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AGENDA COVER MEMO

AGENDA DATE: September 24, 2003

TO: LANE COUNTY BOARD OF COMMISSIONERS

DEPARTMENT: MANAGEMENT SERVICES

BY: DAVID SUCHART, MANAGEMENT SERVICES DIRECTOR

AGENDA ITEM TITLE: IN THE MATTER OF AUTHORIZING THE ISSUANCE AND SALE OF GENERAL OBLIGATION REFUNDING BONDS, SERIES 2003.

IN THE MATTER OF AUTHORIZING THE REFUNDING OF THE SPECIAL OBLIGATIONS, SERIES 1993A, AND THE LIMITED TAX REVENUE BONDS, 1995 SERIES A, AND AUTHORIZING THE FINANCING OF A FACILITY FOR THE COUNTY ELECTIONS DIVISION AND PLAZA/FREE SPEECH AREA IN A PRINCIPAL AMOUNT NOT TO EXCEED \$3,100,000.

I. MOTION

MOVE APPROVAL of the Board Order Authorizing the issuance and sale of General Obligation Refunding Bonds, Series 2003.

MOVE APPROVAL of the Board Order Authorizing the refunding of the Special Obligations, Series 1993A, and the limited tax revenue bonds, 1995 Series A, and authorizing the financing of a facility for the County Elections Division and Plaza/Free Speech Area in a principal amount not to exceed \$3,100,000.

II. ISSUE OR PROBLEM

Shall the County issue refunding bonds to take advantage of a favorable low interest rate environment to refinance eligible County debt issues to produce savings?

Shall the County issue new debt for financing two new capital projects as approved in the Capital Improvements Program (CIP)?

II. DISCUSSION

A. Background

Interest rates have dropped to historic low levels. Finance staff, along with our financial advisors Regional Financial Advisors (RFA), have been monitoring opportunities for taking advantage of these low interest rates to refinance existing debt. State Statutes require a 3% minimum debt service savings to transact a refunding bond sale. At this point, other than the three debt issues discussed below, no other outstanding County debt issues meet this criteria. At the time of sale, should the debt issues recommended for refunding not meet that criteria, the sale will not occur. The refunding bond sale is expected to occur on September 30, 2003. The results of that sale will be communicated to the Board of County Commissioners at the October 1, 2003, meeting. We believe the risk involved in assuming the costs associated with the refunding are reasonable.

Additionally, the adopted CIP contained two projects (the Courthouse Plaza and the Elections Division Relocation) which were to be financed. If so approved, that financing would be provided through this refunding bond sale.

B. Analysis

Staff and RFA reviewed all County debt issues and determined that the refinancing of three of these issues can be accomplished, resulting in savings to the underlying source of debt service funding for each issue. The 2003B full faith and credit obligations would refund the 1993A and 1995A obligations and bond series. Proceeds from these series were originally used to finance various capital projects, with the primary one being the HVAC system in the Courthouse. The original issue amount of those two series was \$6,215,000, and the principal amount to be refunded is \$2,940,000. Savings with a present value of \$84,000 would be produced from reduced debt service requirements for those two issues, freeing up resources for other General Fund purposes.

The 2003A refunding bonds would refund the 1995 General Obligation (GO) bonds. The 1995A Series provided the financing for the Juvenile Justice Center. The original issue amount of that bond series was \$38,940,000, and the principal amount to be refunded is \$27,415,000. Refinancing the 1995 General Obligation Bonds by issuing GO refunding bonds would result in a reduction of \$121,000 to \$173,000 per year in the annual tax levy required to service that debt. The net present value of the total savings expected from this refunding is approximately \$1.6 million.

C. Alternatives/Options

1. Authorize issuance of general obligation refunding bonds to refinance the 1995 General Obligation Bonds.
2. Authorize issuance of full faith and credit obligations to refinance the 1993A special obligations and the 1995A Limited Tax Revenue Bonds.
3. Authorize issuance of debt for new capital projects that will finance the Courthouse Plaza upgrade renovation and the Elections Relocation.
4. Do not authorize the refunding of any of the outstanding debt.
5. Do not authorize issuance of new debt to finance the Elections Relocation and Courthouse Plaza projects.

D. Recommendations

Staff recommends Alternatives/Options 1, 2 and 3 by approval of the attached Board Orders.

