

ORDINANCE NO. 283

AN ORDINANCE FOR THE ISSUANCE AND SALE OF CITY OF DRAIN, OREGON REVENUE BONDS IN THE PRINCIPAL SUM OF \$350,000 TO FARMERS HOME ADMINISTRATION FOR THE PURPOSE OF PROVIDING A PORTION OF THE COSTS, CONSTRUCTION OF A WATER SYSTEM WITHIN AND WITHOUT THE BOUNDARIES OF THE CITY OF DRAIN, OREGON: PROVIDING FOR THE FORM AND TERMS OF SAID BONDS, AUTHORIZING THE PAYMENT OF SAME, AND DECLARING AN EMERGENCY.

WHEREAS, the City Council of Drain, Oregon, has been duly authorized by a majority vote at a special election held September 18, 1979, to issue water bonds in an amount not to exceed the sum of \$350,000, in excess of any existing Bond issue, for the construction of a municipal water system within and without the City of Drain, Oregon, hereinafter called "Facility", and,

WHEREAS, said Bond authorization was duly published, advertising the sale of said Bonds and there were no bids received for the purchase of said Bonds at the time designated for the receipt of such bids; and concurrently therewith and subsequent thereto the City has commenced negotiations with the Farmers Home Administration of the United States Department of Agriculture, hereinafter called "Government", for financial assistance to construct said Facility, and,

WHEREAS, said Farmers Home Administration has indicated a desire to consider said financial assistance and as a result, it

is necessary to cause the execution and delivery of an installment Bond or other evidence of indebtedness to secure any loan or loans made, or insured, by the government and to comply with any requirements, terms and conditions prescribed by the Government or by Government regulations and to execute contracts or enter into agreements and to take any and all other action as may be necessary, incidental or appropriate to finance, construct, complete, equip and extend the Facility for and on behalf of the City, now therefore,

THE CITY OF DRAIN ORDAINS AS FOLLOWS:

Section 1. Determination of Council. It is necessary to defray a portion of the costs of constructing and equipping the Facility by obtaining a loan made by the Government in accordance with the applicable provisions of the Rural Development Act of 1972, it being determined by the Government that the City is unable to obtain sufficient credit elsewhere to finance the Facility taking into consideration prevailing private and cooperative rates and terms concurrently available.

Section 2. Terms of Loan. That the city borrow \$350,000 and issue as evidence thereof a Revenue Installment Water Bond for the full principal amount of the loan. The Bond shall be dated with the date of delivery thereof, and shall be in principal installments as follows:

<u>PROPOSED ISSUE AND DELIVERY DATE</u>	<u>PRINCIPAL AMOUNT</u>
December 16, 1980	\$350,000

The Bond hereby authorized shall be in substantially the following form:

UNITED STATES OF AMERICA

STATE OF OREGON

COUNTY OF DOUGLAS

CITY OF DRAIN, OREGON

REVENUE INSTALLMENT WATER BOND NO. 1

KNOW ALL PERSONS BY THESE PRESENTS: That the City of Drain, Douglas County, Oregon, hereinafter called the "Borrower", hereby acknowledges itself indebted and for value received, promises to pay to the order of the United States of America, acting through the Farmers Home Administration, United States Department of Agriculture, hereinafter called the "Government", the principal sum of Three Hundred and Fifty Thousand Dollars, plus interest on the unpaid principal balance at the rate of 5% of annum. The said principal and interest shall be payable in the following installments on or before the following dates:

The sum of \$20,398 to be paid on or before December 16, 1981, and the sum of \$20,398 annually thereafter on the 16th day of December, until the principal and said interest are fully paid, except that the final installment of the entire indebtedness evidenced hereby, if not sooner paid, shall be due and payable forty (40) years from the date of this Bond.

All or part of the outstanding Bond Installments may be paid in inverse order on any interest payment date without premiums.

