

October 15, 2020

21-062

PORTLAND COMMUNITY COLLEGE, MULTNOMAH, WASHINGTON, YAMHILL, CLACKAMAS, AND COLUMBIA COUNTIES, OREGON AUTHORIZING THE ISSUANCE, SALE AND DELIVERY OF GENERAL OBLIGATION REFUNDING BONDS; DESIGNATING AN AUTHORIZED REPRESENTATIVE, DELEGATING THE APPROVAL AND DISTRIBUTION OF THE PRELIMINARY AND FINAL OFFICIAL STATEMENTS; AUTHORIZING EXECUTION OF BONDS AND RELATED MATTERS

PREPARED BY: Eric Blumenthal, Vice President, Finance and Administration

FINANICAL RESPONSIBILTY: Eric Blumenthal, Vice President, Finance and Administration

APPROVED BY: Mark Mitsui, President

REPORT: The District is authorized pursuant to the Oregon Constitution and Oregon Revised Statutes Chapter 287A to issue refunding bonds for the refunding of all or a portion of its outstanding general obligation bonds.

The District previously issued its General Obligation Bonds, Series 2013 (the "Refundable Bonds") for capital projects which were authorized by approving vote of the electors of the District.

Staff now finds that current favorable municipal bond market interest rates make it advantageous to the District and its citizens through continued reduction of the property tax burden to refund all or a portion of the Refundable Bonds. Staff seeks the delegated authority from the Board to the District President, Executive Vice President or Vice President of Finance and Administration and designees to move forward with this refunding.

The District adopts this resolution to provide the terms under which the general obligation refunding bonds will be sold and issued and to authorize the issuance of the general obligation refunding bonds.

RECOMMENDATION: That the Board of Directors adopts Resolution 21-062 as specified in Exhibit B to provide the terms under which the general obligation refunding bonds will be sold and issued, and to authorize the issuance of the general obligation refunding bonds to refund all or a portion of the outstanding Series 2013 Bonds.

21-062

Exhibit B

THE BOARD OF DIRECTORS OF PORTLAND COMMUNITY COLLEGE, LOCATED IN MULTNOMAH, WASHINGTON, YAMHILL, CLACKAMAS AND COLUMBIA COUNTIES, OREGON HEREBY RESOLVES:

SECTION 1. FINDINGS

The Board of Directors (the "Board") of Portland Community College, located in Multnomah, Washington, Yamhill, Clackamas and Columbia Counties, Oregon a community college district of the State of Oregon (the "District") finds:

a. The District previously issued its General Obligation Bonds, Series 2013 (the "Refundable Bonds") for projects which were authorized by approving vote of the electors of the District; and

b. The District is authorized pursuant to the Oregon Constitution and Oregon Revised Statutes Chapter 287A to issue refunding bonds for the refunding of all or a portion of its outstanding Refundable Bonds; and

c. The District has determined that it is in the best interest of the taxpayers of the District to refund all or a portion of the Refundable Bonds. The Authorized Representative shall select the portion of such Refundable Bonds to be refunded in accordance with Section 8 hereof; and

d. The District adopts this resolution to provide the terms under which the refunding bonds will be sold and issued and to authorize the refunding of all or a portion of the Refundable Bonds.

SECTION 2. REFUNDING BONDS AUTHORIZED

The District hereby authorizes the issuance of General Obligation Refunding Bonds (the "Refunding Bonds") in an aggregate principal amount sufficient to refund all or a portion of the Refundable Bonds and to pay the costs related to the refunding and the issuance of the Refunding Bonds.

Piper Sandler & Co. is hereby authorized, on behalf of the District to submit an advance refunding plan and any amendments to such plan to the Oregon State Treasurer for review and approval to the extent required by law and the District hereby ratifies and confirms all actions taken prior to and after adoption of this resolution in connection with such submission.

SECTION 3. DESIGNATION OF AUTHORIZED REPRESENTATIVES

The Board designates the President, Executive Vice President or Vice President of Finance and Administration (each an "Authorized Representative") or a designee of an Authorized Representative to act on behalf of the District as specified in Section 8 hereof.

SECTION 4. SECURITY

Pursuant to ORS 287A.315, the District hereby pledges its full faith and credit and taxing power to pay the Refunding Bonds. The District hereby covenants for the benefit of the Owners to levy annually, as necessary, a direct ad valorem tax upon all of the taxable property within the District which is sufficient, after taking into consideration discounts taken and delinquencies that may occur in the payment of such taxes and other legally available amounts, to pay all Bond principal and interest when due. This tax shall be in addition to all other taxes of the District, and this tax shall not be limited in rate, amount or otherwise, by Sections 11 or 11b of Article XI of the Oregon Constitution.