IV. IMPLEMENTATION/FOLLOW-UP

V. ATTACHMENTS

General Obligation Bond Sale Board Order
Refunding Bond Sale Board Order

IN THE BOARD OF COUNTY COMMISSIONERS OF LANE COUNTY, OREGON

ORDER NO.

**IN THE MATTER OF AUTHORIZING THE ISSUANCE AND
SALE OF GENERAL OBLIGATION REFUNDING BONDS,
SERIES 2003.**

WHEREAS, Lane County, Oregon (the "County") is authorized by Oregon Revised Statutes Section 288.592 to issue refunding bonds to refund its outstanding general obligation bonds under Oregon Revised Statutes Sections 288.605 to 288.695; and

WHEREAS, issuing refunding bonds to refund all or a portion of the County's General Obligation Juvenile Justice Center Bonds, Series 1995 (the "Refundable Bonds") may benefit the County and its taxpayers by reducing debt service costs; and

WHEREAS, the Refundable Bonds were issued as "qualified 501(c)(3) bonds" pursuant to section 145 of the Internal Revenue Code of 1986 (the "Code") and federal law requires the issuer to hold a public hearing before refunding "qualified 501(c)(3) bonds"; and

WHEREAS, a notice of public hearing was published at least fourteen days prior to the hearing in a newspaper of general circulation pursuant to Section 147(f) of the Code regarding the issuance of tax-exempt refunding bonds to refund the Refundable Bonds; and

WHEREAS, the public hearing was held in accordance with Section 147(f) of the Code and the results were reported to the Board of County Commissioners (this "Board") and this Board has considered the results of the hearing; now, therefore,

IT IS HEREBY ORDERED that pursuant to section 147(f) of the Code, this Board approves the issuance of tax-exempt bonds to refund the Refundable Bonds which were issued as "qualified 501(c)(3) bonds." The County may refund all or a portion of the Refundable Bonds, and issue, sell and deliver its General Obligation Refunding Bonds, Series 2003 (the "refunding bonds") in a principal amount which does not exceed the principal amount necessary to refund the Refundable Bonds and pay costs of issuing the refunding bonds.

IT IS FURTHER ORDERED that the County Administrator or the County Treasurer or the designee of either the County Administrator or the County Treasurer (the "County Official") is hereby authorized, on behalf of the County and without further action by this Board, to:

1. Participate in the preparation of, authorize the distribution of, and deem final any official statement or other disclosure documents relating to the refunding bonds.
2. Establish the final principal amounts, maturity schedules, interest rates, sale prices and discount, prepayment terms, payment terms and dates, and other terms of the refunding bonds.
3. Execute and deliver a bond declaration for the refunding bonds, specifying the terms under which the refunding bonds are issued, and making covenants for the benefit of

owners of the refunding bonds, including covenants to protect the tax-exempt status of the refunding bonds.

4. Negotiate the sale of the refunding bonds with Seattle-Northwest Securities Corporation, or publish a notice of sale, receive bids and award the sale of the refunding bonds to the bidder complying with the notice and offering the most favorable terms to the County, or select one or more underwriters and negotiate the sale of the refunding bonds with those underwriters.

5. Undertake to provide continuing disclosure for the refunding bonds in accordance with Rule 15c2-12 of the United States Securities and Exchange Commission.

6. Apply for ratings for the refunding bonds, determine whether to purchase municipal bond insurance or obtain other forms of credit enhancements for the refunding bonds, enter into agreements with the providers of credit enhancement, and execute and deliver related documents.

7. Engage a verification agent, an escrow agent, or other professionals as necessary, enter into one or more escrow deposit agreements, and deposit the proceeds of the refunding bonds pursuant to the escrow deposit agreements.

8. Defeasement and call for redemption any of the Refundable Bonds that are refunded by the refunding bonds.

9. Execute and deliver the refunding bonds to their purchaser.

10. Execute and deliver any other certificates or documents and take any other actions which the County Official determines are desirable to permit the sale and issuance of the refunding bonds in accordance with this Order.

11. Enter into other covenants, agreements and provisions which the County Official determines are necessary or appropriate to better secure the refunding bonds, and take any other actions which the County Official determines are appropriate to carry out this Order.

