

RESOLUTION NO. 2012-03

of the

ARKANSAS NATURAL RESOURCES COMMISSION

RESOLUTION APPROVING A PROPOSAL TO ISSUE 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 THE BONDS; AUTHORIZING THE EXECUTIVE DIRECTOR OR THE CHAIRMAN TO REVIEW BIDS AND ACCEPT THE BID HAVING THE LOWEST TRUE INTEREST COST FOR THE 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, Waste Disposal and Pollution Abatement Facilities General Obligation Bonds, Refunding Series 2002A (the "Series 2002A Bonds"); and

WHEREAS, there is outstanding an issue of State of Arkansas Water, Waste Disposal and Pollution Abatement Facilities General Obligation Bonds, Refunding Series 2002B (the "Series 2002B Bonds"); and

WHEREAS, there is outstanding an issue of State of Arkansas Water, Waste Disposal and Pollution Abatement Facilities General Obligation Bonds, Refunding Series 2002C (the "Series 2002C Bonds"); and

WHEREAS, there is outstanding an issue of State of Arkansas Water, Waste Disposal and Pollution Abatement Facilities General Obligation Bonds, Refunding Series 2002D (the "Series 2002D Bonds"); and

WHEREAS, there is outstanding an issue of State of Arkansas Water, Waste Disposal and Pollution Abatement Facilities General Obligation Bonds, Series 2002G (the "Series 2002G Bonds"); and

WHEREAS, there is outstanding an issue of State of Arkansas Water, Waste Disposal and Pollution Abatement Facilities General Obligation Bonds, Refunding Series 2002H (the "Series 2002H Bonds"); and

WHEREAS, there is outstanding an issue of State of Arkansas Water, Waste Disposal and Pollution Abatement Facilities General Obligation Bonds, Refunding Series 2002I (the "Series 2002I Bonds"); and

WHEREAS, there is outstanding an issue of State of Arkansas Water, Waste Disposal and Pollution Abatement Facilities General Obligation Bonds, Refunding Series 2002K (the "Series 2002K Bonds"); and

WHEREAS, the Series 2002A Bonds, the Series 2002B Bonds, the Series 2002C Bonds, the Series 2002D Bonds, the Series 2002G Bonds, the Series 2002H Bonds, the Series 2002I Bonds, and the Series 2002K Bonds are collectively referred to herein as the "Bonds Refunded"; and

WHEREAS, in order to achieve debt service savings, the Arkansas Natural Resources Commission (the "Commission") proposes to offer for sale its State of Arkansas Water, Waste Disposal and Pollution Abatement Facilities General Obligation Refunding Bonds (the "Bonds") in the principal amount necessary to refund one or more series of the Bonds Refunded and to pay costs of issuance; and

WHEREAS, the 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 the Bonds; and

WHEREAS, the Commission will prepare and distribute a Preliminary Official Statement relating to the Bonds;

NOW, THEREFORE, BE IT RESOLVED BY THE ARKANSAS NATURAL RESOURCES COMMISSION AS FOLLOWS:

1. The Bonds shall be offered for sale on written or electronic bids on the date to be specified in the 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 one or more series of the Bonds Refunded to be refunded by the Bonds, to select a date for the sale and to review the bids from prospective purchasers of the Bonds as they are received pursuant to the 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 the Official Bid Form evidencing acceptance of the best bid. Notwithstanding the above, the best bid for the Bonds shall not be accepted unless the Executive Director or the Chairman, in his sole discretion, shall determine that the present value savings achieved by the Bonds is in the best interest of the Commission.

2. The preparation of an Official Notice of Sale, Official Bid Form and Preliminary Official Statement for the 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.

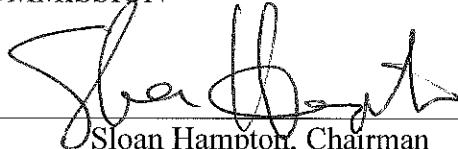
3. The Executive Director is delegated by the Commission the authority to deem final, for purposes of Rule 15c2-12 issued by the Securities and Exchange Commission, the Preliminary Official Statement for the Bonds at such time and in such form as is required by such Rule.

4. The Chairman and Executive Director, or one or both of them, 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 Bonds; to authorize the preparation of a Final Official Statement for the 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 a Series Resolution prescribing the terms and provisions of the 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.

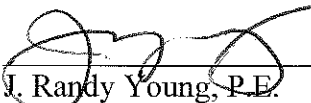
RESOLUTION ADOPTED: March 21, 2012.

ARKANSAS NATURAL RESOURCES
COMMISSION

By


Sloan Hampton, Chairman

ATTEST:

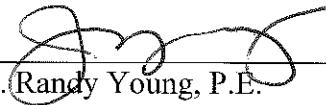

J. Randy Young, P.E.
Executive Director and Secretary

(SEAL)

CERTIFICATE

I, J. Randy Young, Executive Director and Secretary of the Arkansas Natural Resources Commission, hereby certify that the attached is a true and correct copy of Resolution No. 2012-03 adopted by a quorum of the members of the Commission at a duly held meeting in Little Rock, Arkansas, on March 21, 2012.

Dated: March 21, 2012.



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

(SEAL)