

BEFORE THE BOARD OF COUNTY COMMISSIONERS
MULTNOMAH COUNTY, OREGON

In the matter of the approving)
of the issuance and negotiated)
sale of \$5,470,000 Certificates)
of Participation; approving and)
authorizing the Certificate)
Purchase Agreement; approving)
the Lease-Purchase and Escrow)
Agreement and the Ground Lease;)
approving and authorizing the)
execution of the Preliminary)
Official Statement and Official)
Statement; and designating the)
Authorized Officer.)

RESOLUTION
#88-84

WHEREAS, the Board of County Commissioners of Multnomah County, Oregon (the "Board") on April 14, 1988 adopted Resolution No. 88-49 finding it desirable for the County to issue Certificates of Participation to finance the construction of the Inverness Jail. The Finance Director or the Finance Manager of County were authorized to negotiate all documents reasonably required to issue Certificates of Participation; and

WHEREAS, the Finance Manager has negotiated documents for the issuance of Certificates of Participation and has received from Kidder, Peabody & Co. Incorporated (the "Underwriter") a Certificate Purchase Contract for the purchase of Certificates of Participation evidencing proportionate interests in lease-purchase payments by Multnomah County, Oregon. The Certificates of Participation are to be issued in the principal amount of \$5,470,000 to be dated June 1, 1988 (the "Certificates"); and

WHEREAS, the Board does find and determine that it is reasonable and necessary to approve and authorize the execution of the financing documents and being advised by the Finance Manager that the documents are in final form and ready for approval and authorization:

THEREFORE, BE IT RESOLVED that:

1. The Board does approve of the lease-purchase financing of the acquisition and construction of the Inverness Jail (the "Facilities"), does approve of the Lease-Purchase and Escrow Agreement (the "Agreement") and the Ground Lease (the "Ground Lease"), and the Chair of the Board does designate the Finance Manager as the Authorized Officer to execute these documents for and on behalf of the County; and

2. The County does accept the terms and provisions of the Certificate Purchase Contract and does approve of the purchase price and interest rate to be born by the Certificates and the Chair of the Board does authorize the Finance Manager to execute the Certificate Purchase Contract on behalf of the County; and

3. The County does approve of the Certificate Purchase Contract and the terms and conditions of the negotiated sale of the Certificates to the Underwriter and does authorize the Authorized Officer of the County to execute the Certificate Purchase Agreement for and on behalf of the County and to deliver the Certificate to the Underwriter upon receipt of payment therefor.

4. The County does approve of the issuance of the Certificates in fully registered form, in denominations of Five Thousand Dollars (\$5,000) each or integral multiples thereof, to be dated June 1, 1988 and to be numbered sequentially beginning with R-1, and shall mature serially on the first day of June of each year as follows:

<u>YEAR</u>	<u>AMOUNT</u>	<u>INTEREST RATE</u>
1989	\$ 985,000	5.00%
1990	\$1,030,000	5.40%
1991	\$1,085,000	5.70%
1992	\$1,150,000	6.00%
1993	\$1,220,000	6.25%

The Certificates shall bear interest payable semiannually on the 1st day of June and the 1st day of December of each year commencing December 1, 1988. The Certificates are subject to redemption prior to maturity only in the event of substantial damage or destruction to the Facilities; extraordinary redemption or in event of taxability of interest on the Certificates or defeasance of the Certificates as provided in the Agreement.

In the event the County desires to redeem any or all of the Certificates, the County shall appropriate sufficient prepayment of lease payments to provide adequate funds for the redemption of the Certificates.

5. The County may, but is not obligated to, take such action as is necessary to budget and appropriate expenditures sufficient to pay lease payments for each fiscal year in the amount of the annual principal maturities and accrued interest on the Certificates. In the event of appropriation of funds for lease payments, the County covenants to maintain such appropriation in full force and effect during that fiscal year and shall expend such appropriated funds only for lease payments. In the event the County determines not to appropriate funds sufficient for lease payments in any fiscal year, such failure shall constitute a default under the terms of the Agreement and the Escrow Agent may exercise such remedies as are provided in the Agreement.

6. The County covenants, for so long as the Certificates are outstanding, not to voluntarily terminate its use of or discontinue occupancy of the Facilities as a minimum security correctional facility nor to substitute similar or like facilities for the Inverness Jail facilities.

7. The Certificates shall be secured by a pledge and covenant of the County to apply appropriated funds upon the lease payments from the Serial Levy Tax Fund or for any other general funds of the County. The tax revenues from the special serial levy effective July 1, 1987 is not pledged to the payment of the Certificates but may applied upon the debt service of the Certificates or the operation and maintenance of the Facilities or upon other correctional facilities of the County.

8. The County does designate and appoint The Oregon Bank as the Escrow Agent and Paying Agent and Registrar for the Certificates and does request the Paying Agent and Registrar to authenticate the Certificates as of the date of delivery to the purchasers thereof. The County does appoint Kidder, Peabody & Co. Incorporated as Underwriter of the Certificates.

9. The County does approve of the Underwriter preparing and distributing a Preliminary Official Statement, does ratify the distribution thereof to prospective purchasers of the Certificates, and does authorize the preparation and delivery of the Official Statement. When the Authorized Officer has been advised that the final Official Statement does not contain any untrue statement of a material fact or omit to state any material fact necessary to make the statements contained in the Official Statement not misleading in light of the circumstances under which they are made, then the Authorized Officer may certify the accuracy of the Official Statement on behalf of the County.

10. The proceeds of the Certificates shall be used by the County and invested by the Escrow Agent in such manner that the Certificates will not become "arbitrage bonds" within the meaning of Section 148 of the Internal Revenue Code of 1986, as amended, and regulations issued thereunder.

11. The Chair of the Board does authorize the Authorized Officer of the County to execute such other documents as are necessary and proper to consummate the financing pursuant to the Agreement.

ADOPTED this 26th day of May, 1988.

BOARD OF COUNTY COMMISSIONERS
MULTNOMAH COUNTY, OREGON

By Gladys McCoy
GLADYS McCOY
Multnomah County Chair

APPROVED AS TO FORM:

LAURENCE KRESSEL
County Counsel for
Multnomah County, Oregon

By Sandra Ruffey
County Counsel

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