

PORT OF CHELAN COUNTY, WASHINGTON

LIMITED TAX GENERAL OBLIGATION BONDS,
2020A (TAX-EXEMPT) AND 2020B (TAXABLE)

RESOLUTION NO. 2020-06

A RESOLUTION OF THE COMMISSION OF THE PORT OF CHELAN COUNTY, WASHINGTON, PROVIDING FOR THE ISSUANCE AND SALE OF LIMITED TAX GENERAL OBLIGATION BONDS OF THE PORT IN THE AGGREGATE PRINCIPAL AMOUNT OF NOT TO EXCEED \$3,009,500, TO FINANCE THE ACQUISITION OF EXECUTIVE FLIGHT PROPERTY AND PAYING COSTS OF ISSUANCE OF THE BONDS; PROVIDING THE DATE, FORM, AND REPAYMENT TERMS OF THE BONDS AND FOR THE PLEDGE OF THE PORT'S FULL FAITH AND CREDIT TO PAY THE PRINCIPAL THEREOF AND INTEREST THEREON; AND APPROVING THE SALE OF SUCH BONDS.

ADOPTED: APRIL 28, 2020

Prepared By:

K&L GATES LLP
Seattle, Washington

PORT OF CHELAN COUNTY

RESOLUTION NO. 2020-06

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* This table of contents is not a part of this resolution; it is included for convenience of the reader only.

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WHEREAS, the Port of Chelan County, Washington (the "Port") has determined to acquire the Executive Flight building at Pangborn Memorial Airport (the "Acquisition"); and

WHEREAS, the Port is authorized by RCW 53.36.030 and Ch. 39.46 RCW to borrow money and issue general obligation bonds payable, *inter alia*, from regular tax levies of the Port; and

WHEREAS, it is in the best interest of the Port to issue limited tax general obligation bonds in the aggregate principal amount of not to exceed \$3,009,500 in two series (collectively, the "Bonds") to pay the costs of the Acquisition and costs of issuance; and

WHEREAS, the Port has received proposals from North Cascades Bank, a division of Glacier Bank (the "Bank"), dated April 28, 2020, to purchase the Bonds, and the Commission wishes to accept such proposals on the terms and conditions set forth therein and herein;

NOW, THEREFORE, BE IT RESOLVED BY THE COMMISSION OF THE PORT OF CHELAN COUNTY, WASHINGTON, as follows:

Section 1. Definitions. As used in this resolution, the following words shall have the following meanings:

Acquisition means the acquisition of the Executive Flight Building at Pangborn Memorial Airport.

Bank means North Cascades Bank, a division of Glacier Bank, Chelan, Washington, and any business successor thereto.

Bonds mean, collectively, the 2020A Bond and the 2020B Bond.

Bond Fund means the Port of Chelan County General Obligation Bond Redemption Fund created or maintained in the office of the Treasurer of the Port as provided in Section 8 of this resolution.

Bond Register means the books or records maintained by the Bond Registrar containing the name, mailing address and tax identification number of the owner of the Bonds or nominee of such owner and the principal amount outstanding.

Bond Registrar, initially, means the Treasurer who will register and authenticate the Bonds, maintain the Bond Register, effect transfer of ownership of the Bonds and pay principal of and interest on the Bonds. At any time following the issuance of the Bonds, however, the Treasurer may determine to appoint a different Bond Registrar, including, but not limited to the fiscal agent of the State of Washington. The term **Bond Registrar** also shall include any successor Bond Registrar appointed by the Treasurer as permitted by law.

Code means the Internal Revenue Code of 1986, as amended, and shall include all applicable regulations and rulings relating thereto.

Commission means the legislative body of the Port, or any successor thereto as provided by law.

Date of Issue means the date of issuance and delivery of the Bonds to the Bank.

Designated Port Representative means the Executive Director or the Director of Finance & Administration of the Port (or the successor in function to such person(s)) or such other person as may be directed by resolution of the Commission.

General Fund means the Port of Chelan County General Fund heretofore established by the Treasurer with Banner Bank.

Maturity Date means December 1, 2029.

Port means the Port of Chelan County, Washington, a political subdivision duly organized and existing under and by virtue of the laws of the State of Washington.

Treasurer means the office/officer of the Port designated to perform the functions identified in RCW 53.36.010 or any other public officer as may hereafter be designated pursuant to law to have the custody of Port funds.

