RESOLUTION NO. 80-80-59

BLUE RIDGE SEWER IMPROVEMENT DISTRICT
ASSESSMENT AREA 5B1

RESOLUTION AUTHORIZING AND PROVIDING FOR THE ISSUANCE AND SALE OF BONDS TO BE DESIGNATED BLUE RIDGE SEWER IMPROVEMENT DISTRICT, ASSESSMENT AREA 5B1, PERMANENT BONDS IN THE PRINCIPAL AMOUNT OF NOT TO EXCEED $500,000.00, AND PROVIDING FOR THE PAYMENT OF THE PERMANENT BONDS.

WHEREAS, The Board of Directors adopted a Resolution of Intention to order certain improvements and following the posting and publication of Notice of the Adoption of the Resolution and publication of the Resolution the Board adopted an order directing that the work be done; and

WHEREAS, the diagram and assessment has been recorded, confirmed and a Treasurer's Return filed evidencing any pre-payment of any assessment;

WHEREAS, the District has previously issued no Bonds; and

WHEREAS, the District now desires to issue not to exceed $500,000.00 principal amount of said Bonds as Permanent Bonds; and

WHEREAS, by this Resolution the District will cause notice of the sale of the bonds to be made and set a time and place certain to receive offers to sell said bonds; and

WHEREAS, by this Resolution the Board of Directors of the District desires to:

(1) authorize the issuance of Permanent Bonds in an amount of not to exceed $500,000.00;

(2) provide the form of Bond and prior redemption features

(3) Authorize the advertisement for offers to purchase bonds;

(4) ratify all actions leading to the sale of the Bonds; and

(5) set forth certain covenants with respect to the use of the Bond proceeds,

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE BLUE RIDGE SEWER IMPROVEMENT DISTRICT, NAVAJO COUNTY, ARIZONA:

Section 1. That Blue Ridge Sewer Improvement District Assessment Area 5B1 Permanent Bonds in the total principal amount of not to exceed $500,000.00 (hereinafter referred to as the "Permanent Bonds" or the "Bonds") are hereby authorized to be issued and sold at public sale pursuant to the Notice of Sale of Bonds authorized herein. The Permanent Bonds are to be dated as issued, to bear interest at a rate set forth in the bid, not to exceed twelve percent (12%) per annum. The Permanent Bonds will mature in annual installments of principal, the amount to be established in the offer to purchase the bonds, on July 1 of each year for a term not to exceed twenty (20) years.

The first interest payment date shall be the July first or January first next after the issuance of the Permanent Bonds and interest shall be payable semiannually thereafter on each succeeding July first and January first thereafter.

Section 2. That for the purpose of providing for the payment of principal and interest on the Bonds and to create a fund for the purpose of redeeming the Bonds at their respective maturities, the Board of Directors of the District shall levy and collect annual assessment installments to be paid by the owners of properties within Assessment Area 5B1 as shown on the confirmed assessment. This levy shall be the sole source of revenues used to retire these Bonds. All proceeds of such levies shall be placed in a fund to be created by the County Treasurer to be known as the Blue Ridge Sewer Improvement District Assessment Area 5B1 Special Bond Fund (hereinafter referred to as the "Bond Fund"), established pursuant to A.R.S. Sec. 11-732.

Section 3. That the Bonds shall be executed on behalf of the District by the Chairman of the Board of Directors and attested by the Clerk of the District and the seal of the District shall be affixed thereto. The unpaid principal of the Bonds will bear interest at the rate specified in the accepted offer to purchase. The Chairman and Clerk are hereby authorized and directed to deliver the Permanent Bonds to the County Treasurer for delivery to the purchaser in accordance with the terms hereof. The Chairman and the Clerk shall provide that the proceeds from the sale of the Permanent Bonds be deposited in the County Treasury to the credit of the District pursuant to Section 11-732, Arizona Revised Statues, as amended. The County Treasurer is directed to apply the proceeds from the sale of the Permanent Bonds to provide for the payment of the costs of constructing the collector sewer system within the Assessment Area in accordance with the approved plans, specifications and bid documents prepared by Lowry & Associates, Civil Engineers.

Section 4. That the Bonds to be issued shall be in substantially the following form, allowing those executing the Bond to make the insertions and deletions necessary to conform the printed Bond to this Resolution:

(Installment Bond Form)