SECTION 5. FORM OF REFUNDING BONDS

The Refunding Bonds shall be issued in substantially the form as approved by the Authorized Representative. The Refunding Bonds may be printed or typewritten, and may be issued as one or more temporary Refunding Bonds which shall be exchangeable for definitive Refunding Bonds when definitive Refunding Bonds are available.

SECTION 6. EXECUTION OF REFUNDING BONDS

The Refunding Bonds shall be executed on behalf of the District with the manual or facsimile signature of an Authorized Representative of the District.

SECTION 7. REDEMPTION

The Refunding Bonds may be subject to optional redemption or mandatory redemption prior to maturity as determined under Section 8 hereof.

SECTION 8. DELEGATION FOR ESTABLISHMENT OF TERMS AND SALE OF THE REFUNDING BONDS

The Authorized Representative is hereby authorized, on behalf of the District without further action of the Board (and such actions of the Authorized Representative, if taken prior to the adoption of this resolution, are hereby affirmed and authorized), to:

- a. establish the principal and interest payment dates, principal amounts, interest rates, denominations, redemption provisions and all other terms of the Refunding Bonds;
- b. determine if the Refunding Bonds shall be placed with a bank or other financial institution or sold to the public markets;

- c. negotiate the terms under which the Refunding Bonds shall be sold; enter into a bond purchase agreement for the sale of the Refunding Bonds which incorporates those terms; and execute and deliver such bond purchase agreement with Piper Sandler & Co. for a public sale or with a selected bank or financial institution for a private sale;
- d. enter into covenants regarding the use of the proceeds of the Refunding Bonds and the projects refinanced with the proceeds of the Refunding Bonds;
- e. appoint a registrar and paying agent for the Refunding Bonds, if necessary;
- f. select the maturities of the Refundable Bonds to be refunded and cause notice of call, defeasance, and redemption to be given as required by law;
- g. appoint an escrow agent and execute and deliver any documents necessary to refund all or a portion of the Refundable Bonds including submission of an advance refunding plan to the State;
- h. appoint a municipal advisor for the advance refunding;
- i. subscribe for and obtain eligible securities to be deposited in an escrow fund for the Refundable Bonds; to the extent that any such action has been taken prior to the date of this Resolution, such action is hereby ratified;
- j. appoint a certified public accounting firm to act as verification agent to produce a report demonstrating the ability of the escrow account to meet all future debt service and related costs relative to the Refundable Bonds, if necessary;
- k. take such actions as are necessary to qualify the Refunding Bonds for the book-entry only system of The Depository Trust Company if required;
- l. approve of and authorize the distribution of the preliminary and final official statements for the Refunding Bonds, if required;
- m. obtain one or more ratings on the Refunding Bonds if determined by the Authorized Representative to be in the best interest of the District, and expend Bond proceeds to pay the costs of obtaining such rating;
- n. obtain municipal bond insurance on the Refunding Bonds if determined by the Authorized Representative to be in the best interest of the District, execute and deliver any agreement required in connection with such insurance, and expend Bond proceeds to pay any bond insurance premium;
- o. apply to participate in the Oregon School Bond Guaranty Program, if available and deemed appropriate, execute any documents in connection with such program and expend Refunding Bond proceeds to pay any guaranty premium;
- p. approve, execute and deliver a Continuing Disclosure Certificate pursuant to SEC Rule 15c2-12, as amended (17 CFR Part 240, § 240.15c2-12), if required;

q. approve, execute and deliver the Refunding Bonds closing documents and certificates;

r. determine if the Refunding Bonds shall be issued as federally tax-exempt or taxable obligations;

s. make any clarifying changes or additional covenants not inconsistent with this Resolution; and

t. execute and deliver a certificate specifying the action taken by the Authorized Representative pursuant to this Section 8 and any other certificates, documents or agreements that the Authorized Representative determines are desirable to issue, sell and deliver the Refunding Bonds in accordance with this Resolution.

SECTION 9. DEFAULT AND REMEDIES.