2020A Bond means the Port of Chelan County, Washington, Limited Tax General Obligation Bond, 2020A (Tax-Exempt), issued pursuant to this resolution.

2020A Bond Interest Rate means a fixed rate per annum of 2.60%.

2020A Bond Purchase Agreement means the Bond Purchase Agreement for the 2020A Bond as approved pursuant to Section 10 of this resolution.

2020B Bond means the Port of Chelan County, Washington, Limited Tax General Obligation Bond, 2020B (Taxable), issued pursuant to this resolution.

2020B Bond Interest Rate means a fixed rate per annum of 3.00%.

2020B Bond Purchase Agreement means the Bond Purchase Agreement for the 2020B Bond as approved pursuant to Section 10 of this resolution.

Rules of Interpretation. In this resolution, unless the context otherwise requires:

(a) The terms “hereby,” “hereof,” “hereto,” “herein,” “hereunder” and any similar terms, as used in this resolution, refer to this resolution as a whole and not to any particular

article, section, subdivision or clause hereof, and the term “hereafter” shall mean after, and the term “heretofore” shall mean before, the date of this resolution;

(b) Words of the masculine gender shall mean and include correlative words of the feminine and neuter genders and words importing the singular number shall mean and include the plural number and vice versa;

(c) Words importing persons shall include firms, associations, partnerships (including partnerships), trusts, corporations and other legal entities, including public bodies, as well as natural persons;

(d) Any headings preceding the text of the several articles and sections of this resolution, and any table of contents or marginal notes appended to copies hereof, shall be solely for convenience of reference and shall not constitute a part of this resolution, nor shall they affect its meaning, construction or effect;

(e) All references herein to “articles,” “sections” and other subdivisions or clauses are to the corresponding articles, sections, subdivisions or clauses hereof.

Section 2. Authorization of Bonds; Description of Bonds. The Port shall issue and sell to the Bank its limited tax general obligation bonds in two series in the aggregate principal amount of not to exceed \$3,009,500 (the “Bonds”) to provide funds to complete the Acquisition and to pay costs of issuance.

(a) *2020A Bond.* For the purpose of financing a portion of the cost of the Acquisition, the Port shall issue the 2020A Bond. The 2020A Bond shall be designated “Port of Chelan, Washington, Limited Tax General Obligation Bond, 2020A (Tax-Exempt),” with such description and additional designations for identification purposes as may be approved by the Designated Port Representative, shall be dated as of the Date of Issue, shall be fully registered as

to both principal and interest, and shall be numbered in such manner and with any additional designation as the Bond Registrar deems necessary for purposes of identification.

The Commission hereby authorizes the Designated Port Representative to approve the final principal amount of the 2020A Bond, not to exceed \$836,641, and the amortization schedule in accordance with the 2020A Bond Purchase Agreement, attached hereto as Exhibit A, as adjusted by agreement between the Designated Port Representative and the Bank. The 2020A Bond shall bear interest on unpaid principal from its date or the most recent date to which interest has been paid at the 2020A Bond Interest Rate. Interest shall be calculated on the basis of a 360-day year consisting of twelve 30-day months. The 2020A Bond shall be repayable in approximately equal semiannual payments of principal and interest on the 1st day of each June and December, beginning on June 1, 2020, with the final payment of all outstanding principal, together with interest thereon, on December 1, 2029 (the “Maturity Date”).

(b) *2020B Bond.* For the purpose of financing a portion of the cost of the Acquisition, the Port shall issue the 2020B Bond. The 2020B Bond shall be designated “Port of Chelan, Washington, Limited Tax General Obligation Bond, 2020B (Taxable),” with such description and additional designations for identification purposes as may be approved by the Designated Port Representative, shall be dated as of the Date of Issue, shall be fully registered as to both principal and interest, and shall be numbered in such manner and with any additional designation as the Bond Registrar deems necessary for purposes of identification.

The Commission hereby authorizes the Designated Port Representative to approve the final principal amount of the 2020B Bond, not to exceed \$2,172,859, and the amortization schedule in accordance with the 2020B Bond Purchase Agreement, attached hereto as Exhibit B, as adjusted by agreement between the Designated Port Representative and the Bank. The 2020B Bond shall bear interest on unpaid principal from its date or the most recent date to which

interest has been paid at the 2020B Bond Interest Rate. Interest shall be calculated on the basis of a 360-day year consisting of twelve 30-day months. The 2020B Bond shall be repayable in approximately equal semiannual payments of principal and interest on the 1st day of each June and December, beginning on June 1, 2020, with the final payment of all outstanding principal, together with interest thereon, on December 1, 2029 (the “Maturity Date”).

