

PORT OF NEWPORT
ORDINANCE NO. 2, 1966

AN ORDINANCE PROVIDING FOR THE ISSUANCE, OFFER FOR SALE AND SALE OF REVENUE BONDS OF THE PORT OF NEWPORT, NEWPORT, OREGON, IN THE SUM OF THIRTY THOUSAND DOLLARS (\$30,000.) TO PROVIDE FUNDS TO CONSTRUCT A SMALL BOAT LAUNCHING FACILITY AND APPROXIMATELY 400 FEET OF MOORAGE FLOATS ON PORT OF NEWPORT PROPERTY IN YAQUINA BAY, NEWPORT, OREGON, PROVIDING AND APPROVING THE FORM OF BONDS TO BE ISSUED AND SOLD (AND COUPONS ATTACHED THERETO), AND TO PROVIDE FOR THE ADVERTISING THEREOF AND FOR SALE OF SAID BONDS AND AUTHORIZING THE EXECUTION AND DELIVERY THEREOF.

WHEREAS, the PORT OF NEWPORT is a duly incorporated Municipal Corporation under and by virtue of the statutes of the State of Oregon, and as such is in good standing, and

WHEREAS, the PORT OF NEWPORT did, pursuant to Section 777.565 Oregon Revised Statutes, pass a Resolution authorizing and directing that Notice be published as required by said Statute, that action upon this Ordinance will be taken at a special meeting of the PORT OF NEWPORT to be held April 19, 1966 at 8:00 p.m. at the Port Office in Newport, Oregon; that said notice was duly published in the Newport Graphic Review, Newport, Oregon, in its issues of March 31 and April 7, 1966, said newspaper being an official newspaper of general circulation within said Port District and that proof of publication, with a copy of said Notice is hereto attached, marked "Exhibit A" and is herewith adopted and made a part hereof by reference as if fully set forth herein; and

WHEREAS, the special meeting of the PORT OF NEWPORT held at the office of the PORT OF NEWPORT, NEWPORT, OREGON, was duly called to order by the Vice-President and upon roll call vote a legal quorum answered "present"; whereupon the Vice-President called for anyone objecting to said proposed Revenue Bond issue to voice his objection and no objections being heard;

NOW, THEREFORE, IT IS ORDAINED BY THE BOARD OF COMMISSIONERS OF THE PORT OF NEWPORT:

Section 1. That the PORT OF NEWPORT shall issue and sell Revenue Bonds in its name and with its corporate seal in the amount of \$30,000., said bonds to be in conformance as set forth in Section 5 of this Ordinance.

Section 2. That the proceeds from the sale of said Revenue Bonds shall be used solely for the purpose of constructing a small boat launching facility and approximately 400 feet of moorage floats on PORT OF NEWPORT property in Yaquina Bay, Newport, Oregon.

Section 3. That the proceeds from the sale of said Revenue Bonds shall be deposited in a special trust fund in the Lincoln Bank, Lincoln City, Oregon, which is a member of the Federal Deposit Insurance Corporation, to be designated as PORT OF NEWPORT, Yaquina Bay Boat Launch and Moorage Special Trust Fund, which special trust fund is hereby created and the Lincoln Bank of Lincoln City, Oregon, a member of the Federal Deposit Insurance Corporation is hereby appointed trustee to administer the same for the purposes herein set forth.

Moneys in said "PORT OF NEWPORT, Yaquina Bay Boat Launch and Moorage Special Trust Fund" shall be secured by the bank in which they are kept in the manner prescribed by statutes relating to the securing of public funds. Where the moneys on deposit in said account exceed the estimated disbursements on account of the project for the next 90 days (three months)

the district may direct the bank to invest such excess funds in direct obligations of, or obligations the principal and interest of which are guaranteed by the United States government, which shall mature not later than three (3) years after the date of such investment and which shall be subject to redemption at any time by the holder thereof. Any moneys remaining in said account after all costs of the project have been paid shall be promptly used, to the extent possible, for the redemption of said bonds, and any residue shall be deposited in the Port of Newport, Yaquina Bay Boat Launch and Moorage Sinking Fund Account described in paragraph 5 below.

Section 4. The district will establish and maintain in the Lincoln Bank, Lincoln City, Oregon, which is a member of the Federal Deposit Insurance Corporation, so long as any of the Port of Newport, Yaquina Bay Boat Launch and Moorage Revenue Bonds, Series 1966 are outstanding, a separate account called "Yaquina Bay Boat Launch and Moorage Revenue Bond Account" into which shall be deposited all income and revenues derived from the ownership and operation of the Yaquina Bay Boat Launch and Moorage and which shall be expended and used only in the manner and order specified in the next three paragraphs immediately hereinafter contained.

