

PORT OF NEWPORT  
LINCOLN COUNTY, OREGON

ORDINANCE NO. 2, 1989

AN ORDINANCE OF THE PORT OF NEWPORT, LINCOLN COUNTY, OREGON AMENDING ORDINANCE NO. 1, 1989; AUTHORIZING ENTERING INTO A COMPROMISE AGREEMENT WITH THE FARMERS HOME ADMINISTRATION FOR THE REFUNDING OF OUTSTANDING BONDS; AND AUTHORIZING THE USE OF BOND PROCEEDS FOR PAYMENT OF INTERIM FINANCING.

WHEREAS, the Port of Newport, Lincoln County, Oregon (the "Issuer") on January 23, 1989 adopted Ordinance No. 1, 1989 authorizing the issuance of the Port of Newport, Lincoln County, Oregon General Obligation Refunding Bonds, Series 1989, for the purpose of providing funds for a compromise of indebtedness and refinancing of outstanding general obligation installment bonds issued by the Issuer to the United States of America, by and through the Department of Agriculture, Farmers Home Administration.

WHEREAS, the compromise agreement with Farmers Home Administration requires that the compromise and refunding of the general obligation installment bonds shall occur on or before February 9, 1989. Heretofore, the Issuer has received bids for the purchase of the General Obligation Refunding Bonds, Series 1989, but finds that proceeds from such sale will not be available to the Issuer for the purposes of the compromise and refunding until on or about February 23, 1989. The Board of Port Commissioners of the Issuer have heretofore, by Resolution, authorized the issuance of short-term interim refunding bonds and has accepted an offer of purchase from the United States National Bank of Oregon.

WHEREAS, the Issuer has pledged the proceeds of the General Obligation Refunding Bonds, Series 1989, to secure the payment of the Short-Term Interim Refunding Bond (the "Interim Refunding Bond"). It is necessary to amend Ordinance No. 1, 1989 to authorize the use and application of the proceeds of the Interim Refunding Bond to the payment of the compromise and refunding of the general obligation installment bonds and to provide that the proceeds of the General Obligation Refunding Bonds, Series 1989, shall first be applied, pursuant to the pledge and lien thereon, to the payment of the Interim Refunding bond, and that the General Manager be authorized to enter into the compromise

agreement as authorized by Ordinance No. 1, 1989 and to execute any and all documents as may reasonably be necessary for the settlement of such compromise agreement and payment of the indebtedness and refunding of the general obligation installment bonds.

NOW, THEREFORE, THE BOARD OF PORT COMMISSIONERS OF THE PORT OF NEWPORT, LINCOLN COUNTY, OREGON ORDAINS AS FOLLOWS:

Ordinance No. 1, 1989 is amended as follows:

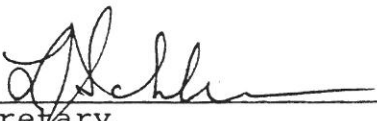
(i) The proceeds of the Port of Newport, Lincoln County, Oregon General Obligation Refunding Bonds, Series 1989, in accordance with the pledge and lien upon such proceeds, shall be applied upon payment of the Interim Refunding Bond;

(ii) The General Manager of the Issuer is authorized to enter into the compromise agreement with the Farmers Home Administration for the refunding of the general obligation installment bonds and to take such action and to execute such other and reasonable documents as may be appropriate to the closing of the compromise agreement and the refunding of the general obligation installment bonds and the payment of Interim Refunding Bond.

Approved and adopted this 8th day of February, 1989.

  
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President  
Board of Port Commissioners

Attest:

*Acting*   
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Secretary  
Board of Port Commissioners