

RESOLUTION NO. 2004 -02  
of the  
ARKANSAS SOIL AND WATER CONSERVATION COMMISSION

A RESOLUTION APPROVING, RATIFYING AND CONFIRMING (1) THE ISSUANCE AND SALE OF WASTEWATER SYSTEM REVOLVING LOAN FUND REVENUE BONDS, 2004 REFUNDING SERIES A, (2) THE DISTRIBUTION OF A PRELIMINARY AND A FINAL OFFICIAL STATEMENT, (3) A BOND PURCHASE AGREEMENT, AND (4) A CONTINUING DISCLOSURE AGREEMENT, AND PRESCRIBING OTHER MATTERS PERTAINING THERETO.

WHEREAS, the Arkansas Development Finance Authority (the "Authority") has issued from time to time its Wastewater System Revolving Loan Fund Revenue Bonds for the purpose of providing sufficient funds for the State of Arkansas Wastewater System Revolving Loan Fund Revenue Bond Program (the "Program") which is administered by the Arkansas Soil and Water Conservation Commission (the "Commission"), or for the purpose of refunding, as follows:

Series	Original Principal Amount	Purpose
1993 Series A	\$15,755,000	Program
1993 Refunding Series B	54,285,000	Refunding
1995 Series A	15,170,000	Program
1996 Series A	18,250,000	Program
1999 Series A	19,845,000	Program
2001 Refunding Series A	38,120,000	Refunding

; and

WHEREAS, the Authority has determined that interest savings can be achieved by refunding the outstanding 1993 Refunding Series B Bonds (the "Refunding"); and

WHEREAS, in order to prepare for the issuance of the Authority's Wastewater System Revolving Loan Fund Revenue Bonds, 2004 Refunding Series A (the "2004 Refunding Series A Bonds") to accomplish the Refunding, the following documents have been presented to and are before this meeting:

1. Bond Purchase Agreement dated April 23, 2004 with respect to the 2004 Refunding Series A Bonds (the "Bond Purchase Agreement");

2. Continuing Disclosure Agreement dated May 12, 2004 with respect to the 2004 Refunding Series A Bonds (the "Continuing Disclosure Agreement"); and

3. Preliminary Official Statement dated April 19, 2004 with respect to the 2004 Refunding Series A Bonds (the "Preliminary Official Statement"), and Final Official Statement dated April 23, 2004 with respect to the 2004 Refunding Series A Bonds (the "Final Official Statement"; together with the Preliminary Official Statement, the "Official Statement");

NOW, THEREFORE, BE IT RESOLVED by the Arkansas Soil and Water Conservation Commission that:

Section 1. Authorization of Issuance of Bonds. In order to accomplish the Refunding, there is hereby approved and authorized the issuance by the Authority of \$35,855,000 in an aggregate principal amount of 2004 Refunding Series A Bonds that mature (or which are subject to mandatory sinking fund redemption) in the amounts and on the dates and that bear interest, as follows:

<u>Date</u>	<u>Principal Amount</u>	<u>Interest Rate</u>
12-1-04	\$935,000	2.000%
6-1-05	1,070,000	2.000
12-1-05	1,080,000	2.000
6-1-06	1,090,000	4.000
12-1-06	1,110,000	3.000
6-1-07	1,135,000	4.500
12-1-07	1,150,000	3.000
6-1-08	1,570,000	4.500
12-1-08	1,610,000	4.500
6-1-09	1,650,000	4.500
12-1-09	1,685,000	4.000
6-1-10	1,720,000	3.125
12-1-10	1,750,000	3.125
6-1-11	1,780,000	4.000
12-1-11	1,685,000	5.000
6-1-12*	1,720,000	5.000
12-1-12	1,715,000	5.000
6-1-13*	1,635,000	5.000
12-1-13	1,655,000	5.000
6-1-14*	1,505,000	5.000
12-1-14	420,000	5.000
6-1-15	3,185,000	4.000
6-1-15	3,000,000	5.000

\*Mandatory sinking fund redemption.

Section 2. Sale of Bonds. The sale of the 2004 Refunding Series A Bonds to Morgan Keegan & Company, Inc. at a price equal to \$37,242,751.25, plus accrued interest is hereby approved and authorized.

Section 3. Approval and Authorization of Documents. The Preliminary Official Statement, the Bond Purchase Agreement, the Final Official Statement and the Continuing Disclosure Agreement, be and the same are in all respects hereby approved, authorized, ratified and confirmed, and the execution and delivery by the Executive Director, for and on behalf of the Commission, of the Preliminary Official Statement, the Bond Purchase Agreement and the Final Official Statement are hereby approved, ratified and confirmed. The Executive Director is hereby authorized and directed to execute, and deliver, for and on behalf of the Commission, the Continuing Disclosure Agreement, in substantially the form and content presented to the Commission on this date. The Continuing Disclosure Agreement may contain such changes, modifications, additions and deletions therein as shall be determined by the Executive Director to be necessary, desirable or appropriate, his execution thereof to constitute conclusive evidence of his approval of any and all changes, modifications, additions and deletions. The dissemination by the Underwriter of the Preliminary Official Statement, either by delivery of copies thereof or by electronic dissemination, and the Final Official Statement and the certification to the Underwriter that the Preliminary Official Statement is deemed final by the Commission for the purposes of the Rule are hereby approved, authorized, ratified and confirmed.

Section 4. Authority To Execute and Deliver Additional Documents. The Executive Director is hereby authorized to perform all other acts as he may deem necessary or appropriate to implement and carry out the purposes and intent of this Resolution, including the preamble thereto. The Executive Director is hereby authorized to execute and deliver for and on behalf of the Commission any and all additional certificates, documents and other papers and to perform all other acts as he may deem necessary or appropriate to implement and carry out the purposes and intent of this Resolution.

Section 5. Severability. If any provision of this Resolution shall be held or deemed to be or shall, in fact, be illegal, inoperative or unenforceable, the same shall not affect any other provision or provisions herein contained or render the same invalid, inoperative or unenforceable to any extent whatsoever.

Section 6. Prior Resolutions. All provisions of prior resolutions, or parts thereof, in conflict with the provisions of this Resolution are, to the extent of such conflict, hereby repealed.

Section 7. Captions. The captions or headings in this Resolution are for convenience only and in no way define, limit or

describe the scope or intent of any provisions or sections of this Resolution.

Section 8. Effective Date. This Resolution shall be effective from and after the date of its adoption.

Adopted and approved this 4<sup>th</sup> day of May, 2004.

ATTEST:

  
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Executive Director and Secretary

  
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Chairman