

RESOLUTION NO. 2024-02

**A RESOLUTION OF THE CITY OF LA PINE, OREGON AUTHORIZING
FULL FAITH AND CREDIT BORROWINGS TO REFINANCE
OUTSTANDING OBLIGATION OF THE CITY**

WHEREAS, the City of La Pine, Oregon (the “City”) issued its Water Revenue Refunding Bond, Series 2016 on June 2, 2016 (the “2016 Bond”) in the principal amount of \$2,420,000 to refund certain United States Department of Agriculture bonds that financed the costs of constructing, repairing and expanding the City’s water system (the “Refunded Projects”); and

WHEREAS, the 2016 Bond is outstanding in the approximate principal amount of \$1,317,963.81; and

WHEREAS, Oregon Revised Statutes (“ORS”) Section 271.390 authorizes Oregon governments to refund outstanding borrowings that financed projects that the City Council determines are needed, as long as the estimated weighted average life of the borrowing does not exceed the estimated dollar weighted average life of the real or personal property that is refinanced with the borrowing; and

WHEREAS, it is now desirable to authorize the City to enter into one or more financing agreements to refinance the outstanding 2016 Bond;

NOW, THEREFORE, THE CITY OF LA PINE RESOLVES AS FOLLOWS:

Section 1. Determination of Need. The City Council hereby determines that the Refunded Projects were needed at the time they were financed and that they remain needed.

Section 2. Financing Authorized. The City is hereby authorized to enter into one or more financing agreements (the “Financing Agreements”) to refinance all or any portion of the Refunded Projects pursuant to ORS Section 271.390, 287A.360 through 287A.375 and the other relevant provisions of ORS Chapter 287A. The Financing Agreements may be issued in an amount that is sufficient to refund all or any portion of the outstanding 2016 Bond, fund a reserve, if any, and pay estimated costs related to issuing the Financing Agreements and refunding the outstanding 2016 Bond.

Section 3. Delegation. The City Manager, the Finance Director or the person designated by the City Manager or the Finance Director to act on behalf of the City under this Resolution (each of whom is referred to in this Resolution as a “City Official”) may, on behalf of the City and without further action by the Council:


- a. Select all or a portion of the outstanding 2016 Bond to be refunded;
- b. Determine the final principal amount, interest rates, payment dates, maturity dates, prepayment rights and all other terms of the Financing Agreements;
- c. Negotiate, execute and deliver notes to evidence amounts due under the Financing Agreements;

- d. Select a commercial bank or other lender with which to negotiate, execute and deliver the Financing Agreements. Subject to the limitations of this Resolution, the Financing Agreements may be in such form and contain such terms as the City Official may approve;
- e. Enter into additional covenants for the benefit of the purchasers of the Financing Agreements that the City Official determines are desirable to obtain more favorable terms for the Financing Agreements;
- f. Make contributions to reserve accounts that the City Official determines are desirable and determine the reserve requirement, if any, for each Financing Agreement;
- g. Take any actions to prepay the outstanding 2016 Bond;
- h. Engage the services of any professionals whose services are desirable for the financings;
- i. Apply legally available revenues to prepay all or a portion of the outstanding 2016 Bond;
- j. Covenant for the benefit of the owners of the Financing Agreements to comply with all provisions of the Internal Revenue Code of 1986, as amended (the “Code”), that are required for the interest paid under the Financing Agreements to be excluded from gross income for federal income tax purposes;
- k. Designate each of the Financings Agreements as a “qualified tax-exempt obligation” pursuant to Section 265(b)(3) of the Code, if applicable;
- l. Execute and deliver any other certificates or documents and take any other actions that the City Official determines are desirable to carry out this Resolution.

Section 4. Security. The Financing Agreements may constitute unconditional obligations of the City, which are payable from all legally available funds of the City. Pursuant to ORS 287A.315 the City Official may pledge the City’s full faith and credit and taxing power within the limitations of Sections 11 and 11b of Article XI of the Oregon Constitution to pay amounts due under the Financing Agreements.

Section 5. Effective Date. This Resolution shall be effective upon its approval and adoption.

Approved by the City Council this 10th day of April, 2024.


Cathi Van Damme, Council President

Attest:


Amanda Metcalf, City Recorder