This Bond shall be registered as to principal and interest in the name of the United States of America in an appropriate book in the Office of the Recorder of the Borrower, 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 United States of America as such registered holder at the office of the Farmers Home Administration serving Douglas County, Oregon.

Default hereunder shall constitute default under any other instrument evidencing a debt of Borrower owing to or insured by the Government or securing or otherwise relating to such debt, and default under any other such instrument shall constitute default hereunder upon default and Government in its option may

declare all or any part of said indebtedness immediately due and payable.

This Bond is given as evidence of a loan to Borrower made by the Government pursuant to the Rural Development Act of 1972, as amended, and shall be subject to the present regulations of the Farmers Home Administration and to its future regulations not inconsistent with the express provisions hereof.

This Bond is authorized and issued by virtue of the majority vote of the legal voters of the City of Drain, Oregon, voting at a special election called and held on the 18th day of September, 1979, and by virtue of Ordinance No. 283 of the City of Drain, Oregon, duly passed by the City Council and approved by the Mayor of said City on December 9, 1980, and pursuant to the Constitution and Laws of the State of Oregon, and Charter of the City of Drain, Oregon, and laws amendatory thereof and supplemental thereto.

This Bond and the interest thereon are payable solely from the unobligated net revenues of the water utility system of the City of Drain, Oregon, and neither the Bond nor the payment of interest imposes any general liability upon the said City for the payment thereof out of any monies other than net revenues of the water utility system. It is hereby covenanted by the City of Drain, Oregon, that so long as this Bond shall be outstanding and unpaid, or until there shall have been set apart solely for that purpose sums sufficient to pay when due the entire principal sum hereof together with interest accrued, or to accrue thereon, the City Council of the City of Drain, Oregon, shall fix and collect charges for water services, such as to provide revenue sufficient to pay, as the same shall become due, the principal and interest of this Bond, in addition to paying, as the same becomes due, the necessary expenses of operating, maintaining, renewing and replacing the water utility system of said City, and appropriate reserve funds for such purposes and all other obligations and indebtedness payable out of the revenues of said system.

This Bond is exchangeable at the sole expense of the Borrower at any time, upon ninety (90) days written notice, at the request of the registered owner hereof, and upon surrender of this Bond to Borrower at the Office of the Recorder of the Borrower for negotiable Coupon Bonds payable to bearer registered as to principal only of the denomination of \$1,000.00 each, in the aggregate principal amount equal to the unpaid principal amount of the Bond, and bearing interest on the unpaid principal balances at the rate of 5% per annum.

It is hereby certified, recited and declared that all acts, conditions and things required to exist, happen and 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 law, that the amount of this Bond, together with all obligations of the Borrower does not exceed any limits prescribed by the Constitution and Statutes of the State of Oregon and the Charter and Ordinances of the City of the City of Drain, Oregon.

IN WITNESS WHEREOF, the City of Drain, Oregon, 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 9 day of DECEMBER, 1980.

CITY OF DRAIN, DOUGLAS COUNTY, OREGON

By: LeRoy J. Lanley
Mayor

ATTEST:

Robert A. Gray
City Administrator/Clerk
of the Council Pro Tem

BOND REGISTRATION

DATE: December 16, 1980

Registered in name of:

United States of America
Farms Home Administration

Robert A. Gray
City Administrator/Clerk of the Council Pro Tem

Section 3. Pledge of Revenue. The unobligated net revenues of the water system after payment from gross revenue of the system of the ordinary operation and maintenance expenses thereof, hereby is pledged to the payment of the principal of and interest upon the said Bond. The funds derived from such sources shall be carried by the Recorder of the City in a separate book account to be designated DRAIN WATER BOND FUND and shall be expended only in the payment of the principal of and interest on said City of Drain, Oregon Water Bond until all of said obligations and any that may be issued to refund it have been fully paid and redeemed or until the provisions for the payment or redemption thereof has been made.

