

RESOLUTION NO. 82

A RESOLUTION PROVIDING FOR THE PUBLIC SALE OF AN \$85,000 GENERAL OBLIGATION INSTALLMENT WATER BOND OF THE CITY OF AURORA.

WHEREAS, a majority of the voters of the City of Aurora, Oregon, voting at a special election duly called and held within the City on Tuesday, March 31, 1981, approved of the issuance of \$85,000 of general obligation bonds to finance the construction and equipping of a new water well for municipal purposes; and

WHEREAS, the Farmers Home Administration of the United States of America has expressed interest in purchasing these bonds at an interest rate of 5% per annum; now, therefore,

THE CITY OF AURORA RESOLVES:

Section 1: The City of Aurora, Oregon, shall issue a general obligation installment water bond in the principal amount of EIGHTY-FIVE THOUSAND DOLLARS (\$85,000). The bond shall be dated July 1, 1981, and the principal thereof and interest thereon shall be payable in the following installments on or before the following dates:

Interest shall be paid semiannually on the first days of January and July, commencing January 1, 1982. Interest only shall be paid in 1982 and the sum of \$4,994.99 including interest shall be paid on the 1st day of July, 1983, and annually thereafter until the principal and interest is fully paid, except that the final installment of the entire indebtedness, if not sooner paid, shall be due and payable forty (40) years from the date of said bond. Coupons evidencing semiannual interest shall not be required, and the interest rate to be paid by the city shall be that specified by the successful bidder but not exceeding 5% per annum. Commencing in 1983 semiannual interest payments made on January 1st shall be deducted from payments made the following July 1st.

Section 2: Redemption: The City of Aurora reserves the right to pay all or part of the outstanding bond installments in inverse numerical order on any interest payment date without premiums or penalty. Notice of redemption shall be published at least once in a newspaper generally circulated within the City not less than thirty (30) days prior to the redemption date.

Section 3. Execution of Bond: The bond shall be executed with the manual signature of the Mayor and also the signature of the City Recorder and shall bear the actual or printed seal of the City.

Section 4: Bond to be General Obligation. The full faith and credit of the City of Aurora are hereby irrevocably pledged to the successive holders of the bond for the punctual payment of the principal of the bond with interest thereon as aforesaid. The City covenants with the holder of the bond to levy an annual ad valorem tax upon the taxable property within the City in an amount sufficient, with other available funds, to pay the maturing bond principal and interest. In addition the City hereby pledges the unobligated net revenues of the water system after payment of operation and maintenance expenses, to the payment of the bond and interest.

Section 5: Form of Bond. The bond shall be in substantially the following form:

STATE OF OREGON
COUNTY OF MARION
CITY OF AURORA, OREGON
GENERAL OBLIGATION WATER BOND

No. 1

\$85,000

KNOW ALL MEN BY THESE PRESENTS, that the City of Aurora, Marion County, Oregon, hereinafter called the "City" hereby acknowledges itself indebted and for value received promises to pay to bearer the principal sum of EIGHTY-FIVE THOUSAND DOLLARS (\$85,000) plus interest on the unpaid principal balance at the rate of _____ percent (___%) per annum. The said principal and interest shall be payable in the following installments on or before the following dates:

Interest shall be paid semiannually on the first days of January and July, commencing January 1, 1982. Interest only shall be paid in 1982 and the sum of \$4,994.99 including interest shall be paid on the 1st day of July, 1983, and annually thereafter until the principal and interest is fully paid, except that the final installment of the entire indebtedness, if not sooner paid, shall be due and payable forty (40) years from the date of this bond. Commencing in 1983, semi-annual interest payments made on January 1st shall be deducted from payments made the following July 1st. Coupons evidencing semi-annual interest shall not be required.

The City of Aurora reserves the right to pay all or part of the outstanding bond installments in inverse numerical order on any interest payment date without premiums or penalty. Notice of redemption shall be published at least once in a newspaper generally circulated within the City not less than thirty (30) days prior to the redemption date.