Section 5. Current expenses of the Yaquina Bay Boat Launch and Moorage shall be payable, as a first charge, from the Yaquina Bay Boat Launch and Moorage Revenue Bond Account as the same become due and payable. The term "Current Expenses" shall include all necessary operating expenses, current, maintenance charges, expenses of reasonable upkeep and repairs, charges for insurance and all other expenses incidental to the operation of the Yaquina Bay Boat Launch and Moorage, but shall exclude depreciation and payments into the Yaquina Bay Boat Launch and Moorage Revenue Bonds, Series 1966 and Interest Sinking Fund Account hereinafter established.

Section 6. The district agrees, promises and shall establish and maintain in the Lincoln Bank, Lincoln City, Oregon, which is a member of the Federal Deposit Insurance Corporation, so long as any of the Yaquina Bay Boat Launch and Moorage Revenue Bonds, Series 1966 are outstanding, a separate account called the "Yaquina Bay Boat Launch and Moorage Revenue Bonds, Series 1966 and Interest Sinking Fund Account" into which shall be deposited all accrued interest received from the sale of the bonds. In addition, commencing as soon as the construction and installation of the Yaquina Bay Boat Launch and Moorage is completed, on or before each December 15, and June 15, the district shall deposit to the credit of said account the balance remaining in the "Yaquina Bay Boat Launch and Moorage Revenue Bond Account" after payment of Current Expenses, and any other funds which may be available until the funds on deposit in the "Yaquina Bay Boat Launch and Moorage Revenue Bonds, Series 1966 and Interest Sinking Fund Account" are sufficient to provide the then current year's debt service plus a reserve in the amount of \$3,000.00 and, thereafter, such sums as may be necessary to meet the then current year's debt service and maintain the debt service reserve in the amount of \$3,000.00.

Section 7. As soon as the deposits have been made as provided in paragraphs 4 and 6 immediately above the district promises to establish and maintain in the Lincoln Bank, Lincoln City, Oregon, which is a member of the Federal Deposit Insurance Corporation, a separate account called the "1966 Repair and Replacement Fund Account" into which shall be deposited monthly to the credit of said account the balance remaining in the "Yaquina Bay Boat Launch and Moorage Revenue Bond Account" until the sum of \$1500.00 has been accumulated and, thereafter such sums as may be necessary to maintain said account in the amount of \$1500.00. Funds on deposit in the "1966 Repair and Replacement Fund Account" shall be used to pay for necessary repairs and replacements to the Yaquina Bay Boat Launch and Moorage. However, in the event funds on deposit in the "Yaquina Bay Boat Launch and Moorage Revenue Bonds, Series 1966 and Interest Sinking Fund Account" should be reduced below the amount required to meet current debt service plus the reserve of

\$3,000.00, funds on deposit in the "1966 Repair and Replacement Fund Account" may be transferred to that Account to the extent required to eliminate the deficiency.

Section 8. Subject to the foregoing provisions, the district shall have the right to use the balance of excess funds in the Yaquina Bay Boat Launch and Moorage Revenue Bond Account" to redeem outstanding Yaquina Bay Boat Launch and Moorage Revenue Bonds, Series 1966 in amounts of not less than \$1,000.00 par value at one time or for any other lawful purpose.

Section 9. The district further promises and agrees to maintain and collect so long as any of the Yaquina Bay Boat Launch and Moorage Revenue Bonds, Series 1966, and any additional Yaquina Bay Boat Launch and Moorage Revenue Bonds that may be issued as hereinafter provided are outstanding, such schedule of rates and charges for services as may be necessary to provide for current debt service on the bonds, the establishment and maintenance of the debt service reserve and payment of reasonable expenses of operation and maintenance of the boat launch and moorage.