Section 4. Protection and Disposition of Funds. The City Administrator shall be the custodian of all funds of the City and all funds shall be deposited in a bank which is a member of the Federal Deposit Insurance Corporation. The City Administrator shall execute a Fidelity Bond in an amount not less than \$20,000 with a surety company approved by the Farmers Home Administration and the United States of America shall be named as co-obligee in such Bond and the amount thereof shall not be reduced without the prior written consent of Farmers Home Administration. The City Administrator is hereby directed to establish the following accounts into which the current funds of the City, Bond proceeds, the revenues from the Facility and other income shall be deposited, which accounts shall be continually maintained, except as otherwise provided, so long as the Bonds hereby authorized

remains unpaid.

(a) Construction Account. The proceeds of the Bond hereby authorized and any interim financing acquired shall be deposited in the Construction Account. Amounts in the Construction Account exceeding \$100,000.00 shall be secured by the depository bank in advance in accordance with State and Federal law. Withdrawal from the Construction Account shall be made only on checks signed by the City Administrator of the City as authorized by the City Council, countersigned by the Mayor or other authorized City official and only for the purposes for which said Bond was signed as specified in the estimate of costs. The City's share of any liquidated damages and other moneys paid by defaulting contractors of their sureties will be deposited in the Construction Account to assure completion of the Project. When the construction of the Facility has been completed or all construction costs have been paid for in full, any balance remaining in the Construction Account shall be used to pay outstanding installments on the Bond in inverse numerical order without premiums except that any balance in an amount insufficient to pay a whole installment will be transferred to the Reserve Account. The Construction Account shall then be closed.

(b) Revenue Fund Account. As soon as the Facility becomes revenue producing, the gross revenues shall be set aside into a separate account to be designated the Revenue Fund Account, and moneys so deposited therein shall be expended and used only in the manner and order as follows:

1. Operation and Maintenance Account (Bookkeeping Account). There shall be set aside and deposited each month before any other expenditures therefrom, sufficient portion of the income and revenue in the Revenue Account to pay the reasonable and necessary current expenses of operating and maintaining the Facility for the current month.

2. Debt Service Account (Bookkeeping Account). After the transfer required in 1. above, there shall be transferred each month from the Revenue Fund Account, before any other expenditures or transfer therefrom, and deposited in the Debt Service Account for payment of the annual installment of the Bond, a sum equal to at least one-twelfth of the annual installment becoming due on the next succeeding 16th day of December.

If the City for any reason shall fail to make such monthly deposit, then an amount equal to the deficiency shall be set apart and deposited in the Debt Service Account out of the gross revenues in the ensuing month or months, which amount shall be in addition to the regular monthly deposit required during each succeeding month or months.

Whenever there shall accumulate in the Debt Service Account amounts in excess of the requirements during the next twelve months for paying principal and interest on outstanding Bond installments, and in the Operation and Maintenance Account and the Reserve Account hereinafter established amounts in excess of the requirements thereof, such excess may be used by the City to make prepayments on the Bond.

3. Reserve Account (Bookkeeping Account). Out of the balance of income and revenue in the Revenue Fund Account remaining after the transfers required in 1 and 2 above have been made, there shall be set aside and deposited in the Reserve Account the sum of \$2,040.00 annually until there is accumulated in that fund the sum of \$20,400, after which no further deposits need be made into said account except to replace withdrawals. The Reserve Account shall be used and disbursed only for the purpose of paying the cost of repairing or replacing any damage to the Facility which may be caused by any unforeseen catastrophe, for making extensions or improvements to the Facility, and when necessary for the purpose of making payments of principal and interest on the bonds hereby authorized in the event the amount of the Debt Service Account is insufficient to meet such payments. Whenever disbursements are made from said Account, said deposits shall be resumed until there is again accumulated the amount of \$20,400, at which time deposits may be again discontinued.

Section 5. Other Covenants and Agreements of the City. The city covenants and agrees that so long as the bond hereby authorized remains unpaid;

(a) It will indemnify the Government for any payments made or losses suffered by the Government as a result of or in connection with the Facility.