IT IS FURTHER ORDERED that the refunding bonds shall be general obligations of the County, and the full faith and credit of the County are hereby pledged to pay the refunding bonds when due. The County covenants for the benefit of the owners of the refunding bonds that the County shall levy annually, as provided by law, in addition to its other ad valorem property taxes and outside the limitations of Sections 11 and 11b of Article IX of the Oregon Constitution, a direct ad valorem tax upon all of the taxable property within the County in sufficient amount, after considering discounts taken and delinquencies that may occur in the payment of taxes, to pay the refunding bonds promptly as they mature. The County covenants with the owners of the refunding bonds to levy such a tax annually during each year that the refunding bonds are outstanding.

IT IS FURTHER ORDERED that the refunding bonds shall be in substantially the form attached hereto as Appendix A, with such changes as may be approved by the County Official.

The refunding bonds shall be executed on behalf of the County with the manual or facsimile signature of the County Official.

DATED this 24th day of September, 2003.

Peter Sorenson, Chair

Lane County Board of Commissioners

APPROVED AS TO FORM

Date 9/15/03 Lane County

Teresa J. White
OFFICE OF LEGAL COUNSEL

APPENDIX A
(Form of Refunding Bond)

No. 1

\$ _____

United States of America
State of Oregon
County of Lane, Oregon
General Obligation Refunding Bonds
Series 2003

Dated Date: _____
Interest Rate Per Annum: «CouponRate»%
Maturity Date: _____, «MaturityYear»
CUSIP Number: «CUSIPNumbr»
Registered Owner: -----Cede & Co.-----
Principal Amount: -----«PrincipalAmtSpelled» Dollars-----

Lane County, Oregon (the "County"), for value received, acknowledges itself indebted and hereby promises to pay to the Registered Owner hereof, or registered assigns, the Principal Amount indicated above on the Maturity Date indicated above together with interest thereon from the date hereof at the Interest Rate Per Annum indicated above, computed on the basis of a 360-day year of twelve 30-day months. Interest is payable semiannually on the first day of June and the first day of December in each year until maturity or prior redemption, commencing December 1, 2003. Payment of each installment of principal or interest shall be made on the payment date to the Registered Owner hereof whose name appears on the registration books of the County maintained by the County's paying agent and registrar, which is currently U.S. Bank National Association (the "Registrar"), as the Registered Owners appear on the registration books as of the close of business on the fifteenth (15th) day of the calendar month immediately preceding the applicable interest payment date. For so long as this Bond is subject to a book-entry-only system, principal and interest payments shall be paid on each payment date to the nominee of the securities depository for the Bonds. On the date of issuance of this Bond, the securities depository for the Bonds is The Depository Trust Company, New York, New York, and Cede & Co. is the nominee of The Depository Trust Company. Such payments shall be made payable to the order of "Cede & Co."

This Bond is one of a duly authorized series of bonds aggregating \$ _____ in principal amount designated as General Obligation Refunding Bonds, Series 2003 (the "Bonds"). The Bonds are issued to refund the outstanding principal amount of the County's Juvenile Justice Center General Obligation Bonds, Series 1995. The Bonds are issued under and pursuant to Order _____ of the County adopted on September 24, 2003, 2003 and a Bond Declaration executed pursuant to that order (the "Declaration"). The Bonds are issued in full and strict accordance and compliance with all of the provisions of the Constitution and Statutes of the State of Oregon.

The Bonds constitute valid and legally binding obligations of the County. The full faith and credit of the County are pledged for the punctual payment of the principal of and interest on the Bonds. The County has pledged and is obligated by law to provide for the levy and collection annually of ad valorem taxes without limitation as to rate or amount on all taxable property within the boundaries of the County to pay the principal of and interest on the Bonds. The Bonds do not constitute a debt or indebtedness of the State of Oregon or any political subdivision thereof other than the County.

The Bonds are initially issued as a book-entry-only security issue with no certificates provided to the beneficial owners. Records of ownership of beneficial interests in the Bonds will be maintained by The Depository Trust Company and its participants.

Should the book-entry-only system be discontinued, the Bonds shall be issued in the form of registered Bonds without coupons in denominations of \$5,000 or any integral multiple thereof. Such Bonds may be exchanged

for Bonds of the same aggregate principal amount, interest rate and maturity date, but different authorized denominations, as provided in the Declaration.

The Bonds shall mature and be subject to redemption as described in the Final Official Statement for the Bonds which is dated _____, 2003.

