

ORIGINAL

1536-RES
4/6/2006

CITY OF BELLEVUE, WASHINGTON

RESOLUTION NO. 7348

A RESOLUTION authorizing and directing the City Manager or his designee to execute certifications including a continuing disclosure undertaking and do all things necessary to enable Cascade Water Alliance to issue and sell its initial bonds.

WHEREAS, the City of Bellevue, Washington entered into an Interlocal Contract effective April 1, 1999, as amended and restated as of December 15, 2004 (the "Interlocal Contract") Cascade Water Alliance ("Cascade") and other members of Cascade; and

WHEREAS, pursuant to the Interlocal Contract, Cascade is authorized to issue bonds for its purposes upon approval of the Cascade Board; and

WHEREAS, the Cascade Board has determined to issue its initial bonds in a principal amount of approximately \$58 million to pay the costs of carrying out a portion of the capital program described in its Watershed Management Plan; and

WHEREAS, pursuant to the Interlocal Contract, debt service on the bonds will be paid directly from net revenue of Cascade and, indirectly, from Member Charges to be paid by the City and other members of Cascade: and

WHEREAS, the Interlocal Contract includes a "step up" provision, which provides that if any member fails to pay its share of member charges, the other members shall pay to Cascade (in addition to its own member charges otherwise due) the defaulting member's charges in proportion to each remaining members' share; and

WHEREAS, as previously discussed in Study Session on January 17, 2006, the City Council has directed City staff to support Cascade's issuance of the bonds; and

WHEREAS, the City Council now desires to recognize the issuance of bonds by Cascade and the City's responsibilities with respect thereto under the Interlocal Contract and to authorize and direct the City Manager or his designee to sign closing certificates including a continuing disclosure undertaking in connection with the bonds; now therefore,

THE CITY COUNCIL OF THE CITY OF BELLEVUE, WASHINGTON, DOES
RESOLVE AS FOLLOWS:

Section 1. The City Council hereby acknowledges the issuance of approximately \$58 million principal amount of bonds by Cascade, and acknowledges

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the City's responsibilities with respect thereto set forth in the Interlocal Contract. The City Council hereby authorizes and directs the City Manager or his designee(s) to execute one or more certificates with respect to (a) the accuracy of information regarding the City included in Preliminary and Final Official Statements for the bonds, (b) the absence of relevant litigation, (c) the due authorization and execution by the City of the certificate and Interlocal Agreement, (d) the obligation of the City to provide ongoing disclosure with respect to financial and operating information regarding the City's water utility included in the Official Statement, and (e) other related matters.

Section 2. The City Manager or his designee(s) are authorized to take any actions and to execute documents as in his judgment may be necessary or desirable in order to carry out the terms of, and complete the Cascade bond issuance contemplated by, this Resolution. All acts taken pursuant to the authority of this Resolution but prior to its effective date are hereby ratified.

Passed by the City Council this 10th day of April, 2006, and signed in authentication of its passage this 10th day of April, 2006.

(SEAL)



Grant Degginger, Mayor

Attest:



Myrna L. Basich, City Clerk