(b) It will comply with applicable state laws and regulations and continually operate and maintain the Facility in good

condition.

(c) It will impose and collect such rates and charges for use of the Facility that gross revenues will be sufficient at all times to provide for the operation and maintenance thereof and the payments on the Bond thereby authorized and the maintenance of the various funds herein created; that all use of the Facility will be permitted.

(d) It will maintain complete books and records relating to the operation of the Facility and its financial affairs and will cause such books and records to be audited annually at the end of each fiscal year and an audit report prepared, and will furnish Farmers Home Administration, without request, a copy of each annual audit report. At all reasonable times Farmers Home Administration shall have the right to inspect the Facility and the records, accounts and data of the City relating thereto.

(e) It will maintain such insurance coverage as may be required by Farmers Home Administration.

(f) It will not borrow money from any source or enter into any contract or agreement or incur any other liabilities in connection with making extensions or improvements to the Facility exclusive of normal maintenance without obtaining the prior written consent of the Farmers Home Administration.

(g) It will not dispose of or transfer its title to the Facility or any part thereof, including lands and interest in lands, by sale, mortgage, lease or other encumbrance, without

obtaining prior written consent of Farmers Home Administration.

(h) It will cause to be levied and collected such assessments as may be necessary to operate and maintain the Facility in good condition and meet payments on the Bonds when the same becomes due if, for any reason, gross revenues are insufficient.

Section 6. Refinancing. If at any time it shall appear to the Government that the City is able to refinance the amount of the Bond then outstanding, in whole or in part, by obtaining a loan for such purposes from responsible cooperative or private credit sources, at reasonable rates and terms for loans for similar purposes and periods of time, the City will, upon request of the Government, apply for and accept such loan in sufficient amount to repay the Government and will take all such actions as may be required in connection with such loan.

Section 7. The Mayor and the City Administrator are hereby authorized and directed to execute for and on behalf of the City, Form FHA 400-1 entitled "Equal Opportunity Agreement", Form FHA 400-4 entitled "Non-discrimination Agreement," as required by the provisions of Title VI of the Civil Rights Act of 1964, and Form FHA 442-47, "Loan Resolution".

Section 8. This Ordinance shall take effect and be in effect and force from and after the 9th day of December, 1990 .

Section 9. Emergency Clause. The Council desires and deems it necessary and advisable for the immediate preservation of the health, peace and safety of the City of Drain that this Ordinance

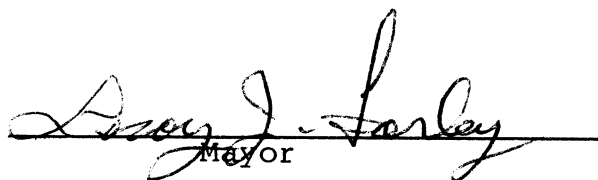
become effective at once, for the reason that the Water System of said town is inadequate to meet its needs and plans for the new construction and improvements must be commenced at once in order to be ready for use as soon as possible and, therefore, an emergency is hereby declared to exist and this Ordinance shall be in full force and effect from and after its passage and approval.

Passed by the Council the 9 day of Dec, 1980.


AYES: FIVE (5).

NAYS: ZERO (0).

Submitted to and approved by the Mayor on this 9 day of DECEMBER, 1980.


Mayor

ATTEST:


City Administrator/Clerk
of the Council Pro Tem

become effective at once, for the reason that the Water System of said town is inadequate to meet its needs and plans for the new construction and improvements must be commenced at once in order to be ready for use as soon as possible and, therefore, an emergency is hereby declared to exist and this Ordinance shall be in full force and effect from and after its passage and approval.

Passed by the Council the 9 day of Dec, 1980.

AYES: FIVE (5)

NAYS: ZERO (0)

Submitted to and approved by the Mayor on this 9 day of DECEMBER, 1980.