Unless the book-entry-only system is discontinued, notice of any call for redemption shall be given as required by the Blanket Issuer Letter of Representations to The Depository Trust Company, as referenced in the Declaration. Interest on any Bond or Bonds so called for redemption shall cease on the redemption date designated in the notice. The Registrar will notify The Depository Trust Company promptly of any Bonds called for redemption not less than 30 days prior to the date fixed for redemption. If the book-entry-only system is discontinued, notice of redemption shall be given by first-class mail, postage prepaid, not less than thirty days nor more than sixty days prior to the date fixed for redemption to the registered owner of each Bond to be redeemed at the address shown on the bond register; however, any failure to give notice shall not invalidate the redemption of the Bonds. All Bonds called for redemption shall cease to bear interest from the date designated in the notice.

Any exchange or transfer of this Bond must be registered, as provided in the Declaration, upon the bond register kept for that purpose by the Registrar. The exchange or transfer of this Bond may be registered only by surrendering it, together with a written instrument of exchange or transfer which is satisfactory to the Registrar and which is executed by the registered owner or duly authorized attorney. Upon registration, a new registered Bond or Bonds, of the same series and maturity and in the same aggregate principal amount, shall be issued to the transferee as provided in the Declaration. The County and the Registrar may treat the person in whose name this Bond is registered on the bond register as its absolute owner for all purposes, as provided in the Declaration.

IT IS HEREBY CERTIFIED, RECITED, AND DECLARED that all conditions, acts, and things required to exist, to happen, and to be performed precedent to and in the issuance of this Bond have existed, have happened, and have been performed in due time, form, and manner as required by the Constitution and Statutes of the State of Oregon; and that the issue of which this Bond is a part, and all other obligations of the County, are within every debt limitation and other limit prescribed by such Constitution and Statutes; and that the County has covenanted to levy a tax upon all taxable property within the County in an amount sufficient, with other available funds, to pay when due the interest on and the principal of the Bonds.

IN WITNESS WHEREOF, the Board of Commissioners of Lane County, Oregon, has authorized this Bond to be signed by the manual or facsimile signature of its County Official as of the ___ day of _____.

Lane County, Oregon

County Official

THIS BOND SHALL NOT BE VALID UNLESS PROPERLY AUTHENTICATED BY THE REGISTRAR IN THE SPACE INDICATED BELOW.

This Bond is one of a series of \$_____ aggregate principal amount of Lane County, Oregon General Obligation Refunding Bonds, Series 2003, issued pursuant to the Declaration described herein.

Date of authentication: _____, 2003.

, as Registrar

Authorized Officer

ASSIGNMENT
FOR VALUE RECEIVED, the undersigned sells, assigns and transfers unto _____

(Please insert social security or other
identifying number of assignee)

this Bond and does hereby irrevocably constitute and appoint _____ as
attorney to transfer this Bond on the books kept for registration thereof with the full power of substitution in the premises.
Dated: _____

NOTICE: The signature to this assignment must correspond with the name of the registered owner as it appears upon the face of this Bond in every particular, without alteration or enlargement or any change whatever.

NOTICE: Signature(s) must be guaranteed by a member of the New York Stock Exchange or a commercial bank or trust company

Signature Guaranteed

(Bank, Trust Company or Brokerage Firm)

Authorized Officer

The following abbreviations, when used in the inscription on the face of this Bond, shall be construed as though they were written out in full according to applicable laws or regulations.

- TEN COM -- tenants in common
- TEN ENT -- as tenants by the entireties
- JT TEN -- as joint tenants with right of survivorship
and not as tenants in common
- OREGON CUSTODIANS use the following
_____ CUST UL OREG _____ MIN
as custodian for (name of minor)
- OR UNIF TRANS MIN ACT
under the Oregon Uniform Transfer to Minors Act

Additional abbreviations may also be used though not in the list above.

IN THE BOARD OF COUNTY COMMISSIONERS OF LANE COUNTY, OREGON

ORDER NO.

IN THE MATTER OF AUTHORIZING THE REFUNDING OF THE SPECIAL OBLIGATIONS, SERIES 1993A, THE LIMITED TAX REVENUE BONDS, 1995 SERIES A, THE FULL FAITH AND CREDIT OBLIGATIONS, SERIES 2000 AND THE FULL FAITH AND CREDIT OBLIGATIONS, SERIES 2002A, AND AUTHORIZING THE FINANCING OF A FACILITY FOR THE COUNTY ELECTIONS DIVISION AND A PLAZA/FREE SPEECH AREA IN A PRINCIPAL AMOUNT NOT TO EXCEED \$3,100,000.

