RESOLUTION NO. 2002-06

of the

ARKANSAS SOIL AND WATER CONSERVATION COMMISSION

RESOLUTION APPROVING A PROPOSAL TO ISSUE FROM TIME TO TIME ONE OR MORE SERIES OF STATE OF ARKANSAS WATER, WASTE DISPOSAL AND POLLUTION ABATEMENT FACILITIES GENERAL OBLIGATION REFUNDING BONDS; APPROVING THE PREPARATION OF AN OFFICIAL NOTICE OF SALE, PRELIMINARY OFFICIAL STATEMENT AND OFFICIAL BID FORM FOR EACH SERIES OF BONDS; AUTHORIZING THE EXECUTIVE DIRECTOR OR THE CHAIRMAN TO REVIEW BIDS AND ACCEPT THE BID HAVING THE LOWEST TRUE INTEREST COST FOR EACH SERIES OF BONDS; AND PROVIDING FOR OTHER MATTERS IN CONNECTION WITH THE ISSUANCE OF THE BONDS.

WHEREAS, there is outstanding an issue of State of Arkansas Water Resources Development General Obligation Bonds, Series 1992A (the "Series 1992A Bonds") in the principal amount of $13,645,000; and

WHEREAS, there is outstanding an issue of State of Arkansas Water Resources Development General Obligation Bonds, Series 1997B (the "Series 1997B Bonds") in the principal amount of $14,190,000; and

WHEREAS, the Series 1992A Bonds and the Series 1997B Bonds are collectively referred to herein as the "Bonds Refunded"; and

WHEREAS, the Arkansas Soil and Water Conservation Commission (the "Commission") proposes to offer for sale its State of Arkansas Water, Waste Disposal and Pollution Abatement Facilities General Obligation Refunding Bonds (the "Refunding Bonds") in various series from time to time and in the principal amounts necessary to refund the Bonds Refunded and to pay costs of issuance; and

WHEREAS, the Refunding Bonds will be issued under Act No. 607 of the General Assembly of the State for the year 1997; and

WHEREAS, the Commission will prepare and distribute an Official Notice of Sale and Official Bid Form requesting bids for the purchase of each individual series of the Refunding Bonds; and
WHEREAS, the Commission will prepare and distribute a
Preliminary Official Statement relating to each individual series
of the Refunding Bonds;

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

1. Each series of the Refunding Bonds shall be offered for
sale on written or electronic bids on the date to be specified in
the respective Official Notice of Sale at the offices of the
Financial Advisor, Morgan Keegan & Company, Inc., 100 Morgan Keegan
Drive, Suite 400, Little Rock, Arkansas 72202, or such other
location as may be approved by the Executive Director. The
Executive Director or the Chairman, after consultation with Morgan
Keegan & Company, Inc., as Financial Advisor, and Friday, Eldredge
& Clark, LLP, as Bond Counsel, is authorized to select a date for
the sale and to review the bids from prospective purchasers of each
series of the Refunding Bonds as they are received pursuant to the
applicable Official Notice of Sale and to accept the bid having the
lowest true interest cost or to reject all bids, as the Executive
Director or the Chairman, in his sole discretion, shall determine.
The Executive Director or the Chairman shall have the authority to
execute each individual Official Bid Form evidencing acceptance of
the best bid.

2. The preparation of an Official Notice of Sale, Official
Bid Form and Preliminary Official Statement for each series of the
Refunding Bonds is hereby approved. The printing and distribution
thereof are also hereby approved. The Chairman and Executive
Director, or one or both of them, are authorized to approve these
forms. The signatures of the Chairman or Executive Director on such
documents conclusively establish his approval thereof.

3. The Executive Director is 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 for each issue of the Refunding Bonds at such time and in
such form as is required by such Rule.

4. The Chairman and Executive Director, or any one or more
of them, are hereby authorized to execute the documents discussed
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 Refunding Bonds;
to authorize the preparation of a Final Official Statement for each
series of the Refunding Bonds; to execute the Final Official
Statement and to deliver copies of the same to the low bidder in
accordance with the Official Notice of Sale; to authorize the
preparation of Series Resolution prescribing the terms and
provisions of each series of the Refunding Bonds, which Series Resolutions are to be adopted at a subsequent meeting or meetings of the Commission; and to accomplish the intent of this Resolution and the Series Resolutions.

RESOLUTION ADOPTED: March 20, 2002.

ARKANSAS SOIL AND WATER CONSERVATION COMMISSION

By [Signature]
Chairman

ATTEST:

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

(SEAL)