

RESOLUTION NO. 2009-04

of the

ARKANSAS NATURAL RESOURCES COMMISSION

RESOLUTION APPROVING A PROPOSAL TO ISSUE ONE OR MORE SERIES OF STATE OF ARKANSAS WATER, WASTE DISPOSAL AND POLLUTION ABATEMENT FACILITIES GENERAL OBLIGATION BONDS; APPROVING THE PREPARATION OF AN OFFICIAL NOTICE OF SALE, PRELIMINARY OFFICIAL STATEMENT AND OFFICIAL BID FORM FOR ANY SERIES OF BONDS TO BE SOLD AT PUBLIC SALE; 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 SOLD AT PUBLIC SALE; REPEALING RESOLUTION NO. 2009-02; AND PROVIDING FOR OTHER MATTERS IN CONNECTION WITH THE ISSUANCE OF THE BONDS.

WHEREAS, the Arkansas Natural Resources Commission (the "Commission") proposes to offer for sale one or more series of State of Arkansas Water, Waste Disposal and Pollution Abatement Facilities General Obligation Bonds in the maximum aggregate principal amount of \$19,300,000 (the "Bonds"); and

WHEREAS, by Proclamation dated September 7, 2007, the Governor of the State of Arkansas has approved the Arkansas Water, Waste Disposal and Pollution Abatement Facilities Act of 1997 General Obligation Bond Program Plan of Work for the fiscal biennium ending June 30, 2009 (the "Plan of Work"), and the issuance by the Commission of \$60,000,000 in principal amount of water, waste disposal and pollution abatement facilities general obligation bonds in the fiscal biennium ending June 30, 2009; and

WHEREAS, the Bonds will be issued for projects described in the Plan of Work under Act No. 607 of the General Assembly of the State for the year 1997; and

WHEREAS, the \$60,000,000 limitation on principal amount of bonds that may be issued will not be exceeded; and

WHEREAS, the Commission will prepare and distribute an Official Notice of Sale and Official Bid Form requesting bids for the purchase of each series of the Bonds to be sold at public sale; and

WHEREAS, the Commission will prepare and distribute a Preliminary Official Statement relating to each series of the Bonds to be sold at public sale; and

WHEREAS, the Commission may privately place one or more series of the Bonds with the State of Arkansas Clean Water Revolving Loan Fund; and

WHEREAS, the Commission may privately place one or more series of the Bonds with the State of Arkansas Drinking Water Revolving Loan Fund;

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

1. Each series of the Bonds shall either be (a) sold on a private placement basis as an investment to the State of Arkansas Clean Water Revolving Loan Fund (the "Clean Water Fund") and/or the State of Arkansas Drinking Water Revolving Loan Fund (the "Drinking Water Fund") or (b) offered for public sale on written or electronic bids on such date as may be selected by the Executive Director or the Chairman. The Executive Director is hereby authorized, after consultation with the staff of the Commission and the Financial Advisor, to select the method by which each series of the Bonds will be sold; provided, however, that no more than \$5,000,000 in aggregate principal amount of the Bonds will be sold on a private placement basis as an investment to the Clean Water Fund and/or the Drinking Water Fund.

2. If a series of Bonds is sold at public sale, the Executive Director or the Chairman is hereby authorized to review the bids from prospective purchasers of each series 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 each individual Official Bid Form evidencing acceptance of the best bid.

3. The preparation of an Official Notice of Sale, Official Bid Form and Preliminary Official Statement for each series of the Bonds to be sold at public

sale 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.

4. 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 series of the Bonds sold at public sale at such time and in such form as is required by such Rule.

5. 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 each series of the Bonds; to authorize the preparation of a Final Official Statement for each series of the Bonds sold at public sale, 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 each series of the 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.

6. Resolution No. 2009-02, adopted May 5, 2009, is hereby repealed. All resolutions and parts thereof in conflict herewith are hereby repealed to the extent of such conflict.

RESOLUTION ADOPTED: May 20, 2009.

ARKANSAS NATURAL RESOURCES
COMMISSION

By Robert W White
Chairman

ATTEST:

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

(SEAL)