This bond shall be registered as to principal and interest in the name of the purchaser thereof in an appropriate book in the office of the Recorder of the City, each registration to be noted on the back hereof by said Recorder and no transfer hereof shall be valid unless made on said book and similarly noted on the back hereof.

Both the principal and interest shall be paid to the registered holder of this bond at the office of the Aurora City Recorder, in Aurora, Oregon.

This bond is issued to finance improvements to the water system of the City of Aurora and is authorized and issued by virtue of the majority vote of the legal voters of the City of Aurora, Oregon, voting at a special election called and held on the 31st day of March, 1981, and by virtue of Resolution No. 80 of the City of Aurora, Oregon, duly passed by the City Council, signed by the acting mayor and attested by the City Recorder on February 9, 1981, and pursuant to the Constitution and laws of the State of Oregon, and Charter of the City of Aurora, Oregon, and the laws amendatory thereof and supplemental thereto.

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 the Charter of the City of Aurora, and that the issue of which this bond is a part, and all other obligations of the City are within every debt limitation and other limit prescribed by law.

The full faith and credit of the City of Aurora are hereby pledged to the payment of the principal of and interest on this bond. The City covenants with the holder of this bond to levy an annual ad valorem tax upon the taxable property within the City in an amount sufficient with other available funds to pay the maturing principal and interest on the bond; and in addition the City has pledged the unobligated net revenues of the water system after the payment of operation and maintenance expenses, to the payment of this bond.

IN WITNESS WHEREOF, the City of Aurora has caused this bond to be signed by the Mayor of said City and its corporate seal to be affixed hereto, and attested by the Recorder of said City, all on the 1st day of July, 1981.

CITY OF AURORA, MARION COUNTY, OREGON

By: _____
Mayor

ATTEST:

City Recorder

BOND REGISTRATION

DATE: _____

Registered in the name of:

Address: _____

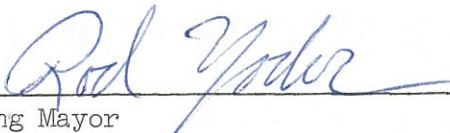
City Recorder

Section 6: Farmers Home Administration. The Farmers Home Administration of the United States of America has expressed an interest in purchasing this bond at an interest rate of five percent (5%) per annum. Pursuant to ORS 287.528 the City of Aurora may issue this bond to the Farmers Home Administration if no bids are received for the bond, or if the most favorable bid requires payment of interest at a net rate higher than that offered by the Farmers Home Administration. In that case, the City may readvertise the bond, or may sell it to the Federal Government or any of its departments or agencies without readvertisement. If the bond is sold to the Federal Government the bond may be issued in installment form.

Section 7: Sale of Bond. The bond shall be sold in accordance with the attached Notice of Bond Sale. The notice of sale shall be published in the Canby Herald, a newspaper generally circulated within the City of Aurora, at least two (2) times. The first publication shall not be more than 25 calendar days nor less than 15 calendar days preceding the date of the bond sale, and the last publication shall be not more than 14 calendar days nor less than 8 calendar days preceding the date of the bond sale. In addition, the notice shall be published in the Daily Journal of Commerce in Portland, Oregon, not more than 25 nor less than 15 calendar days preceding the date of the bond sale.

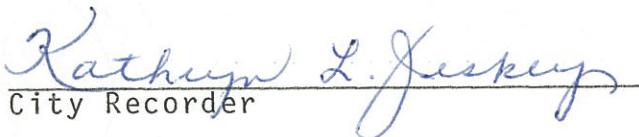
Section 8: Preliminary Official Statement. Counsel to the City of Aurora is authorized to prepare and circulate a preliminary official statement on behalf of the City of Aurora. The official statement shall be available for distribution to prospective purchasers not later than the date on which the notice of bond sale is first published.

ADOPTED by the Aurora City Council at a regular meeting thereof on the 28th day of April, 1981.



Acting Mayor

ATTEST:



City Recorder