Henry J. Lanley
Mayor

ATTEST:

Robert A. Gray
City Administrator/Clerk
of the Council Pro Tem

STATE OF OREGON)
)
COUNTY OF DOUGLAS) ss.
)
CITY OF DRAIN)

I, Robert A. Gray, City Administrator, hereby certify that I am the duly appointed qualified and acting Clerk of the Council of said City, and as such in possession of the record book containing the records of the meetings of the City Council of said City;

That the foregoing is a full and correct copy of an ordinance duly and regularly adopted by said City Council at a regularly held meeting thereof, held on December 9, 1980, at which all the members present voted unanimously in favor of said ordinance; all as appears from said record book in my possession.

In Witness Whereof, I have hereunto set my official signature this 15th day of December, 1980.

Robert A. Gray
Robert A. Gray, Clerk of Council, Pro-Tem

*Copy to Fm HA
Certified
Jhus*

X

UNITED STATES OF AMERICA
STATE OF OREGON
COUNTY OF DOUGLAS
CITY OF DRAIN, OREGON

REVENUE INSTALLMENT WATER BOND NO. 1

KNOW ALL PERSONS BY THESE PRESENTS: That the City of Drain, Douglas County, Oregon, hereinafter called the "Borrower", hereby acknowledges itself indebted and for value received, promises to pay to the order of the United States of America, acting through the Farmers Home Administration, United States Department of Agriculture, hereinafter called the "Government", the principal sum of Three Hundred and Fifty Thousand Dollars, plus interest on the unpaid principal balance at the rate of 5% per annum. The said principal and interest shall be payable in the following installments on or before the following dates:

The sum of \$20,398 to be paid on or before December 16, 1981, and the sum of \$20,398 annually thereafter on the 16th day of December, until the principal and said interest are fully paid, except that the final installment of the entire indebtedness evidenced hereby if not sooner paid, shall be due and payable forty (40) years from the date of this Bond. In lieu of coupons evidencing semi-annual interest, unpaid accrued interest shall be paid on the 16th day of June of each year and the amount of interest so paid shall be deducted from the next succeeding installment of \$20,398 due the next succeeding 16th day of December.

All or part of the outstanding Bond Installments may be paid in inverse order on any interest payment date without premiums.

This Bond shall be registered as to principal and interest in the name of the United States of America in an appropriate book in the Office of the Recorder of the Borrower, 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 United States of America as such registered holder at the office of the Farmers Home Administration serving Douglas County, Oregon.

Default hereunder shall constitute default under any other instrument evidencing a debt of Borrower owing to or insured by the Government or securing or otherwise relating to such debt, and default under any other such instrument shall constitute default hereunder upon default and Government in its option may

DEC 16 1980

FILE WITH ORD. #283

declare all or any part of said indebtedness immediately due and payable.

This Bond is given as evidence of a loan to Borrower made by the Government pursuant to the Rural Development Act of 1972, as amended, and shall be subject to the present regulations of the Farmers Home Administration and to its future regulations not inconsistent with the express provisions hereof.

This Bond is authorized and issued by virtue of the majority vote of the legal voters of the City of Drain, Oregon, voting at a special election called and held on the 18th day of September, 1979, and by virtue of Ordinance No. 283 of the City of Drain, Oregon, duly passed by the City Council and approved by the Mayor of said City on December 9, 1980, and pursuant to the Constitution and Laws of the State of Oregon, and Charter of the City of Drain, Oregon, and laws amendatory thereof and supplemental thereto.

This Bond and the interest thereon are payable solely from the unobligated net revenues of the water utility system of the City of Drain, Oregon, and neither the Bond nor the payment of interest imposes any general liability upon the said City for the payment thereof out of any monies other than net revenues of the water utility system. It is hereby covenanted by the City of Drain, Oregon, that so long as this Bond shall be outstanding and unpaid, or until there shall have been set apart solely for that purpose sums sufficient to pay when due the entire principal sum hereof together with interest accrued, or to accrue thereon, the City Council of the City of Drain, Oregon, shall fix and collect charges for water services, such as to provide revenue sufficient to pay, as the same shall become due, the principal and interest of this Bond, in addition to paying, as the same becomes due, the necessary expenses of operating, maintaining, renewing and replacing the water utility system of said City, and appropriate reserve funds for such purposes and all other obligations and indebtedness payable out of the revenues of said system.

