amount not to exceed \$1,900,000 to finance the acquisition and installation of the Equipment, to fund the debt reserve account and to pay the costs of issuance of the Certificates. The Certificates shall be issued at a true effective rate of interest not exceeding seven percent (7.00%) per annum and at a discount not greater than two percent (2.0%), including original issue discount.

c. Escrow Agreement. The execution and delivery of an Escrow Agreement (the "Escrow Agreement"), wherein First Trust Washington, through its corporate trust office in Portland, Oregon, would act as escrow agent (the "Escrow Agent") pursuant to which the Escrow Agent shall execute the Certificates representing the principal amount payable under the Lease-Purchase Agreement, and evidencing the right of the Escrow Agent to receive the County's lease payments under the Lease-Purchase Agreement;

d. Optional Redemption. The Certificates shall not be subject to optional redemption prior to maturity.

e. Debt Reserve Account. The County authorizes the establishment of a Debt Reserve Account to be funded from the proceeds of the Certificates in an amount not greater than 10% of the proceeds of the Certificates as provided by law. The Debt Reserve Account shall secure the payment of the Certificates as provided in the Lease-Purchase Agreement.

2. Lease Payments. Lease Payments due under the Lease-Purchase Agreement shall be obligations of the County payable solely from general revenues of the County subject to annual appropriation. The County is not obligated to make payments under the Lease-Purchase Agreement unless the Board includes such payments in the County's budget for that fiscal year and makes an appropriation therefor.

3. Designation of Authorized Representative. The County authorizes the Director, Finance Division, or the Treasury Manager (the "Authorized Representative") to act on behalf of the County and determine the remaining terms of the Certificates as specified in Section 4.

4. Delegation of Final Terms and Sale of Certificates and Additional Documents. The Authorized Representative is authorized, on behalf of the County, to:

- a. approve of and authorize the distribution of the preliminary and final Official Statements to prospective purchasers of the Certificates;
- b. select an underwriter and negotiate the terms under which the Certificates shall be sold, enter into a Purchase Agreement for sale of the Certificates, and to execute and deliver the Purchase Agreement;
- c. establish the maturity and interest payment dates, dated date, principal amounts, optional and/or mandatory prepayment provisions, interest rates, and denominations and to establish other terms under which the Certificates shall be issued, sold, executed, and delivered;
- d. negotiate the terms of the Lease-Purchase Agreement and the Escrow Agreement if the Authorized Representative determines it to be in the best interest of the County, and to execute and deliver the Lease-Purchase Agreement and the Escrow Agreement;

- e. obtain a rating on the Certificates, if determined by the Authorized Representative to be in the best interest of the County;
- f. approve, execute and deliver a Continuing Disclosure Certificate pursuant to SEC Rule 15c2-12, as amended (17 CFR Part 240, § 240.15c2-12);
- g. apply for municipal bond insurance for the Certificates, if determined by the Authorized Representative to be in the best interest of the County, and expend proceeds to pay any insurance premium;
- h. approve, execute and deliver the closing documents for the Certificates;
- i. execute and deliver a Tax Certificate specifying the action taken pursuant to this Resolution, and any other documents or agreements that the Authorized Representative determines are necessary and desirable to issue, sell and deliver the Certificates in accordance with this Resolution.

5. Maintenance of Tax-Exempt Status. The County covenants for the benefit of the Owners of the Certificates to use the Certificate proceeds and the Equipment financed with Certificate proceeds, and to otherwise comply with all provisions of the Internal Revenue Code of 1986, as amended (the "Code") 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. The County makes the following specific covenants with respect to the Code:

- i. The County will not take any action or omit any action if it would cause the Certificates to become arbitrage bonds under Section 148 of the Code.
- ii. The County shall use and operate the Equipment financed with the Certificates so that the Certificates which were not issued as "private activity bonds" within the meaning of Section 141 of the Code do not become private activity bonds.
- iii. The County shall comply with appropriate Code reporting requirements.
- iv. The County shall pay, when due, all rebates and penalties with respect to the Certificates which are required by Section 148(f) of the Code.

The covenants contained in this Section 5 shall constitute contracts with the owners of the Certificates, and shall be enforceable by them. The Authorized Representative may enter into covenants on behalf of the County to protect the tax-exempt status of the Lease-Purchase Agreement and the Certificates.

6. Book-Entry Only System. During any time the Certificates are held in a book-entry only system (the "Book-Entry System"), the registered owner of all of the Certificates shall be The Depository Trust Company, New York, New York ("DTC"), and the Certificates shall be registered in the name of Cede & Co., as nominee for DTC. The County and DTC have entered into a Blanket Issuer Letter of Representations (the "Letter"), and the provisions of such Letter shall be incorporated herein by this reference.

