

ORDINANCE NO. 4645

AN ORDINANCE AMENDING ORDINANCE NO. 4638 RELATING TO THE ISSUANCE AND SALE OF THE CITY OF ALBANY, OREGON SEWER REVENUE BONDS SERIES 1984, AND DECLARING AN EMERGENCY.

The City Counsel being advised by Seattle-Northwest Securities Corporation as the Underwriter of the Sewer Revenue Bonds, Series 1984 in the principal amount of Three Million Dollars (\$3,000,000) that the marketing of the Bonds requires amendment to the maturity schedule and the creation of additional Term Bonds due 1999 and provision for mandatory redemption of the new Term Bonds and provision for a deficiency in the Debt Service Reserve Account and an amendment relating to the determination as to compliance with certain conditions for the issuance of additional bonds.

THE PEOPLE OF THE CITY OF ALBANY DO ORDAIN AS FOLLOWS:

Section 1. The City of Albany, Oregon (the "City") does amend Ordinance No. 4638 adopted July 18, 1984 by amending Section 1. thereof as follows:

"Section 1. The City of Albany, Oregon (the "City") does authorize the issuance and the sale of Sewer Revenue Bonds, Series 1984 in the principal amount of Three Million Dollars (\$3,000,000) (the "Bonds"). The Bonds will be issued in fully registered form, will be dated August 1, 1984, will be in denominations of \$5,000 or any integral multiple thereof, will be numbered sequentially beginning with R-1, will bear interest payable semiannually on the first day of February 1, 1985 and will mature on the first day of August in each year and in principal amounts as follows:

<u>Year</u>	<u>Amount</u>
1985	\$ 30,000.00
1986	35,000.00
1987	35,000.00
1988	40,000.00
1989	45,000.00
1990	50,000.00
1991	50,000.00
1992	50,000.00
1993	60,000.00
1994	70,000.00
1995	75,000.00
1996	80,000.00

\$305,000 Term Bonds due August 1, 1999

\$2,075,000 Term Bonds due August 1, 2009"

Section 2. Section 2. of Ordinance 4638 is amended as follows:

"Section 2.

(a) The Bonds maturing August 1, 1999 are subject to mandatory redemption prior to maturity, in part and by lot, as determined by the City on August 1, 1997, and on each August 1 thereafter, in the principal amounts as set forth below at a price of 100% of the principal amount thereof plus accrued interest to the date of redemption:

<u>Year</u>	<u>Amount</u>
August 1, 1997	\$ 90,000.00
August 1, 1998	100,000.00
August 1, 1999	<u>115,000.00</u>
TOTAL	\$305,000.00

(b) The Bonds maturing August 1, 2009 are subject to mandatory redemption prior to maturity, in part and by lot, as determined by the City on August 1, 2000, and on each August 1 thereafter, in the principal amounts as set forth below at a price of 100% of the principal amount thereof plus accrued interest to the date of redemption:

<u>Year</u>	<u>Amount</u>
August 1, 2000	\$ 120,000.00
August 1, 2001	140,000.00
August 1, 2002	155,000.00
August 1, 2003	170,000.00
August 1, 2004	185,000.00
August 1, 2005	210,000.00
August 1, 2006	235,000.00
August 1, 2007	255,000.00
August 1, 2008	285,000.00
August 1, 2009	<u>320,000.00</u>
TOTAL	\$2,075,000.00

Section 3. Section 8 of Ordinance No. 4638 is amended as follows:

"Section 8. The City does authorize the creation of a Debt Service Fund and a Debt Service Reserve Account ("Special Funds"). Immediately upon the sale and delivery of the Bonds the City shall deposit to the Debt Service Reserve Account an amount equal to the maximum annual debt service on the Bonds,

defined as the maximum amount in the aggregate of principal of and interest on the Bonds due in any one fiscal year. The August 1, 1999 Term Bonds and the August 1, 2009 Term Bonds shall be deemed to be amortized in the annual amounts of principal as are subject to mandatory redemption plus annual interest on the outstanding Bonds. The Debt Service Reserve Account and the moneys therein are irrevocably pledged to the payment of the Bond debt service, and in event of insufficient funds available for maturing principal and interest the Debt Service Reserve Account may be drawn upon in the amount of any debt service deficiency. Any deficiency in the Debt Service Reserve Account shall be restored from the next available Net Revenues, and funds in the Debt Service Reserve Account may be applied upon the final maturity of the principal of and interest on the Bonds."

Section 4. Section 11 of Ordinance No. 4638 paragraph (c) is amended as follows:

"(c) The City shall obtain and have on file a certificate from an independent professional engineer or certified public accountant determining that the Net Revenues (gross revenues less operation and maintenance and administrative expenses including waste water treatment collection, maintenance and administrative costs) in any twelve (12) consecutive months within the 24 months immediately preceding the issuance of such Additional Bonds equals 1.3 times the maximum annual debt service of the Bonds and of the proposed Additional Bonds.

In determining whether the City complies with the conditions for the issuance of Additional Bonds the following adjustments may be made to the Net Revenues in the certificate as required in Subparagraph (c) above:

(i) Any rate change that has taken place or previously has been approved and is effective may be reflected in the Net Revenues of the twelve month term;

(ii) Any increase in the Net Revenues estimated to result from any additions, betterments and improvements to and extensions of the Sewer System which become operational during such twelve month period, or were under construction at the time of such certificate may be included in the determination;

(iii) Additional revenues to be realized from sewer users added to the Sewer System during or subsequent to the twelve-month term;"

Section 5. The First Interstate Bank of Oregon, N.A. is designated as the "Custodian" to hold and retain as the custodial bank all funds deposited from the proceeds of the Sewer Revenue Bonds, Series 1984 into the Debt Service Reserve Account. The City Recorder is authorized to enter into an appropriate custodian agreement with the Custodian.

Section 6. Except as provided herein, in all other respects Ordinance No. 4638 shall remain in full force and effect.

Section 7. It is hereby declared that the City must proceed promptly with the construction and installation of the facilities to be constructed from the proceeds of the Bonds and for the purposes of promptly acting upon a bond purchase proposal from the Underwriters it is necessary for the immediate preservation of the public peace, health and safety that this Ordinance shall be in full force and effect from and after its passage by the City Council.

PASSED BY THE COUNCIL:

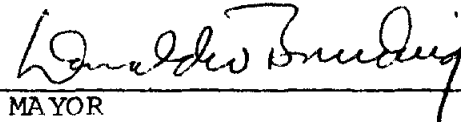
August 8, 1984

APPROVED BY THE MAYOR:

August 10, 1984

EFFECTIVE DATE:

August 8, 1984



MAYOR

ATTEST:



CITY RECORDER