

RESOLUTION NO. 1432

A RESOLUTION OF THE CITY OF PRINEVILLE, OREGON AUTHORIZING FINANCING OF A PROJECT AND REFINANCING OF AN OUTSTANDING BORROWING.

WHEREAS, the City of Prineville (the “City”) is authorized by Oregon Revised Statutes Section 271.390 to enter into financing agreements to finance or refinance real or personal property which the City Council determines is needed, and to authorize obligations evidencing the right to receive the payments due from the City under those financing agreements; and,

WHEREAS, the estimated weighted average life of a financing agreement may not exceed the estimated dollar weighted average life of the real or personal property to be financed or refinanced by such financing agreement; and,

WHEREAS, it is desirable to obtain financing in a maximum principal amount of \$2,400,000 to provide: a) a new public safety facility, including purchasing property, retrofitting, renovating, and furnishing property and demolishing the existing public safety building; or b) improve the City’s existing public safety building, including purchasing, retrofitting, renovating, and furnishing property (collectively, the “Project”); and,

WHEREAS, in 2018 the City borrowed money by entering into a \$4,000,000 financing agreement (the “Outstanding Borrowing”) with Zions Bancorporation, N.A. to finance the Project; and,

WHEREAS, Oregon Revised Statutes Sections 287A.360 through 287A.375 and ORS 271.390 authorize the City to refinance its borrowings; and,

WHEREAS, under current market conditions refinancing all or a portion of the Outstanding Borrowing may produce debt service savings or allow the City to favorably restructure;

NOW, THEREFORE, the City of Prineville resolves as follows:

Section 1. Financing for Project Authorized and Determination of Need.

The City Council hereby authorizes the City to borrow money to finance the Project and pay estimated costs related to the financing. The borrowings authorized by this Section 1 (the “Project Borrowings”) may be in a principal amount of not more than \$2,400,000.

The Project is needed, and each Project Borrowing shall be structured so that the estimated weighted average life of that Project Borrowing does not exceed the remaining estimated dollar weighted average life of the assets that are financed by it.

Section 2. Refunding Authorized and Determination of Need.

The City Council hereby authorizes the City to borrow money to refinance the Outstanding Borrowing to reduce the City's debt service expense or favorably restructure. The borrowings authorized by this Section 2 (the "Refinancing Borrowings" and collectively with the Project Borrowings the "2020 Borrowings") may be in a principal amount that is sufficient to pay the Outstanding Borrowing that is being refinanced and to pay estimated costs related to the refinancing.

The Project continues to be needed, and each Refinancing Borrowing shall be structured so that the estimated weighted average life of that Refinancing Borrowing does not exceed the remaining estimated dollar weighted average life of the assets that are refinanced by it.

Section 3. Security.

The 2020 Borrowings shall be secured by the City's full faith and credit and taxing power as provided in ORS 287A.315.

Section 4. Delegation.

The City Manager or the Finance Director, or the person designated by the City Manager to act on behalf of the City under this resolution (each of whom is referred to herein as a "City Official") is hereby authorized, on behalf of the City and without further action by the City Council, to:

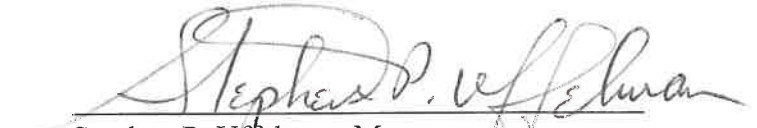
- 4.1 Enter into one or more 2020 Borrowings for the purposes in Section 1 and 2 of this resolution, and enter into one or more escrow agreements that authorize the escrow agent to issue obligations (the "2020 Obligations") that are payable from payments the City will make under the 2020 Borrowings.
- 4.2 Participate in the preparation of, authorize the distribution of, and deem final the preliminary and final official statements and any other disclosure documents for the 2020 Borrowings and 2020 Obligations.
- 4.3 Establish the final principal amounts, maturity schedules, interest rates, sale prices, redemption terms, payment terms and dates, record date and other terms of each series of the 2020 Borrowings and 2020 Obligations.
- 4.4 Publish a notice of sale, receive bids and award the sale of each series of 2020 Obligations to the bidder complying with the notice and offering the most favorable terms to the City, or select one or more underwriters, commercial banks or other investors and negotiate the sale of any series of the 2020 Borrowings or 2020 Obligations with those underwriters, commercial banks or investors.

- 4.5 Undertake to provide continuing disclosure for each series of the 2020 Borrowings and 2020 Obligations in accordance with Rule 15c2-12 of the United States Securities and Exchange Commission.
- 4.6 Appoint and enter into agreements with a paying agent, verification agent, escrow agent, registrar and any other professionals and service providers that the City Official determines are desirable in connection with the 2020 Borrowings or the 2020 Obligations.
- 4.7 Apply for ratings for each series of 2020 Borrowings and 2020 Obligations, determine whether to purchase municipal bond insurance or obtain other forms of credit enhancements for each series of 2020 Borrowings and 2020 Obligations, enter into agreements with the providers of credit enhancement, and execute and deliver related documents.
- 4.8 Determine whether each series of 2020 Borrowings and 2020 Obligations will bear interest that is excludable from gross income under the Internal Revenue Code of 1986, as amended, or is includable in gross income under that code. If a series bears interest that is excludable from gross income under that code, the City Official may enter into covenants to maintain the excludability of interest on that series of the 2020 Borrowings from gross income.
- 4.9 Determine whether the savings or restructuring produced by the Refinancing Borrowings are adequate to justify the refunding, and select the portion of the Outstanding Borrowing that will be refinanced.
- 4.10 Take any other actions to defease or refinance the Outstanding Borrowing.
- 4.11 Execute any documents and take any other action in connection with the 2020 Borrowings and 2020 Obligations which the City Official finds will be advantageous to the City.

Section 5. Effective Date.

This resolution is effective immediately upon adoption.

Approved by the City Council on this 7th day of April, 2020.



Stephen P. Uffelman, Mayor

ATTEST:



Lisa Morgan, City Recorder