

CITY OF RUSTON, WASHINGTON

ORDINANCE NO. 1398

AN ORDINANCE of the City of Ruston, Washington, extending the maturity of the City's Sewer Revenue Bond Anticipation Note, 2011, and otherwise confirming the terms of that note, sold to U.S. Bank National Association to establish a line of credit to pay costs of improvements to the City's sewage treatment facilities.

WHEREAS, pursuant to Ordinance No. 1329 of the City of Ruston (formerly the Town of Ruston), Washington (the "City"), passed on February 22, 2011, the City authorized certain improvements to the City's sewage treatment facilities (as more fully described in that ordinance, the "Project"), and has received grant and loan commitments from the United States Department of Agriculture, Rural Development ("Rural Development") to pay a portion of the costs of the Project; and

WHEREAS, Rural Development requires that the City obtain interim financing for the Project pending completion of the Project; and

WHEREAS, to provide such interim financing the City issued its Sewer Revenue Bond Anticipation Note, 2011, in the principal amount of not to exceed \$4,900,000 (the "Note"), and has sold the Note to U.S. National Association (the "Bank") to establish a line of credit with the Bank; and

WHEREAS, the Project is nearly complete, but the long-term loan from Rural Development cannot be closed prior to the current maturity date for the Note on February 28, 2013, and the Bank has agreed to extend the maturity of the Note, as provided herein;

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF RUSTON, WASHINGTON, as follows:

Section 1. Definitions. Unless otherwise defined in this ordinance, all capitalized terms used herein have the meanings given those terms in Ordinance No. 1329 of the City, passed on February 22, 2011.

Section 2. Extension of Maturity of Note. The City Council hereby approves an extension of the maturity of the Note to May 29, 2013. All other terms and conditions of the Note as set forth in Ordinance No. 1329 are hereby ratified and confirmed. The proper officials of the City are hereby authorized and directed to do all things necessary for the prompt execution and delivery of the amended Note to the Bank.

Section 3. Special Designation. The Note, as amended, is deemed a "qualified tax exempt obligation" within the meaning of Section 265(b)(3) of the Code.

Section 4. Severability. If any one or more of the covenants or agreements provided in this ordinance to be performed on the part of the City shall be declared by any court of competent jurisdiction to be contrary to law, then such covenant or covenants, agreement or agreements, shall be null and void and shall be deemed separable from the remaining covenants and agreements in this ordinance and shall in no way affect the validity of the other provisions of this ordinance or of the Note.

Section 5. Effective Date. This ordinance shall be effective five days after its passage and publication as required by law.


PASSED by the City Council of the City of Ruston, Washington, at a regular meeting thereof, held on March 5, 2013.

CITY OF RUSTON, WASHINGTON



Bruce Hopkins, Mayor

ATTEST:



Judy Grams, City Clerk

CERTIFICATE

I, the undersigned, City Clerk of the City of Ruston, Washington (the "City"), DO
HEREBY CERTIFY:

1. That the attached Ordinance No. 1398 (the "Ordinance") is a true and correct copy of an ordinance of the City as finally passed at a meeting of the City Council held on March 5, 2013, and duly recorded in my office.

2. That said meeting was duly convened and held in all respects in accordance with law, and to the extent required by law, due and proper notice of such meeting was given; that a quorum of the City Council was present throughout the meeting and a legally sufficient number of members of the City Council voted in the proper manner for the passage of the Ordinance; that all other requirements and proceedings incident to the proper passage of the Ordinance have been duly fulfilled, carried out and otherwise observed, and that I am authorized to execute this certificate.

IN WITNESS WHEREOF, I have hereunto set my hand this 5th day of March, 2013.



City Clerk