Section 3. Registration, Payments and Transfer. The Treasurer of the Port shall act as the initial Bond Registrar. The duties of the Bond Registrar hereunder shall be limited to authenticating the Bonds and to remitting money to the Bank on the payment dates as provided therein. The Treasurer may determine at any time that she no longer wishes to act as Bond Registrar and thereupon may appoint a successor Bond Registrar, which may or may not be the fiscal agent of the State of Washington. The Bond Registrar is authorized, on behalf of the Port to authenticate and deliver the Bonds and to carry out all of the Bond Registrar’s powers and duties under this resolution.

Principal of and interest on the Bonds shall be payable in lawful money of the United States of America. Installments of principal of and interest on the Bonds shall be paid by check, wire, or electronic transfer on the date due to the Bank; *provided, however*, that upon payment of the final installment of principal on the Bonds, the Bank shall present and surrender the Bonds at the principal office of the Bond Registrar for cancellation and surrender.

The Bonds are transferable only in whole to: (i) an affiliate of the Purchaser; (ii) a “Bank” as defined in Section 3(a)(2) of the Securities Act of 1933 as amended (the “Securities Act”); (iii) an “Accredited Investor” as defined in Regulation D under the Securities Act; or (iv) a “Qualified Institutional Buyer” as defined in Rule 144A under the Securities Act.

Section 4. Prepayment. The Port reserves the right to prepay principal of the Bonds in advance of the scheduled payments, in whole or in part, on any payment date, with 10 days’

prior written notice to the Bank, with no prepayment penalty. If the Port makes a partial prepayment on the Bonds, the remaining semiannual installment payments would be recalculated by the Bank to reflect a reduction in the semiannual payment amounts. Within seven business days after any partial prepayment, the Bank shall provide to the Port a revised payment schedule.

Section 5. Form of Bonds. The Bonds shall be in substantially the following form:

THIS BOND MAY NOT BE TRANSFERRED EXCEPT AS PROVIDED HEREIN.

NO. R-1 UNITED STATES OF AMERICA [\$836,641] [\$2,172,859]

STATE OF WASHINGTON
PORT OF CHELAN COUNTY
LIMITED TAX GENERAL OBLIGATION BOND,
[2020A (TAX-EXEMPT)][2020B (TAXABLE)]

INTEREST RATE: [2.60%][3.00%]

MATURITY DATE: DECEMBER 1, 2029

REGISTERED OWNER: NORTH CASCADES BANK,
A DIVISION OF GLACIER BANK
220 JOHNSON AVENUE
CHELAN, WA 98816

TAX IDENTIFICATION #: 81-0251125

PRINCIPAL AMOUNT: [EIGHT HUNDRED THIRTY-SIX SIX HUNDRED FORTY-ONE] [TWO MILLION ONE HUNDRED SEVENTY TWO EIGHT HUNDRED FIFTY-NINE] AND NO/100 DOLLARS

THE PORT OF CHELAN COUNTY, WASHINGTON (the "Port"), hereby acknowledges itself to owe and for value received promises to pay to the Registered Owner identified above, or registered assigns, on the Maturity Date identified above, the Principal Amount specified above, and to pay interest thereon from May 5, 2020, or the most recent date to which interest has been paid or duly provided for until payment of this bond at the Interest Rate set forth above, payable on June 1, 2020, and semiannually thereafter on the first days of each succeeding December and June. Interest on this bond shall be calculated on the basis of a 30/360-day year. Principal of and interest on this bond shall be repaid in semiannual installments as set forth on Exhibit A to this bond.

Both principal of and interest on this bond are payable in lawful money of the United States of America. Installments of the principal of and interest on this bond shall be paid by check or draft of the Port as the initial registrar, authenticating agent and paying agent (the "Bond Registrar") mailed on the date such principal and interest is due or by electronic funds transfer made on the date such interest is due to the registered owner or nominee at the address appearing on the Bond Register. Upon final payment of all installments of principal and interest thereon, this bond shall be submitted to the Bond Registrar for cancellation.