WHEREAS, Lane County, Oregon (the "County") is authorized by Oregon Revised Statutes Section 271.390 to enter into loan agreements to finance and refinance real or personal property which the Board of County Commissioners (this "Board") determines is needed, and to authorize certificates of participation in the right to receive the payments due from the County under those loan agreements; and

WHEREAS, the County is authorized by ORS 287.053 to make these loan agreements "limited tax bonded indebtedness" which the County is unconditionally obligated to pay; and

WHEREAS, the County issued Special Obligations in the aggregate principal amount of \$4,465,000 (the "Series 1993 A Obligations"), representing proportional interests in purchase payments to be made by the County for improvements to the County Courthouse and Richardson Park and the purchase of certain computer equipment pursuant to the Installment Purchase Agreement and the Trust Agreement dated March 1, 1993; and

WHEREAS, the County issued Limited Tax Revenue Bonds, 1995 Series A (the "1995 Series A Bonds") in an aggregate principal amount of \$1,750,000 to refinance the County's Bond Anticipation Notes, Series 1994, which were issued for the purpose of financing real and personal property (specifically, providing funds for various improvements to the County Courthouse and Jail); and

WHEREAS, the County issued Full Faith and Credit Obligations, Series 2000 in the aggregate principal amount of \$7,790,000 (the "Series 2000 Obligations"), representing proportional interests in purchase payments to be made by the County for financing a new mental health facility, and replacing, converting and upgrading an automated information system for local public safety and justice agencies; and

WHEREAS, the County issued Full Faith and Credit Obligations, Series 2002A in the aggregate principal amount of \$7,615,000 (the "Series 2002A Obligations"), representing proportional interests in purchase payments to be made by the County to refinance the County's 1998 Municipal Loan Agreement, which was issued to finance upgrades to the convention center, conversion of an existing livestock arena to an ice rink and construction of a new livestock arena at the County fairgrounds, and to finance capital improvements at the County fairgrounds; and

WHEREAS, the County is authorized to refinance either the Series 1993 A Obligations, the 1995 Series A Bonds, the Series 2000 Obligations, or the Series 2002A Obligations or all or any combination of those bonds and obligations (the "Refundable Obligations") pursuant to ORS 271.390 and ORS 287.053.

WHEREAS, the the County may be able to reduce its debt service costs by refunding the Refundable Obligations pursuant to ORS 271.390 and ORS 287.053; and

WHEREAS, this Board hereby determines that the facilities financed with the Refundable Obligations are needed, and that it is desirable to refinance the Refundable Obligations pursuant to ORS 271.390 and ORS 287.053; and

WHEREAS, pursuant to ORS 288.620 the approval of the State Treasurer is required before refunding obligations may be issued to refinance the 1995 Series A Bonds, the Series 2000 Obligations and the Series 2002A Obligations because the refunding of the 1995 Series A Bonds, the Series 2000 Obligations and the Series 2002A Obligations constitutes an advance refunding under Oregon law; and

WHEREAS, a refunding plan must be submitted to the State Treasurer demonstrating that the refunding will produce debt service savings before the State Treasurer may approve the refunding of the 1995 Series A Bonds, the Series 2000 Obligations or the Series 2002A Obligations; and

WHEREAS, Seattle-Northwest Securities Corporation has prepared a refunding plan for the 1995 Series A Bonds and will prepare a refunding plan for the Series 2000 Obligations and the Series 2002A Obligations if the County decides to refinance those obligations; and

WHEREAS, this Board hereby determines that the acquisition, construction and remodel of a new facility for the County Elections Division and the construction and remodel of a plaza/free speech area in front of the County Courthouse and Public Service Building (the "Projects") are needed, and that it is desirable to obtain financing for these Projects in an aggregate principal amount of not more than \$3,100,000 pursuant to ORS 271.390 and ORS 287.053; and

WHEREAS, 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; and

WHEREAS, the County reasonably expects to reimburse the expenditures it incurs for the Projects from the proceeds of obligations authorized by this Order; now, therefore,

IT IS HEREBY ORDERED that the County may refinance the Refundable Obligations under the authority of ORS 271.390 and ORS 287.053. However, the County shall not refinance the 1995 Series A Bonds, the Series 2000 Obligations or the Series 2002A Obligations if such refinancing does not produce sufficient debt service savings to satisfy Oregon law. The County may refinance the Series 1993 A Obligations if the County Official determines such refinancing produces worthwhile debt service savings. The net proceeds of the refunding obligations shall

not exceed the outstanding principal amounts of the Refundable Obligations to be refunded, plus any amounts required to pay costs of the refunding, rounded upward to allow principal to mature in multiples of \$5,000.