Section 10. The district further promises and agrees with the holders of the Yaquina Bay Boat Launch and Moorage Revenue Bonds, Series 1966, that additional serial Revenue Bonds having a lien upon and payable from the revenues of Yaquina Bay Boat Launch and Moorage may be issued upon a parity with this issue for the purpose of constructing, improving or acquiring extensions, additions or betterments to the Yaquina Bay Boat Launch and Moorage provided:

- (a) That the district is in full compliance with all of the covenants and understanding in connection with all of its Yaquina Bay Boat Launch and Moorage Revenue Bonds then outstanding and payable from the revenues of the Yaquina Bay Boat Launch and Moorage or any part thereof;
- (b) The annual net revenues defined as gross revenues less current expenses of the Yaquina Bay Boat Launch and Moorage for twelve consecutive months immediately preceeding the issuance of additional Revenue Bonds, as shown by a certificate of audit prepared by an independent public accountant employed by the district, plus the anticipated average annual net revenue for the first 36 month period in which the proposed improvements, extensions, additions or betterments to the Yaquina Bay Boat Launch and Moorage will be in operation, as shown by a certificate of an independent recognized consulting engineer and approved by the chief officer and governing body of the district are at least 1.40 times the maximum annual debt service on all the Revenue Bonds then outstanding and on the additional bonds proposed to be issued.

Section 11. The district further promises and agrees that in the event additional series of parity bonds are issued, it shall:

- (a) Adjust the amount of the debt service reserve to a sum equal to not less than twice the maximum annual debt service on the bonds then outstanding and such additional parity bonds, the additional debt service reserve to be accumulated in the manner hereinbefore provided;
- (b) Adjust the amount of the "Building Repair and Replacement Account" commensurate with the character, scope and cost of the improvements, extensions, additions or betterments to be constructed or acquired with the proceeds of such additional bonds, the additional amount to be accumulated in the manner hereinbefore provided, and

- (c) Make such additional bonds payable as to principal on July 1 of each year in which principal falls due and payable as to interest on July 1 and January 1, of each year.

Section 12. If in any subsequently issued series of bonds secured by a parity lien on the revenues of the Yaquina Bay Boat Launch and Moorage it is provided that excess revenues in the Revenue Fund Account shall be used to redeem bonds in advance of scheduled maturity it is agreed and understood (1) that calls of bonds will be applied to each series of bonds on an equal prorata basis (reflecting the proportion of the original amount of each series of bonds outstanding at the time of such call) and (2) that calls of bonds for each series of bonds will be in accordance with the call provisions of the respective bond series. However, the district shall have the right to call, subject to the call provisions of the respective bond series, any or all outstanding bonds which may be called at par prior to calling any bonds that are callable at a premium.

Section 13. The district at all times shall keep and maintain the Yaquina Bay Boat Launch and Moorage in an efficient manner and at a reasonable cost.

Section 14. That the Revenue Bonds shall be 30 in number, numbered from 1 to 30 inclusive, and shall aggregate the sum of \$30,000.00 in denominations of \$1,000.00, all to mature as follows:

<u>NUMBER</u>	<u>MATURITY</u>	<u>AMOUNT OF PRINCIPAL</u>
1 through 2	July 1, 1967	\$2000.00
3 through 4	July 1, 1968	\$2000.00
5 through 6	July 1, 1969	\$2000.00
7 through 8	July 1, 1970	\$2000.00
9 through 10	July 1, 1971	\$2000.00
11 through 12	July 1, 1972	\$2000.00
13 through 14	July 1, 1973	\$2000.00
15 through 16	July 1, 1974	\$2000.00
17 through 18	July 1, 1975	\$2000.00
19 through 20	July 1, 1976	\$2000.00
21 through 22	July 1, 1977	\$2000.00
23 through 24	July 1, 1978	\$2000.00
25 through 26	July 1, 1979	\$2000.00
27 through 28	July 1, 1980	\$2000.00
29 through 30	July 1, 1981	\$2000.00

Section 15. That the Revenue Bonds shall be printed or lithographed and in substantially the following form, to-wit:

NO. _____ UNITED STATES OF AMERICA \$1000.00
 STATE OF OREGON
 PORT OF NEWPORT, YAQUINA BAY BOAT LAUNCH
 AND MOORAGE REVENUE BONDS, SERIES 1966

PORT OF NEWPORT, Lincoln County, Oregon, acknowledges itself indebted and for value received hereby promises to pay to the bearer on the first day of July, 19____, the sum of

ONE THOUSAND DOLLARS

and to pay interest thereon at the rate of _____ per annum, payable on the first days of January and July in each year until maturity, upon surrender of the annexed interest coupons as they severally become due. Both the principal of and the interest upon this bond are payable in lawful money of the United States of America at the Lincoln Bank, Lincoln City, Oregon.

