

ORDINANCE NO. 1969

(An ordinance authorizing the issuance of water revenue bonds to finance construction of, improvements to, and expansion of the water system for a total not to exceed \$30,000,000)

WHEREAS, the City of Hood River, Hood River County, Oregon (the "City") is authorized to issue revenue bonds for any public purpose under Oregon's Uniform Revenue Bond Act (ORS 288.805 to 288.945 or the "Act"). Revenue bonds issued under the Act may be payable from all or any portion of the "revenues" of the City, as defined in the Act. The Act defines "revenues" to include all fees, tolls, taxes, and other income available to the City;

WHEREAS, the Act permits the City to authorize revenue bonds by enacting a nonemergency ordinance. The City may not sell those revenue bonds for thirty days after the nonemergency ordinance is enacted. If the nonemergency ordinance is referred to a vote during that thirty day period, the City may not sell the revenue bonds described in that ordinance unless the voters approve the ordinance;

WHEREAS, the City desires to authorize the issuance of up to \$30,000,000 of water revenue bonds to finance the construction of, improvements to and expansion of the water system (the "Project") and the costs of issuing the revenue bonds

WHEREAS, the City is currently eligible to receive federal Stimulus Funds, but could lose its if enactment of this ordinance is delayed after its approval;

WHEREAS, the federal Stimulus Funds are needed for the City to proceed with the water main replacement project and further delay of this project will result in further deterioration of the City's water main;

WHEREAS, the public health, safety and welfare will be substantially negatively impacted if the City does not receive the Stimulus Funds or have the ability to begin the water main replacement project in a timely manner;

WHEREAS, preservation of the public health, safety, and welfare require this ordinance to become effective immediately upon passage; and

WHEREAS, the City will cause a plan to be prepared showing that the estimated revenues that are pledged to pay the bonds will be sufficient to pay those bonds.

NOW, THEREFORE, THE CITY OF HOOD RIVER ORDAINS AS FOLLOWS:

Section 1. Revenue Bonds Authorized. The City hereby authorizes the issuance of not more than Thirty Million Dollars (\$30,000,000) in aggregate principal amount of revenue bonds under the Act to finance costs of the Project and costs of issuing the revenue bonds. The bonds shall be payable from the revenues of the City's water system, and the City may pledge those revenues, and any other "revenues" (as defined in the Act) to pay the bonds authorized by this ordinance. Prior to selling the bonds the City Council shall adopt a resolution or ordinance establishing the

terms and conditions of the bonds pursuant to ORS 288.520, or delegating the authority to establish those terms and conditions.

Section 2. No Additional Taxes Authorized; Bonds Payable Solely from Revenues. Neither the authorization nor the issuance of the bonds described in Section 1 of this ordinance shall authorize the City to levy any additional taxes.

Section 3. Procedure. The bonds described in Section 1 of this ordinance shall not be sold until the period of referral of this nonemergency ordinance has expired. If this ordinance is referred, the City may not sell the bonds described in Section 1 of this ordinance unless the voters approve this ordinance.

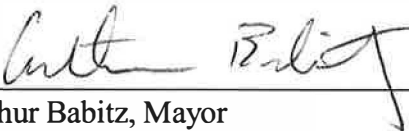
Section 4. Reimbursement. The City hereby declares its official intent to reimburse its expenditures on the Project with the proceeds of the bonds described in Section 1 of this ordinance pursuant to United States Treasury Regulation 1.150-2.

Section 5. This ordinance supercedes Ordinance No. 1941.

Read for the first time: March 23, 2009.

Read for the second time and passed on: March 27th, 2009, to become effective immediately.

Signed March 27th, 2009.



Arthur Babitz, Mayor

ATTEST:



Jennifer McKenzie, City Recorder