UNITED STATES OF AMERICA

STATE OF ARIZONA **COUNTY OF NAVAJO**

BLUE RIDGE SEWER IMPROVEMENT DISTRICT ASSESSMENT AREA 5B1
SEWER IMPROVEMENT PERMANENT BOND

NO. _____ $ 1,000.00

KNOW ALL MEN BY THESE PRESENTS, that the Blue Ridge Sewer Improvement District, Navajo County, Arizona, a duly organized Improvement District, promises to pay as hereinafter stated to the bearer hereof, on the _____ day of _____, the sum of One Thousand Dollars ($1,000.00) together with interest on said sum at the rate of _____ percent (%) per annum, payable semiannully on the first days of January and July of each year, as evidenced by an upon the presentation and surrender of the interest coupons hereto attached as they severally become due. Both principal and interest are payable at the Office of the County Treasurer, Navajo County, Holbrook, Arizona. This Bond is issued in pursuance of law, and is one of a series of Five Hundred (500) Bonds of like tenor and date for the total sum of Five Hundred Thousand Dollars ($500,000.00) issued for that certain improvement in said District consisting of installation of collector sewers, laterals and appurtenant devises, initiated by Resolution of the Blue Ridge Sewer Improvement District, and is payable only out of the special fund to be collected from special assessments imposed on the lots, or parcels of land fronting on or benefited by said improvement. Said special fund is set apart by law for the payment of said Bonds, and can be used for no other purpose. It is hereby certified and declared that the improvement for which this series of Bonds is issued is authorized by law, that all the acts, conditions and things required to be done, precedent to and in the issuing of this series of bonds, have been done and performed in regular and due form as required by the laws of the State of Arizona, and all ordinances and resolutions of said District, that the special assessments out of which said Bonds are to be paid are first liens on the property assessed, subject only to the lien for general taxes and prior special assessments, and any bona fide purchaser for value of this Bond has the right to rely on the recitals herein contained. For the assessment or reassessment, collection and payment of said special assessments, the full faith and diligence of said District are hereby irrevocably pledged.

IN WITNESS WHEREOF, Blue Ridge Sewer Improvement District, Navajo County, Arizona, has caused this Bond to be executed in its name by the Chairman of its Board of Directors and countersigned by the Clerk of the District, and the corporate seal of the District to be impressed hereon, and this Bond to be dated _____ 1, 19__.

BLUE RIDGE SEWER IMPROVEMENT DISTRICT

_____
Chairman, Board of Directors

COUNTERSIGNED:

_____
Clerk

(S E A L)

REGISTRATION CERTIFICATE

This Bond may be registered as to principal only in the name of the holder on the books of the Clerk of the Blue Ridge Sewer Improvement District at Holbrook, Arizona, which registration will be noted in the blank below. Upon presentation of this Bond by a registered holder in person or by a bank or trust company authorized to do business in Arizona acting as the attorney in fact for the holder with a written request that it be registered in the name of the holder, the principal will be payable only to such registered holder or his legal representative.

The date of registration mentioned on Line No. 1 below shall be the initial registration date.

There shall be no charge for registration or change of registration.

NOTE: There must be no writing in the space below except by the Clerk of the Blue Ridge Sewer Improvement District.

DATE OF REGISTRATION	NAME AND ADDRESS OF REGISTERED HOLDER	SIGNATURE OF REGISTRAR

RECEIPT OF PAYMENT

Date Due	Principal Due	Interest Due	Date Received

Section 5. The Bonds shall be sold at public auction, to be held on _____, the _____ day of _____, 1980 at the hour of _____ o'clock __.M. at the Chambers of the Board of Directors, Navajo County Governmental Complex, Holbrook, Arizona, to the highest bidder. Notice announcing the time, place and partuculars of said auction and inviting bids for the Bonds shall be published one time in a newspaper of general circulation within the District and posted near the door of the meeting place of the Board of Directors no less than three days prior to the sale.

Section 6. Opinion of Bond Counsel. Simultaneously with the delivery of the Bonds to the buyer, the District will furnish to them the approving opinion letter of Bond Counsel, covering generally the Bonds issued and sold. Said letter will also contain the opinion of Bond Counsel that the interest on said Bonds is exempt from all Federal income taxes and State of Arizona personal income taxes under existing statutes, regulations and court decisions.

Section 7. Waiver of Published Notice of Redemption. By taking delivery of the Bonds, the holder agrees, as long as it holds said Bonds, to waive the requirement for a published notice of redemption of the whole or any installment of said Bonds.

Section 8. Registration Charges. Any charges imposed for the initial registration of the Bonds shall be borne by the purchaser.

PASSED AND ADOPTED on May 27, 1980, by the Board of Directors of Blue Ridge Sewer Improvement District, Navajo County, Arizona.

Norman W. Turley
Chairman

ATTEST:

_____
Clerk

CERTIFICATE

I, the Clerk of the Board of Directors of the Blue Ridge Sewer Improvement District of Navajo County, Arizona, do hereby certify that Resolution No. 80-___ entitled

> RESOLUTION AUTHORIZING AND PROVIDING FOR THE ISSUANCE AND SALE OF BONDS TO BE DESIGNATED BLUE RIDGE SEWER IMPROVEMENT DISTRICT ASSESSMENT AREA 5B1 PERMANENT BONDS IN THE PRINCIPAL AMOUNT OF NOT TO EXCEED $500,000.00, AND PROVIDING FOR THE PAYMENT OF THE PERMANENT BONDS.

was duly adopted by the Board of Directors of the Blue Ridge Sewer Improvement District at a meeting of said Board held on May 27, 1980, at which time a quorum of said Board was present.

This Certificate dated as of this 27th day of May, 1980.

_____

Clerk