This bond is issued pursuant to Resolution No. 2020-06 of the Commission (the "Bond Resolution") to provide a part of funds for the acquisition of real property and to pay costs of issuance. Simultaneously herewith, the Port is issuing its limited tax general obligation bond, [2020A (Tax-Exempt)][2020B (Taxable)]. Capitalized terms appearing on this bond and not otherwise defined herein shall have the meanings given such terms in the Bond Resolution.

The Port reserves the right to prepay principal of this bond in advance of the scheduled payments set forth above, in whole or in part on any payment date without penalty, as provided in the Bond Resolution.

This bond is transferable only in whole to: (i) an affiliate of the Registered Owner; (ii) a "Bank" as defined in Section 3(a)(2) of the Securities Act of 1933 as amended (the "Securities Act"); (iii) an "Accredited Investor" as defined in Regulation D under the Securities Act; or (iv) a "Qualified Institutional Buyer" as defined in Rule 144A under the Securities Act.

[This bond is not a "private activity bond" and has been designated by the Port as a "qualified tax-exempt obligation" eligible for investment by financial institutions within the meaning of Section 265(b) of the Internal Revenue Code of 1986, as amended.] [The Port has taken no action to cause the interest on this bond to be exempt from federal income taxation.]

The Port hereby irrevocably covenants that it will levy taxes annually upon all the taxable property in the Port within the levy limits permitted to the Port without a vote of the electors and in amounts sufficient, with other monies legally available therefor, to pay the principal of and interest on this bond as the same shall become due. The full faith, credit and resources of the Port are hereby irrevocably pledged for the annual levy and collection of such taxes and the prompt payment of such principal and interest. The pledge of tax levies may be discharged prior to maturity of this bond by making provision for the payment thereof on the terms and conditions set forth in the Bond Resolution.

This bond shall not be valid or become obligatory for any purpose or be entitled to any security or benefit under the Bond Resolution until the Certificate of Authentication hereon shall have been manually signed by or on behalf of the Bond Registrar or its duly designated agent.

This bond is issued under and in accordance with the provisions of the Constitution and applicable statutes of the State of Washington and resolutions duly adopted by the Commission including the Bond Resolution.

It is hereby certified that all acts, conditions and things required by the Constitution and statutes of the State of Washington to exist, to have happened, been done and performed

precedent to and in the issuance of this bond have happened, been done and performed and that the issuance of this bond does not violate any constitutional, statutory or other limitation upon the amount of bonded indebtedness that the Port may incur.

IN WITNESS WHEREOF, the Port of Chelan County, Washington, has caused this bond to be executed by the manual or facsimile signatures of the President and Secretary of the Commission and the seal of the Port imprinted, impressed or otherwise reproduced hereon as of the 5th day of May, 2020.

[SEAL]

PORT OF CHELAN COUNTY,
WASHINGTON

By _____ /s/ _____
President, Commission

ATTEST:

_____/s/_____
Secretary, Commission

The Bond Registrar's Certificate of Authentication on the Bonds shall be in substantially the following form:

CERTIFICATE OF AUTHENTICATION

Date of Authentication: May 5, 2020

This bond is the Limited Tax General Obligation Bond, [2020A (Tax-Exempt)][2020B (Taxable)], of the Port of Chelan County, Washington, as described in the within-mentioned Bond Resolution.

TREASURER OF THE PORT OF CHELAN
COUNTY, as Bond Registrar

By Monica Gough
Treasurer

EXHIBIT A

AMORTIZATION SCHEDULE

<u>Payment Date</u>	<u>Principal Amount</u>	<u>Interest</u>	<u>Total</u>
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____

Section 6. Execution of Bonds. The Bonds shall be executed on behalf of the Port with the manual or facsimile signatures of the President and Secretary of the Commission and the seal of the Port impressed, imprinted or otherwise reproduced hereon thereon. Only such Bonds as shall bear thereon a Certificate of Authentication in the form hereinbefore recited, manually executed by or on behalf of the Bond Registrar or its duly designated agent, shall be valid or obligatory for any purpose or entitled to the benefits of this resolution.

