

RESOLUTION NO. 8

A RESOLUTION OF THE CITY OF DOVER, BONNER COUNTY, IDAHO,
APPROVING, PURSUANT TO SECTION 50-901A, IDAHO CODE, A
SUMMARY OF ORDINANCE NO. 15 FOR PUBLICATION

CITY OF DOVER
Bonner County, Idaho

WATER REVENUE BOND, SERIES 1991
AGGREGATE PRINCIPAL AMOUNT OF NOT TO EXCEED \$193,700

BE IT RESOLVED BY THE MAYOR AND COUNCIL OF THE CITY OF DOVER,
IDAHO, as follows:

WHEREAS, the City of Dover, Bonner County, Idaho (the "City"),
is duly incorporated and existing city, organized and operating
under the laws of the State of Idaho;

WHEREAS, the City on August 27, 1991, adopted Ordinance
No. 15, authorizing the issuance of not to exceed \$193,700
principal amount of a Water Revenue Bond, Series 1991; and

WHEREAS, the City is authorized, pursuant to Section 50-901A,
Idaho Code, to publish, in lieu of the entire ordinance, a summary
thereof.

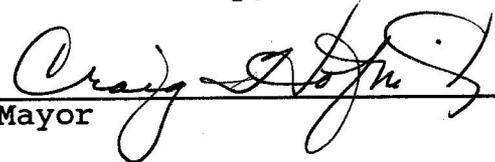
NOW, THEREFORE, IT IS HEREBY FOUND, DETERMINED AND ORDERED as
follows:

Section 1: That the Summary of Ordinance No. 15, which
Ordinance was adopted by the City Council of the City of Dover,
Idaho on August 27, 1991, a copy of which Summary is annexed hereto
and marked as Exhibit "A," and is incorporated herein by reference,
is approved.

Section 2: This Resolution shall take effect and be in force
from and after its passage and approval.

ADOPTED this 27th day of August, 1991.

CITY OF DOVER
Bonner County, Idaho



Mayor

ATTEST:



City Clerk

(S E A L)

CERTIFICATE

* * * * *

I, the undersigned, the City Clerk of the City of Dover, of Bonner County, Idaho, hereby certify that the foregoing Resolution is a full, true, and correct copy of a Resolution duly adopted at a meeting of the City Council of said City, duly held at the regular meeting place thereof held on August 27, 1991, of which meeting all members of said City Council had due notice and at which a majority thereof were present; and that at said meeting said Resolution was adopted by the following vote:

AYES, and in favor thereof, Councilmembers: 4

NOES, Councilmembers: 0

ABSENT, Councilmembers: 0

ABSTAIN, Councilmembers: 0

I further certify that I have carefully compared the same with the original Resolution on file and of record in my office; that said Resolution is a full, true, and correct copy of the original Resolution adopted at said meeting; and that said Resolution has not been amended, modified, or rescinded since the date of its adoption, and is now in full force and effect.

IN WITNESS WHEREOF, I have set my hand and affixed the official seal of said City on August 27, 1991.

Terrence M. Weisz
City Clerk

(S E A L)

**SUMMARY OF
ORDINANCE NO. 15**

AN ORDINANCE OF THE CITY OF DOVER, OF BONNER COUNTY, IDAHO, SPECIFYING AND ADOPTING A PLAN FOR THE ACQUISITION AND INSTALLATION OF IMPROVEMENTS AND BETTERMENTS TO THE DOMESTIC WATER SUPPLY AND DISTRIBUTION SYSTEM OF THE CITY; DECLARING THE ESTIMATED COST; AUTHORIZING THE ISSUANCE AND SALE OF ITS WATER REVENUE BOND, SERIES 1991 IN THE AGGREGATE PRINCIPAL AMOUNT OF NOT TO EXCEED \$193,700; PROVIDING FOR THE REGISTRATION OF SAID BOND; PROVIDING FOR THE COLLECTION, HANDLING, AND DISPOSITION OF REVENUE; SPECIFYING THE DATE, FORM AND MATURITY OF SAID BOND; ESTABLISHING AND ADOPTING CERTAIN FUNDS AND ACCOUNTS; PROVIDING FOR REDEMPTION OF THE BOND; PROVIDING FOR ADDITIONAL BONDS; APPROVING THE SALE OF THE BOND TO FARMERS HOME ADMINISTRATION; PROVIDING CERTAIN COVENANTS WITH RESPECT TO FEDERAL TAX LAW; PROVIDING FOR THE EFFECTIVE DATE OF THIS ORDINANCE; AND PROVIDING FOR OTHER MATTERS PROPERLY RELATING THERETO

**CITY OF DOVER
Bonner County, Idaho**

**WATER REVENUE BOND, SERIES 1991
AGGREGATE PRINCIPAL AMOUNT OF NOT TO EXCEED \$193,700**

A summary of the principal provisions of Ordinance No. 15 of the City of Dover, Bonner County, Idaho adopted on August 27, 1991, is as follows:

Section 1: Defines certain terms which are used throughout the body of the Ordinance. All capitalized terms used herein shall have the same meaning given to them by the Bond Ordinance.

Section 2: Provides that it is in the public interest and welfare to construct improvements to the System of the City.