This Bond is exchangeable at the sole expense of the Borrower at any time, upon ninety (90) days written notice, at the request of the registered owner hereof, and upon surrender of this Bond to Borrower at the Office of the Recorder of the Borrower for negotiable Coupon Bonds payable to bearer registered as to principal only of the denomination of \$1,000.00 each, in the aggregate principal amount equal to the unpaid principal amount of the Bond, and bearing interest on the unpaid principal balances at the rate of 5% per annum.

It is hereby certified, recited and declared that all acts, conditions and things required to exist, happen and 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 law, that the amount of this Bond, together with all obligations of the Borrower does not exceed any limits prescribed by the Constitution and Statutes of the State of Oregon and the Charter and Ordinances of the City of the City of Drain, Oregon.

IN WITNESS WHEREOF, the City of Drain, Oregon, 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 15 day of DECEMBER, 1980.

CITY OF DRAIN, DOUGLAS COUNTY, OREGON

By: *Ray J. Laney*
Mayor

ATTEST:

Robert A. Gray
City Administrator/Clerk
of the Council Pro Tem

UNITED STATES OF AMERICA

STATE OF OREGON

COUNTY OF DOUGLAS

CITY OF DRAIN, OREGON

REVENUE INSTALLMENT WATER BOND NO. 1

VOID
12-16-80
Robert

KNOW ALL PERSONS BY THESE PRESENTS: That the City of Drain, Douglas County, Oregon, hereinafter called the "Borrower", hereby acknowledges itself indebted and for value received, promises to pay to the order of the United States of America, acting through the Farmers Home Administration, United States Department of Agriculture, hereinafter called the "Government", the principal sum of Three Hundred and Fifty Thousand Dollars, plus interest on the unpaid principal balance at the rate of 5% of annum. The said principal and interest shall be payable in the following installments on or before the following dates:

The sum of \$20,398 to be paid on or before December 16, 1981, and the sum of \$20,398 annually thereafter on the 16th day of December, until the principal and said interest are fully paid, except that the final installment of the entire indebtedness evidenced hereby, if not sooner paid, shall be due and payable forty (40) years from the date of this Bond.

Per Richard Roberts

All or part of the outstanding Bond Installments may be paid in inverse order on any interest payment date without premiums.

This Bond shall be registered as to principal and interest in the name of the United States of America in an appropriate book in the Office of the Recorder of the Borrower, 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 United States of America as such registered holder at the office of the Farmers Home Administration serving Douglas County, Oregon.

Default hereunder shall constitute default under any other instrument evidencing a debt of Borrower owing to or insured by the Government or securing or otherwise relating to such debt, and default under any other such instrument shall constitute default hereunder upon default and Government in its option may

CITY OF DRAIN REVENUE INSTALLMENT WATER BOND NO. 1

NO CHANGE IN FINANCIAL CONDITION CERTIFICATE

It is hereby certified by the Mayor and City Administrator of the City of Drain, ^{DOUGLAS}~~Lane~~ County, Oregon that no adverse change has occurred in the financial condition of the City of Drain, ^{DOUGLAS}~~Lane~~ County, Oregon, since the approval of the loan by the United States Government acting through the Farmers Home Administration, pursuant to its bid for the purchase of the \$350,000 City of Drain Revenue Installment Bond No. 1 dated December 16, 1980.

Dated this 16th day of December, 1980.