Under the Book-Entry System, the Certificates shall be initially issued in the form of a single fully registered certificate, one for each maturity of the Certificates. Upon initial issuance, the ownership of such Certificates shall be registered by the Registrar on the registration books in the name of Cede & Co., as nominee of DTC. The County and the Registrar may treat DTC (or its nominee) as the sole and exclusive registered owner of the Certificates registered in its name for the purposes of payment of the principal of, prepayment price of, and premium, if any, or interest on the Certificates, selecting the Certificates or portions thereof to be redeemed, if any, giving notice as required under this Resolution, registering the transfer of Certificates, obtaining any consent or other action to be taken by the owners and for all other purposes whatsoever; and neither the Registrar nor the County shall be affected by any notice to the contrary. The Registrar shall not have any responsibility or obligation to any person claiming a beneficial ownership interest in the Certificates under or through DTC or any Participant, or any other person which is not shown on the registration books of the Registrar as being a registered owner, with respect to the accuracy of any records maintained by DTC or any Participant; the payment by DTC or any Participant of any amount in respect of the principal or prepayment price of or interest on the Certificates; any notice or direction which is permitted or required to be given to or received from owners under this Resolution; the selection by DTC or any DTC Participant of any person to receive payment in the event of a partial prepayment of the Certificates; or any consent given or other action taken by DTC as owner; nor shall any DTC Participant or any such person be deemed to be a third party beneficiary of any owners' rights under this Resolution. The Registrar shall pay from moneys available hereunder all principal of and premium, if any, and interest on the Certificates only to or upon the order of DTC, and all such payments shall be valid and effective to fully satisfy and discharge the County's obligations with respect to the principal of and premium, if any, and interest on the Certificates to the extent of the sum or sums so paid. So long as the Certificates are held in the Book-Entry System, no person other than DTC shall receive an authenticated Bond for each separate stated maturity evidencing the obligation of the Registrar to make payments of principal of and premium, if any, and interest pursuant to this Resolution. Upon delivery by DTC to the Registrar of DTC's written notice to the effect that DTC has determined to substitute a new nominee in place of Cede & Co., and subject to the provisions of this Resolution with respect to transfers of Certificates, the term "Cede & Co.," in this Resolution shall refer to such new nominee of DTC.

At any time it determines that it is in the best interests of the owners, the County may notify the Registrar, and the Registrar will subsequently notify DTC, whereupon DTC will notify the DTC Participants, of the availability through DTC of Certificates. In such event, the Registrar shall issue, transfer and exchange, at the County's expense, Certificates as requested in writing by DTC in appropriate amounts. DTC may determine to discontinue providing its services with respect to the Certificates at any time by giving written notice to the Registrar and discharging its responsibilities with respect thereto under applicable law. If DTC resigns as securities depository for the Certificates, Bond certificates shall be delivered pursuant to this section. Under such circumstances (if there is no successor securities depository), the Registrar shall be obligated to deliver Bond certificates as described in this Resolution, provided that the expense in connection therewith shall be paid by the County. In the event Bond certificates are issued, the provisions of this Resolution shall apply to, among other things, the transfer and exchange of such certificates and the method of payment of principal of, premium, if any, and interest on such Certificates. Whenever DTC requests the Registrar to do so, the Registrar will cooperate with DTC in taking appropriate action after written notice (a) to make available one or more separate certificates evidencing the Certificates to any DTC Participant having Certificates credited to its DTC account, or (b) to arrange for another securities depository to maintain custody of Certificates.

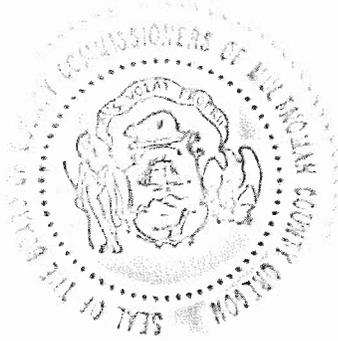
7. Appointment of Special Counsel, Financial Advisor, Escrow Agent, Lessor and Paying Agent and Registrar. The County appoints Ater Wynne Hewitt Dodson & Skerritt as special counsel for the issuance of the Certificates; Regional Financial Advisors, Inc. as Financial Advisor to the County for

the issuance of the Certificates; and First Trust Washington, through its corporate trust office in Portland, Oregon, as escrow agent, lessor, and paying agent and registrar for the Certificates.

8. Continuing Disclosure. The County shall undertake in a Continuing Disclosure Certificate for the benefit of registered and beneficial Certificate owners to provide to each Nationally Recognized Municipal Securities Information Repository, and if and when one is established, the State Information Depository, on an annual basis on or before 270 days after the end of each fiscal year, commencing with the fiscal year ending June 30, 1996, the information required pursuant to paragraph (b)(5)(i) of the Securities and Exchange Commission Rule 15c2-12 (17 C.F.R. § 240.15c2-12 (the "Rule")).

9. Resolution to Constitute Contract. In consideration of the purchase and acceptance of any or all of the Certificates by those who shall own the same from time to time (the "Owners"), the provisions of this Resolution shall be part of the contract of the County with the Owners and shall be deemed to be and shall constitute a contract between the County and the Owners, subject to the conditions set forth in paragraph 2 herein. The pledges contained herein, including without limitation the County's covenants and the other covenants and agreements herein set forth to be performed by or on behalf of the County shall be for the equal benefit, protection and security of the Owners, all of whom shall be of equal rank without preference, priority or distinction of any of such Certificates over any other thereof.

ADOPTED this 9th day of May, 1996.



**BOARD OF COUNTY COMMISSIONERS  
MULTNOMAH COUNTY, OREGON**

By \_\_\_\_\_

*Beverly Stein*  
Beverly Stein, Chair

REVIEWED BY:  
COUNTY COUNSEL  
MULTNOMAH COUNTY, OREGON

By \_\_\_\_\_

*Candra L. Duffy for*  
Laurence Kressel

**EXHIBIT "A"**

**DESCRIPTION OF EQUIPMENT**

Assessment and Taxation Computer Technology Equipment

Video arraignment equipment

Mobile radios and accessories