

NOTE RESOLUTION NO. 640

A RESOLUTION OF LANE COMMUNITY COLLEGE, LANE, LINN, BENTON AND DOUGLAS COUNTIES, OREGON AUTHORIZING THE ISSUANCE AND SALE OF A TAX AND REVENUE ANTICIPATION PROMISSORY NOTE, SERIES 2020A; AUTHORIZING PARTICIPATION IN THE OREGON EDUCATION DISTRICTS SHORT-TERM BORROWING PROGRAM SERIES 2020A; APPROVING AND AUTHORIZING EXECUTION OF DOCUMENTS; PLEDGING FULL FAITH AND CREDIT AND FUNDS DEPOSITED IN A SPECIAL ACCOUNT; AND DESIGNATING A DISTRICT REPRESENTATIVE.

WHEREAS, the Board of Directors of Lane Community College, Lane, Linn, Benton and Douglas Counties, Oregon (the "District"), finds that, prior to the receipt of sufficient monies from tax collections and from other available revenues, there is a need for the District to contract indebtedness not to exceed the limitations in Oregon Revised Statutes ("ORS") Chapter 287A.180, by the issuance of a short-term promissory note (the "Note") to meet the District's on-going expenses and to pay the District's proportionate share of the costs of issuance of the Certificates, defined below; and

WHEREAS, the District has adopted or will adopt a budget, providing for the collection of ad valorem property tax revenues and other budgeted revenues. ORS Chapter 287A.180 permits the issuance of tax and revenue anticipation notes in an amount which does not exceed 80% of the taxes or other revenues, except grant moneys, that the District has budgeted or otherwise reasonably expects to have available to pay the Note and which mature not later than thirteen (13) months after the date the Note is issued; and

WHEREAS, the Oregon Education Districts Short-Term Borrowing Program (the "Program") is a structure whereby Oregon public school districts, education service districts and community colleges electing to participate in the Program (the "Participating Districts") may simultaneously issue their notes and, collectively, provide for the issuance, sale and delivery of Certificates of Participation, Series 2020A (the "Certificates") representing proportionate interests of the registered owners of the Certificates in the aggregate amount of notes of the Participating Districts; and

WHEREAS, each Participating District shall create a special account to be known as the Series 2020A Tax Anticipation Note Payment Account, to which each Participating District shall deposit, on a date to be determined by the District Representative (as defined herein), as required by each Participating District's note purchase agreement (the "Note Purchase Agreement"), ad valorem taxes and other District revenues in anticipation of which the Note is issued in an amount sufficient to pay principal and interest on the Note at maturity, as security for the Participating District's payment of its Note; and

WHEREAS, the District hereby selects Piper Sandler & Co., as Underwriter or Placement Agent for the Notes, and Hawkins Delafield & Wood LLP as Note Counsel for the issuance of the Notes; and

WHEREAS, the District has determined that participation in the Program is conditional upon the adoption and submission of this resolution (the "Note Resolution"). The District shall be deemed a Participating District of the Program upon receipt of this Note Resolution by Piper Sandler & Co.;

NOW, THEREFORE, THE BOARD OF DIRECTORS OF LANE COMMUNITY COLLEGE, LANE, LINN, BENTON AND DOUGLAS COUNTIES, OREGON RESOLVES, as follows:

Section 1. Issuance of Promissory Note. The District authorizes the contracting of indebtedness by the issuance of the Note for the purpose of meeting its on-going expenses. The Note shall be issued in an amount not to exceed \$4,350,000, and shall include the District's pro rata share of the estimated costs of issuance of the Certificates. The President or Chief Financial Officer of the District is designated as the District Representative (each a "District Representative") or a designee of the District Representative to act on behalf of the District.

Section 2. Note Provisions. The Note shall be payable in a principal amount equal to the amount of indebtedness evidenced thereby, shall be dated the date of delivery and closing, shall be payable to the Trustee at least two (2) business days before the maturity date, may be subject to prepayment prior to maturity, and may have a maturity which extends beyond the fiscal year, all as determined by the District Representative. The Note shall bear interest payable at maturity, at a rate calculated on a 360-day year comprised of twelve 30-day months. The Note shall be executed by the facsimile signature of the Board Chair and attested to by a District Representative for and on behalf of the District. The amount of the Note shall not exceed the District's estimated maximum cash flow deficit plus working capital reserve as defined in regulations of the United States Treasury.

Section 3. Participation in Program. Upon the adoption and submission of this Note Resolution, the District does authorize and approve of participation in the Program with other Participating Districts. The District Representative is authorized to deliver this Note Resolution to Piper Sandler & Co., as evidence of the participation by the District.

Section 4. Distribution, Use of and Provision for Payment of Note. The Note proceeds less costs of issuance shall be deposited in the District's general fund, as a budget resource, as appropriated by each District. The District covenants to appropriate sufficient funds for the payment of the District's Note together with interest thereon to the date of maturity and payment of the Note. The District shall establish a separate Series 2020A Tax Anticipation Note Payment Account, to which the District shall deposit, on a date as determined by the District Representative in accordance with the Note Purchase Agreement, ad valorem taxes or payment of revenues sufficient to pay the Note at least two (2) business days before the maturity date, as determined by the District Representative. Investment earnings, after full funding of principal and interest in the Series 2020A Tax Anticipation Note Payment Account, on a date as determined by the District Representative in accordance with the Note Purchase Agreement, may be transferred to the District's general fund. The District shall appropriate as an interest expenditure the interest due on the Note.