IT IS FURTHER ORDERED that the County may finance the Projects under the authority of ORS 271.390 and ORS 287.053, in an aggregate principal amount of not more than Three Million One Hundred Thousand Dollars (\$3,100,000).

IT IS FURTHER ORDERED that the County Administrator or the County Treasurer or the designee of either the County Administrator or the County Treasurer (the "County Official") is hereby authorized, on behalf of the County and without further action by this Board, to:

1. Negotiate, execute and deliver one or more loan agreements (the "Loan Agreements") for the refundings and the Projects which obligate the County to repay the principal amounts of the Loan Agreements with interest. The Loan Agreements shall constitute limited tax bonded indebtedness as defined in ORS 287.053 and the obligation of the County to make loan payments under the Loan Agreements shall be unconditional. 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 Agreements. Subject to the limitations of this Order, the Loan Agreements may be in such form and contain such terms as the County Official may approve.
2. Negotiate, execute and deliver one or more escrow agreements or similar document (the "Escrow Agreements") which provides for the issuance of one or more series of "certificates of participation" or "full faith and credit obligations" (the "Obligations") which represent ownership interests in the loan payments due from the County under the Loan Agreements. Subject to the limitations of this Order, the Escrow Agreements and the Obligations may be in such form and contain such terms as the County Official may approve.
3. Determine whether the interest payable on each Loan Agreement will be includable in gross income or excludable from gross income under the Internal Revenue Code of 1986, as amended (the "Code").
4. Covenant for the benefit of the owners of tax-exempt Obligations to comply with all provisions of the Code which are required for the interest component of loan payments payable under the related Loan Agreements to be excluded from gross income for federal income tax purposes.
5. Participate in the preparation of, authorize the distribution of, and deem final any official statement or other disclosure documents relating to the Obligations.
6. Undertake to provide continuing disclosure for the Obligations in accordance with Rule 15c2-12 of the United States Securities and Exchange Commission.
7. Apply for ratings for the Obligations, determine whether to purchase municipal bond insurance or obtain other forms of credit enhancements for the Obligations, enter into agreements with the providers of credit enhancement, and execute and deliver related documents.

8. Engage a verification agent, an escrow agent, or other professionals as necessary, enter into one or more escrow deposit agreements, and deposit the proceeds of the Obligations pursuant to the escrow deposit agreements.

9. Defease and call for redemption any of the obligations or bonds to be refinanced by the Obligations.

10. Execute and deliver the Obligations to their purchaser.

11. Determine the final principal amount of each Loan Agreement, the interest rate or rates which each principal installment due under the Loan Agreements shall bear, the County's prepayment rights and all other terms of each Loan Agreement and each series of Obligations.

12. Negotiate the sale of the Obligations with Seattle-Northwest Securities Corporation, or publish a notice of sale, receive bids and award the sale of the Obligations to the bidder complying with the notice and offering the most favorable terms to the County, or select one or more underwriters and negotiate the sale of the Obligations with those underwriters.

13. Apply amounts held in the reserves for the Series 1993 A Obligations to reduce the amount of the Loan Agreement which refinances the Series 1993 A Obligations, and apply amounts held in the reserves for the 1995 Series A Bonds to reduce the amount of the Loan Agreement which refinances the 1995 Series A Bonds.

14. Pay the arbitrage rebate on the Refundable Obligations.

15. Release any mortgages or liens on property financed with the Refundable Obligations.

16. Execute and deliver any other certificates or documents and take any other actions which the County Official determines are desirable to permit the sale and issuance of the Obligations in accordance with this Order.

17. Enter into other covenants, agreements and provisions which the County Official determines are necessary or appropriate to better secure the Obligations, and take any other actions which the County Official determines are appropriate to carry out this Order.

IT IS FURTHER ORDERED that the Board hereby declares its official intent to reimburse its expenditures on the Projects with the proceeds of the Obligations authorized by this Order.

DATED this 24th day of September, 2003.

APPROVED AS TO FORM
Date 9/15/03 lane county
Teresa J. Wilson
OFFICE OF LEGAL COUNSEL

Peter Sorenson, Chair
Lane County Board of Commissioners