

BEFORE THE BOARD OF COUNTY COMMISSIONERS
FOR COLUMBIA COUNTY, OREGON

IN THE MATTER OF AUTHORIZING A)
LOAN AGREEMENT IN A PRINCIPAL) RESOLUTION No. 16-2011
AMOUNT NOT TO EXCEED \$713,000 AND)
AUTHORIZING REIMBURSEMENT OF)
EXPENDITURES FROM PROCEEDS.)

WHEREAS, the Board of County Commissioners (the "Board") for Columbia County, Oregon (the "County") finds:

- a. The County is authorized by Oregon Revised Statutes Section 271.390 to enter into loan agreements to finance real or personal property which the Board of County Commissioners determines is needed.
- b. The County is authorized by ORS 287A.105 to incur bonded indebtedness within the meaning of section 10, Article XI of the Oregon Constitution.
- c. The Board hereby determines the following projects are needed: infrastructure upgrades at the County Courthouse and Annex in St. Helens, including the boiler, HVAC, lighting and control systems (the "Projects").
- d. It is desirable to obtain financing for the Projects in an aggregate principal amount of not more than \$713,000 pursuant to ORS 271.390 and ORS 287A.105.
- e. Federal tax law requires an issuer of tax-exempt obligations to declare its intention if the issuer expects to spend its funds on a project and later reimburse itself for those expenditures from the proceeds of tax-exempt obligations.
- f. The County reasonably expects to reimburse the expenditures it incurs for the Projects from the proceeds of obligations authorized by this Resolution.

NOW THEREFORE, BE IT RESOLVED, as follows:

SECTION 1. Authorization.

The County may finance the Projects under the authority of ORS 271.390 and ORS 287A.105, by entering into a financing agreement or loan agreement in a principal amount of not more than \$713,000 (the "Loan Agreement"). The County may also pay costs associated with the Loan Agreement with proceeds.

SECTION 2. Delegation.

The Director, Finance and Taxation or her designee (collectively the "County Official") is hereby authorized, on behalf of the County and without further action by the Board, to:

1. Determine the final principal amount, interest rates, payment dates, prepayment rights and all other terms of the financing;
2. Negotiate, execute and deliver a note to evidence amounts due under the Loan Agreement;
3. Select a commercial bank with which to negotiate, execute and deliver the Loan Agreement. Subject to the limitations of this Resolution, the Financing Agreement may be in such form and contain such terms as the County Official may approve;
4. Designate the borrowing as a "qualified tax-exempt obligation" pursuant to Section 265(b)(3) of the Code, if applicable;
5. Covenant for the benefit of the lender to comply with all provisions of the Internal Revenue Code of 1986, as amended (the "Code") which are required for the interest paid under the Loan Agreement to be excluded from gross income for federal income tax purposes;
3. Execute and deliver any other certificates or documents and take any other actions which the County Official determines are desirable to carry out this Resolution.

SECTION 3. Security.

The Loan Agreement shall constitute an unconditional obligation of the County, which is payable from all legally available funds of the County. The County Official may pledge the County's full faith and credit and taxing power within the limitations of Sections 11 and 11b of Article XI of the Oregon Constitution, and any and all of the County's legally available funds, to make the payments due under the Loan Agreement.

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SECTION 4. Reimbursement.

The Board hereby declares its official intent to reimburse its expenditures on the Projects with the proceeds of the Loan Agreement authorized by this Resolution. The County Official is authorized to make future declarations of intent to reimburse under Section 1.150-2 of the Federal Income Tax Regulations or similar laws, on behalf of the County and without further action by the Board. All such future declarations shall be in writing and the original or a certified copy of each declaration shall be maintained in the public records of the County.

Dated this 16th day of March, 2011.

BOARD OF COUNTY COMMISSIONERS FOR
COLUMBIA COUNTY, OREGON

By: _____

Anthony Hyde, Chair

By: _____

Earl Fisher, Commissioner

By: _____

Henry Heimuller, Commissioner

Approved as to form

By: _____

Office of County Counsel