Section 3: Describes the Project and states the estimated cost of completing the Project of being approximately \$762,800, of which \$193,700 will be paid by the issuance of the Bond.

Section 4: Authorizes the issuance of Water Revenue Bond, Series 1991 in the principal amount of \$193,700. Said Bond will bear interest at a rate of five percent (5%) per annum and will be payable annually over a forty (40) year period. The sale of the Bond to Farmers Home Administration is approved.

Section 5: Provides that the Bond is to be executed by the Mayor and Treasurer and attested by the Clerk and authorizes the issuance of a temporary Bond if the Mayor deems that a temporary Bond is necessary.

Section 6: Describes the place and manner for the payment of the Bond.

Section 7: Provides that the Bond is prepayable, in whole or in part, on any payment date upon the giving of thirty (30) days written notice.

Section 8: Appoints the City Treasurer as the Registrar for the Bond and describes his/her duties.

Section 9: Provides that the City has established and will maintain water rates and charges sufficient to pay costs of maintaining and operating the System and in paying debt service on the Bond.

Section 10: Provides that the Net Revenue of the System is pledged for payment of the Bond.

Section 11: Refers to a Construction Fund into which all of the Net Proceeds will be deposited and will be used to Acquire and construct the Project referred to above.

Section 12: Refers to the Revenue Fund into which all revenues of the System shall be deposited and will be used first, to pay Costs of Maintenance and Operation; second, to pay interest on the Bond; third, to pay principal on the Bond; fourth, to establish a Reserve Account; fifth, to pay the principal and interest on any Bond or Bonds with a charge and lien on the Revenue of the System inferior to the Bond; and, sixth, to retire by redemption or purchase any Outstanding water revenue bonds.

Section 13: Refers to the Bond Fund which will be used to pay the principal of and interest on the Bond.

Section 14: Refers to Reserve Account, in the Bond Fund, which is created to pay deficiencies in debt service in the event there is not sufficient money in the Bond Fund and provides for deposits into the Reserve Account.

Section 15: Provides the uses for surplus funds.

Section 16: Sets forth the conditions under which the City may issue Additional Bonds.

Section 17: Provides that surplus funds may be invested in a manner provided by law.

Section 18: Contains certain covenants with respect to the operation of the System which generally obligate the City to run the System in a businesslike fashion.

Section 19: Delineates certain items which would constitute an "event of default".

Section 20: Delineates remedies for an "event of default".

Section 21: Delineates certain duties upon the event of a default.

Section 22: Provides for a procedure to amend Ordinance No. 15.

Section 23: Provides for the replacement of a lost, stolen, mutilated or destroyed Bond.

Section 24: Provides for the transfer and exchange of the Bond.

Section 25: Determines that the City will spend all of the proceeds of the Bond within six months of their receipt and further that the City will issue not more than \$5,000,000 of tax-exempt obligations during the 1991 calendar year, and that accordingly, the City will be exempt from the arbitrage rebate rules.

Section 26: Contains certain covenants whereby the City agrees not to take action which would result in the Bond being classified as arbitrage bonds.

Section 27: Sets forth certain limitations with respect to private use of the System.

Section 28: Sets forth certain limitations with respect to circumstances under which the Bond proceeds can be considered loaned to private persons.

Section 29: Provides that the City will not take any action which could result in a circumstance under which the Bond could be considered to be federally guaranteed.

Section 30: Provides that the City shall comply with the opinion of bond counsel in order to maintain federal income tax exemption on the Bond.

Section 31: Provides for the validity of issuance of the Bond.

Section 32: Provides for the appointment of a receiver under certain conditions.

Section 33: Provides that the Ordinance No. 15 is a contract with the Registered Owners.

Section 34: Makes a determination that the Acquisition of the project is in the best interests and health and welfare of the residents of the City.

Section 35: Provides for ratification of acts consistent with the Bond Ordinance.

Section 36: Provides that if any provision of Ordinance No. 15 is deemed to be null and void it cannot affect the remaining provisions.

Section 37: Provides that all ordinances inconsistent with Ordinance No. 15 are repealed to the extent of such inconsistency.

Section 38: Provides for the publication of Ordinance No. 15 by Summary and that the Ordinance No. 15 shall take effect immediately upon the passage, approval and publication of this Summary.

A full text of Ordinance No. 15 is available at the Dover City Hall and will be provided to any citizen upon personal request during normal business hours.

DATED this 27th day of August, 1991.

CITY OF DOVER
Bonner County, Idaho

Mayor

ATTEST:

Clerk

(S E A L)

CERTIFICATIONS OF BOND COUNSEL AND CITY ATTORNEY

I, the undersigned bond counsel for the City of Dover, Bonner County, Idaho, hereby certify that I have read the attached Summary of Ordinance No. 15 of the City of Dover, and that the same is true and complete and provides adequate notice to the public of the contents of said Ordinance.

DATED this 27th day of August, 1991.

Bond Counsel

I, the undersigned counsel for, and legal advisor to, the City of Dover, Bonner County, Idaho, hereby certify that I have read the attached Summary of Ordinance No. 15 of the City of Dover, and that the same is true and complete and provides adequate notice to the public of the contents of said Ordinance.

DATED this 27th day of August, 1991.

City Attorney