The occurrence of one or more of the following shall constitute an Event of Default under this Resolution and the Refunding Bonds:

a. Failure by the District to pay Refunding Bond principal, interest or premium when due (whether at maturity, or upon redemption after a Refunding Bond has been properly called for redemption);

b. Failure by the District to observe and perform any covenant, condition or agreement on its part to be observed or performed for the benefit of Owners of Refunding Bonds, for a period of sixty (60) days after written notice to the District by the Owners of fifty-one (51%) percent or more of the principal amount of Refunding Bonds then Outstanding specifying such failure and requesting that it be remedied; provided however, that if the failure stated in the notice cannot be corrected within such sixty (60) day period, it shall not constitute an Event of Default so long as corrective action is instituted by the District within the sixty (60) day period and diligently pursued, and the default is corrected as promptly as practicable after the written notice referred to in this paragraph; or,

c. The District is adjudged insolvent by a court of competent jurisdiction, admits in writing its inability to pay its debts generally as they become due, files a petition in bankruptcy, or consents to the appointment of a receiver for the payments.

The Owners of fifty-one (51%) percent or more of the principal amount of Refunding Bonds then Outstanding may waive any Event of Default and its consequences, except an Event of Default as described in (a) of this Section.

Upon the occurrence and continuance of any Event of Default hereunder the Owners of fifty-one (51%) percent or more of the principal amount of Refunding Bonds then Outstanding may take whatever action may appear necessary or desirable to enforce or to protect any of the rights of the Owners of Refunding Bonds, either at law or in equity or in bankruptcy or otherwise, whether for the specific enforcement of any covenant or agreement contained in this Resolution or the Refunding Bonds or in aid of the exercise of any power granted in this Resolution or in the Refunding Bonds or for the

enforcement of any other legal or equitable right vested in the Owners of Refunding Bonds by the Resolution or the Refunding Bonds or by law. However, the Refunding Bonds shall not be subject to acceleration.

No remedy in this Resolution conferred upon or reserved to Owners of Refunding Bonds is intended to be exclusive and every such remedy shall be cumulative and shall be in addition to every other remedy given under this Resolution or now or hereafter existing at law or in equity. No delay or omission to exercise any right or power accruing upon any default shall be construed to be a waiver thereof, but any such right and power may be exercised from time to time and as often as may be deemed expedient. To entitle the Owners of Refunding Bonds to exercise any remedy reserved to them, it shall not be necessary to give any notice other than such notice as may be required by this Resolution or by law.

SECTION 10. DEFEASANCE

The District may defease the Refunding Bonds by setting aside, with a duly appointed escrow agent, in a special escrow account irrevocably pledged to the payment of the Refunding Bonds to be defeased, cash or direct obligations of the United States in an amount which, in the opinion of an independent certified public accountant, is sufficient without reinvestment to pay all principal and interest on the defeased Refunding Bonds until their maturity date or any earlier redemption date. Refunding Bonds which have been defeased pursuant to this Section shall be deemed paid and no longer outstanding, and shall cease to be entitled to any lien, benefit or security under this Resolution except the right to receive payment from such special escrow account.

SECTION 11. ESTABLISHMENT OF ACCOUNT

The following account shall or has been created which account shall be continually maintained, except as otherwise provided, so long as the Refunding Bonds remain unpaid.

Debt Service Account. The District shall maintain the debt service account in the District's debt service fund for the payment of principal, premium, if any, and interest on the Refunding Bonds as they become due. All accrued interest, if any, and all taxes levied and other moneys available for the payment of the Refunding Bonds shall be deposited to the debt service account.

SECTION 12. PROFESSIONALS

The District hereby appoints Hawkins Delafield & Wood LLP as bond counsel for the issuance of the Refunding Bonds and Piper Sandler & Co., as underwriter or placement agent.

SECTION 13. RESOLUTION TO CONSTITUTE CONTRACT

In consideration of the purchase and acceptance of any or all of the Refunding Bonds by those who shall own the Refunding Bonds from time to time (the "Owners"), the

provisions of this Resolution shall be part of the contract of the District with the Owners and shall be deemed to be and shall constitute a contract between the District and the Owners. The covenants, pledges, representations and warranties contained in this Resolution or in the closing documents executed in connection with the Refunding Bonds, including without limitation the District's covenants and pledges contained in Section 4 hereof, and the other covenants and agreements herein set forth to be performed by or on behalf of the District shall be contracts for the equal benefit, protection and security of the Owners, all of which shall be of equal rank without preference, priority or distinction of any of such Refunding Bonds over any other thereof, except as expressly provided in or pursuant to this Resolution.

ADOPTED by the Board of Directors of Portland Community College, located in Multnomah, Washington, Yamhill, Clackamas and Columbia Counties, Oregon this 15th day of October, 2020.

**PORTLAND COMMUNITY COLLEGE
MULTNOMAH, WASHINGTON, YAMHILL,
CLACKAMAS AND COLUMBIA COUNTIES,
OREGON**

By: _____
Mohamed Alajouri, Chair, Board of Directors

ATTEST:

By: _____
Mark Mitsui, President