This bond is one of a series of like date and tenor, except as to maturity, aggregating the sum of Thirty Thousand Dollars (\$30,000.00), and is issued for the purpose of providing funds for the construction of a boat launch and moorage facility. The Port of Newport secures the holder of this bond by granting a first lien on, and pledge of, and payable solely from the net revenues derived from the operation and/or ownership of the facilities to be constructed.

Principal and interest on these revenue bonds are payable solely out of the revenues of the Port of Newport pledged to the payment thereof as hereinabove set forth and as more fully set forth in Ordinance No. 2, 1966, of the Port of Newport, adopted April 19, 1966.

It is hereby certified that every requirement of law relating to the issue of this series of bonds has been duly complied with and that this bond is within every debt and other limit prescribed by the Constitution and laws of the State of Oregon; that the PORT OF NEWPORT has not committed use of the funds or the anticipated pledged revenue to be used for any other purpose other than the payment of this bond issue.

Bonds numbered 1 through 15, inclusive, maturing July 1, 1967, through July 1, 1974, inclusive are not callable. Bonds numbered 16 through 30, inclusive of this issue, maturing July 1, 1974 through July 1, 1981 inclusive, are subject to call and redemption at the option of the PORT OF NEWPORT in whole or in part and in inverse numerical order on any interest payment date during the entire life of the loan upon at least thirty (30) days prior notice at par plus accrued interest to the date of redemption. Notice of redemption shall be given by publication in a newspaper of general circulation in the Port District.

IN WITNESS WHEREOF, the Board of Commissioners of the PORT OF NEWPORT, Lincoln County, Oregon, has caused this bond to be signed by its President and its Secretary, and has caused the annexed interest coupons to bear the facsimile signatures of its said officers, this first day of July, 1966.

PORT OF NEWPORT

By _____
Secretary

By _____
President

Section 16. That each of said Revenue Bond issue shall have attached thereto a coupon for each six months interest with the signature of the President and Secretary of the Board of Commissioners, signed or lithographed thereon. Each coupon maturing on or prior to July 1, 1974, inclusive being bonds numbered 1 through 15, both inclusive shall be in substantially the following form, to-wit:

Coupon No. _____ (July) 19 _____
(or January)

On _____ PORT OF NEWPORT,
Lincoln County, Oregon, will pay to bearer _____ Dollars
in lawful money of the United States of America at the Lincoln Bank, Lincoln City,
Oregon, for six months interest then due on Port of Newport, Yaquina Bay
Boat Launch and Moorage Revenue Bonds, Series 1966, No. _____.

Dated July 1, 1966.

Countersigned:

President, Board of Commissioners

Secretary, Board of Commissioners

Section 17. All coupons maturing on or after July 1, 1974, being on bonds numbered 16 through 30 both inclusive shall be in substantially the following form, to:wit

Coupon No. _____ (July)
(or January, 19____)

On _____ unless the bond to which this coupon is attached shall have previously been called for redemption and due provision made for payment thereof, Port of Newport, Lincoln County, Oregon, will pay to bearer _____ Dollars in lawful money of the United States of America at Lincoln Bank, Lincoln City, Oregon, for six months' interest then due on Port of Newport, Yaquina Bay Boat Launch and Moorage Revenue Bonds, Series 1966, No. _____.

Dated: July 1, 1966.

Countersigned:

President, Board of Commissioners

Secretary, Board of Commissioners

Section 18. Said Revenue Bonds shall be sold to the highest responsible bidder for not less than 98% of their par value, and the entire amount of accrued interest thereon and to the bidder offering the lowest effective interest rate to the district, taking into consideration and account such items of cost as have been or shall be charged by the bidder in connection with the purchase of the bonds, and such premiums or discounts as are offered with interest being computed to the respective maturity dates.

Section 19. That the Secretary of the Board of Commissioners be, and he hereby is, authorized and directed to publish an advertisement and notice of sale of said bonds in the Newport News, Newport, Oregon, a newspaper of general circulation in Lincoln County, Oregon, once a week for three successive weeks, and in the Daily Journal of Commerce, published in Portland, Oregon, in one issue and that said advertisement and notice of sale shall call for the opening of bids on the 17th day of May, 1966 at 8:00 p.m. in the Port office in Newport, Oregon.

ADOPTED by the Board of Commissioners of the PORT OF NEWPORT, Lincoln County, Oregon, at a special meeting assembled April 19, 1966.

Tom Lashbaugh
VICE-PRESIDENT
Board of Commissioners

ATTEST:

John A. Sullon
Secretary
Board of Commissioners