Section 5. Security for the Note. The Note is payable from the general non-restricted revenues of the District and other funds which may be lawfully available for that purpose including the District's ad valorem property taxes subject to the limits of Article XI, Sections 11 and 11b of the Oregon Constitution. The District hereby pledges the full faith and credit of the District to the payment of principal of and interest on the Note. The District also hereby pledges the money and investments in the Series 2020A Tax Anticipation Note Payment Account to the payment of principal and interest on the Note.

Section 6. Estimated Costs of Issuance. The District agrees to pay its proportionate share of the estimated costs of issuance of the Certificates. Each District's proportionate share of the estimated costs of issuance of the Certificates shall be included in the principal amount of the note of each Participating District.

Section 7. Notice of Events to Municipal Securities Rulemaking Board. If required by the Note Purchase Agreement, the District agrees to provide or cause to be provided to the MSRB, in a timely manner not in excess of ten business days after the occurrence of the event, notice of any of the following events with respect to the Note:

- a. principal and interest payment delinquencies;
- b. non-payment related defaults, if material;
- c. unscheduled draws on debt service reserves reflecting financial difficulties;
- d. unscheduled draws on credit enhancements reflecting financial difficulties;
- e. substitution of credit or liquidity providers, or their failure to perform;
- f. adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the security, or other material events affecting the tax status of the security;
- g. modifications to rights of security holders, if material;
- h. bond calls, if material, and tender offers;
- i. defeasances;
- j. release, substitution, or sale of property securing repayment of the securities, if material;
- k. rating changes;
- l. bankruptcy, insolvency, receivership or similar event of the obligated person;
(Note: For the purposes of the event identified in this paragraph 1, the event is considered to occur when any of the following occur: The appointment of a receiver, fiscal agent or similar officer for an obligated person in a proceeding under the U.S. Bankruptcy Code or in any other proceeding under state or federal law in which a court or governmental authority has assumed jurisdiction over substantially all of the assets or business of the obligated person, or if such jurisdiction has been assumed by leaving the existing governing body and officials or officers in possession but subject to the supervision and orders of a court or governmental authority, or the entry of an order confirming a plan of reorganization, arrangement or liquidation by a court or governmental authority having supervision or jurisdiction over substantially all of the assets or business of the obligated person.)
- m. the consummation of a merger, consolidation, or acquisition involving an obligated person or the sale of all or substantially all of the assets of the obligated person, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material;
- n. appointment of a successor or additional trustee or the change of name of a trustee, if material;
- o. incurrence of a financial obligation of the District if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a financial obligation of the District, any of which affect security holders, if material. For the purposes of this paragraph and the paragraph below, "financial obligation" means a (i) debt obligation; (ii) derivative instrument entered into in connection with, or pledged as security or a source of payment for, an existing or planned debt obligation; or (iii) a guarantee of (i) or (ii); the term "financial obligation" shall not

include municipal securities as to which a final official statement has been provided to the MSRB consistent with the Rule; and

p. default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a financial obligation of the District, any of which reflect financial difficulties.

The District may from time to time choose to provide notice of the occurrence of certain other events, in addition to those listed above, if, in the judgment of the District, such other event is material with respect to the Note, but the District does not undertake any commitment to provide such notice of any event except those events listed above.

Section 8. Delegation to District Representative. The District Representative is hereby authorized by the Board to: a) determine the par amount to be borrowed in consultation with Piper Sandler & Co. and Hawkins Delafield & Wood LLP; b) execute a Trust Agreement if required by the Program; c) determine if the Note shall be certificated pursuant to a joint program all as required by the Program; d) establish the issuance date, maturity date and redemption date, if any, and all other terms for the Note; e) approve and authorize the distribution of a preliminary offering circular and a final offering circular if required for the Program; f) obtain one or more ratings or credit enhancement, if required for the Program; g) if applicable, designate the Note as a “qualified tax-exempt obligation” within the meaning of Section 265(b)(3)(B) of the Internal Revenue Code of 1986, as amended; and h) take all actions necessary and execute all documents required for participation in the Program.

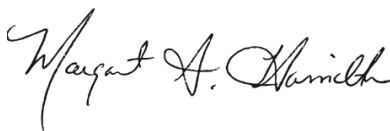
Section 9. Execution of Program Documents. The District Representative shall provide certified copies of the proceedings of the District as contemplated by this Note Resolution, together with the executed counterparts of the documents authorized for execution herein and such other documents as may be necessary and proper under the Program for the closing of the sale of the Notes.

DATED this 15th day of April, 2020.

LANE COMMUNITY COLLEGE
LANE, LINN, BENTON AND DOUGLAS COUNTIES, OREGON



By:
Mike Eyster, Board of Education Chair



By:
Margaret Hamilton, President