

RESOLUTION NO. 97-002

of the

ARKANSAS SOIL AND WATER CONSERVATION COMMISSION

RESOLUTION APPROVING A PROPOSAL TO ISSUE NOT TO EXCEED \$14,700,000 STATE OF ARKANSAS WATER RESOURCES DEVELOPMENT GENERAL OBLIGATION BONDS; APPROVING THE FORM OF THE OFFICIAL NOTICE OF SALE AND OFFICIAL BID FORM; AUTHORIZING THE CHAIRMAN OR VICE CHAIRMAN AND THE EXECUTIVE DIRECTOR TO REVIEW BIDS AND ACCEPT THE BID HAVING THE LOWEST NET INTEREST COST FOR THE PURCHASE OF NOT TO EXCEED \$14,700,000 STATE OF ARKANSAS WATER RESOURCES DEVELOPMENT GENERAL OBLIGATION BONDS; APPROVING THE FORM OF THE PRELIMINARY OFFICIAL STATEMENT AND AUTHORIZING THE CHAIRMAN OR VICE CHAIRMAN AND THE EXECUTIVE DIRECTOR TO DEEM IT "FINAL" FOR PURPOSES OF THE SEC RULES; AND PROVIDING FOR OTHER MATTERS IN CONNECTION WITH THE ISSUANCE OF THE SERIES 1997B BONDS.

WHEREAS, the Arkansas Soil and Water Conservation Commission (the "Commissions) proposes to offer for sale its State of Arkansas Water Resources Development General Obligation Bonds, Series 1997B, in the aggregate principal amount of not to exceed \$14,700,000 (the "Series 1997B Bonds"); and

WHEREAS, the Commission has prepared and submitted to the Governor of the State of Arkansas for his approval the State of Arkansas Water Resources Development General Obligation Bonds Plan of Work for the 1997-99 Biennium (the "Plan of Work"); and

WHEREAS, the Commission has prepared, but not yet published, and proposes to distribute an Official Notice of Sale and Official Bid Form requesting bids for the purchase of the Series 1997B Bonds in the principal amount of not to exceed \$14,700,000; and

WHEREAS, the Commission has prepared, but not yet published, and proposes to distribute a Preliminary Official Statement relating to the Series 1997B Bonds;

NOW, THEREFORE, BE IT RESOLVED BY THE ARKANSAS SOIL AND WATER CONSERVATION COMMISSION AS FOLLOWS:

1. If the Governor approves the Plan of Work as evidenced by his proclamation, the Series 1997B Bonds shall be offered for sale on sealed bids on the date to be specified in the Official Notice of Sale at the offices of the Financial Advisor, Stephens Inc., 23rd Floor, 111 Center Street, Little Rock, Arkansas 72201 or such other location as may be approved by the Executive Director. The Chairman or the Vice Chairman and the Executive Director, after consultation with Stephens Inc., as Financial Advisor, and Friday, Eldredge & Clark, as Bond Counsel, are authorized to review the bids from prospective purchasers of the

Series 1997B Bonds as they are received pursuant to the Official Notice of Sale and to accept the bid having the lowest net interest cost or to reject all bids, as they, in their sole discretion, shall determine.

2. The Official Notice of Sale, Official Bid Form and Preliminary Official Statement, substantially in the forms exhibited to the Commission at this meeting, are hereby approved. The publication and distribution thereof are approved, pending approval by the Governor of the Plan of Work. The Chairman or Vice Chairman and Executive Director are authorized to complete, amend and modify these forms as they, in their discretion, shall determine with the advice of Bond Counsel and the Financial Advisor. The signatures of the Chairman or Vice Chairman and Executive Director on such documents conclusively establish their approval of any such changes.

3. The Chairman or Vice Chairman and the Executive Director are delegated by the Commission the authority to deem Final, for purposes of Rule 15c2-12 issued by the Securities and Exchange Commission, the Preliminary Official Statement at such time and in such form as is required by such Rule.

4. Contingent upon approval by the Governor of the Plan of Work, the Chairman or Vice Chairman and Executive Director are hereby authorized to execute the documents approved herein; to take such other actions and to approve such other documents as are, in their judgment, necessary or appropriate in order to prepare for the sale of and to sell the Series 1997B Bonds; to authorize the preparation of a Final Official Statement and a Series Resolution prescribing the terms and provisions of the Series 1997B Bonds, which Series Resolution is to be adopted at a subsequent meeting of the Commission; and to accomplish the intent of this Resolution and the Series Resolution.

RESOLUTION ADOPTED: September 17, 1997.

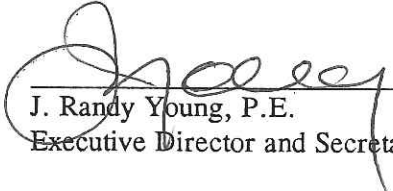
ARKANSAS SOIL AND WATER
CONSERVATION COMMISSION

By



Mike Carter
Chairman

ATTEST:



J. Randy Young, P.E.
Executive Director and Secretary

(SEAL)