CITY OF DRAIN

By: Lloyd J. Lacey
Mayor

By: Robert A. Gray
City Administrator

Certificate

CITY OF DRAIN REVENUE INSTALLMENT WATER BOND NO. 1

CERTIFICATE OF DELIVERY AND PAYMENT

I, Wayne J. Laney, do hereby certify that I am the Mayor of the City of Drain, ^{DOUGLAS} ~~Lane~~ County, Oregon, and I Robert A. Gray, do hereby certify that I am the City Administrator of the City of Drain, ^{DOUGLAS} ~~Lane~~ County, Oregon, as of the date of this Certificate. I, we and each of us do certify that pursuant to the authority of the Common Council of the City of Drain, Lane County, Oregon, the Mayor and the City Administrator have executed, on behalf of the City and in its corporate name, Revenue Installment Water Bond No. 1 in the amount of \$350,000 dated December 16, 1980.

On behalf of the City of Drain, I, we and each of us hereby deliver said bonds to the United States Government acting through the Farmers Home Administration and I, we and each of us do acknowledge receipt of the purchase price thereof.

Dated this 16th day of December, 1980.

CITY OF DRAIN

By: Wayne J. Laney
Mayor

By: Robert A. Gray
City Administrator

CITY OF DRAIN REVENUE INSTALLMENT BOND NO. 1

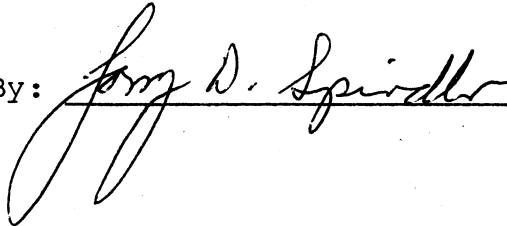
RECEIPT FOR BOND

For and on behalf of the United States Government, acting through the Farmers Home Administration, receipt is hereby acknowledged of the delivery to it of City of Drain, Lane County, Oregon Revenue Water Bond No. 1 in the amount of \$350,000 dated December 16, 1980. This Bond is manually executed by the Mayor and Recorder of the City of Drain, ^{DOUGLAS} ~~Lane~~ County, Oregon.

Dated this 16th day of December, 1980.

FARMERS HOME ADMINISTRATION

By:



Receipt for Bond

CITY OF DRAIN REVENUE INSTALLMENT WATER BOND NO. 1

SIGNATURE AND NONLITIGATION CERTIFICATE

We, the undersigned Mayor and City Administrator of the City of Drain, ^{DOUGLAS} ~~Lane~~ County, Oregon, do hereby certify that on the 16th day of December, 1980, we did officially sign Revenue Water Bond No. 1 in the amount of \$350,000 being dated December 16, 1980.

We certify that on the date of signing said Bond, we were the duly chosen, elected, qualified and acting officers indicated thereon and that we were authorized to execute the Bond.

We further certify that no litigation of any nature is now pending or threatened affecting the validity of said Bond Issue or restricting, or enjoining the issuance and delivery thereof to the Purchaser, or restricting or enjoining the payment of principal and interest thereon, nor in any way questioning the proceedings and the authority of this City to issue and pay said Bond in accordance with their tenure and terms; that neither the corporate existence nor the titles of the present officers to their respective offices are being contested and no change has occurred in the organization of the City of Drain since the date of the certification thereof affecting the issuance of this Bond, or the pledge of security therefor, and that no authority or proceedings for the issuance of the Bond has been repealed, revoked,

rescinded or enjoined.

Executed at Drain, Oregon this 15 day of December, 1980.

CITY OF DRAIN

By: Lesley J. Larley
Mayor

By: Robert A. Gray
City Administrator/Clerk of
the Council Pro Tem

I hereby certify that I am the Attorney for the City of Drain and that I am personally acquainted with the officers whose signatures appear above, also that I know they are now and were at the time of signing the same the duly qualified and acting officials of the City as indicated by their titles and I hereby identify the signatures together with the signatures on the above described Bond as being in all respects true and genuine.

Dated this _____ day of December, 1980.

Attorney