In case either of the officers who shall have executed the Bonds shall cease to be an officer or officers of the Port before the Bonds so signed shall have been authenticated or delivered by the Bond Registrar, or issued by the Port, such Bonds may nevertheless be authenticated, delivered and issued and upon such authentication, delivery and issuance, shall be as binding upon the Port as though those who signed the same had continued to be such officers of the Port. The Bonds may also be signed and attested on behalf of the Port by such persons who are at the actual date of delivery of the Bonds, the proper officers of the Port although at the original date of the Bonds any such person shall not have been such officer of the Port.

Section 7. Lost, Stolen or Destroyed Bonds. In case either Bond shall be lost, stolen or destroyed, the Port may execute and the Bond Registrar may deliver a new Bond of like date and tenor to the Bank and upon its filing with the Bond Registrar evidence satisfactory to said

Bond Registrar that the Bond was actually lost, stolen or destroyed, and upon furnishing the Bond Registrar with indemnity satisfactory to the Bond Registrar.

Section 8. Bond Fund and Provision for Tax Levy Payments. A special fund of the Port known as the “Port of Chelan County General Obligation Bond Redemption Fund” (the “Bond Fund”) shall be maintained in the office of the Director of Finance & Administration. The Bond Fund shall be drawn upon for the sole purpose of paying the principal of and interest on general obligation bonds of the Port.

The Port hereby further irrevocably covenants that, unless the principal of and interest on the Bonds are paid from other sources, it will make annual levies of taxes upon all of the property in the Port subject to taxation within and as a part of the tax levy permitted to port districts without a vote of the electors in amounts sufficient to pay such principal and interest as the same shall become due. The full faith, credit and resources of the Port are hereby irrevocably pledged for the annual levy and collection of such taxes and for the prompt payment of such principal and interest on the Bonds.

Section 9. Tax Covenants.

(a) *General.* The Port hereby covenants that it will not make any use of the proceeds of sale of the 2020A Bond or any other funds of the Port that may be deemed to be proceeds of the 2020A Bond pursuant to Section 148 of the Code that will cause the 2020A Bond to be an “arbitrage bond” within the meaning of said section and said regulations. The Port will comply with the requirements of Section 148 of the Code (or any successor provision thereof applicable to the 2020A Bond) and the applicable Regulations thereunder throughout the term of the 2020A Bond.

The Port further covenants that it will not take any action or permit any action to be taken that would cause the 2020A Bond to constitute a “private activity bond” under Section 141 of the Code.

(b) *Designation under Section 265(b).* The Port hereby designates the 2020A Bond as a “qualified tax-exempt obligation” within the meaning of Section 265(b)(3) of the Code. The Port does not anticipate issuing more than \$10,000,000 of tax-exempt obligations during 2020 (excluding obligations permitted by the Code to be excluded for purposes of the Port’s qualification as a qualified small issuer).

(c) *2020B Bond.* The Port has taken no action to cause the interest on the 2020 Bond to be exempt from federal income taxation.

Section 10. Sale of the Bonds. The Commission hereby ratifies and confirms its acceptance of the Bank’s proposal April 28, 2020, to purchase the Bonds, and the Bonds shall be sold to the Bank in accordance with the terms of the 2020A Bond Purchase Agreement and the 2020B Bond Purchase Agreement and this resolution. Accordingly, the Designated Port Representative is hereby authorized to execute and deliver the 2020A Bond Purchase Agreement and the 2020B Bond Purchase Agreement to the Bank. The 2020A Bond Purchase Agreement and the 2020B Bond Purchase Agreement include proposed debt service schedules, which may be modified upon agreement between the Bank and the Designated Port Representative if the Port determines to include costs of issuance in the aggregate principal amount of the Bonds, respectively, if the Date of Issue is not May 5, 2020.

To the extent there are inconsistent terms between this resolution and the 2020A Bond Purchase Agreement and the 2020B Bond Purchase Agreement, the terms in this resolution shall prevail. The proper Port officials, including the Designated Port Representative, are hereby authorized and directed to do everything necessary for the prompt execution and delivery of the

Bonds to the Bank and for the proper application and use of the proceeds of the Bonds. In furtherance of the foregoing, the Designated Port Representative is authorized to approve and enter into agreements for the payment of costs of issuance and other retained services, including Bond Counsel, and other expenses customarily incurred in connection with issuance and sale of Bonds.

Section 11. Application of Bond Proceeds. The proceeds of sale of the Bonds shall be delivered to the Director of Finance & Administration and shall be utilized by her to pay costs of the Acquisition and costs of issuance at the Port's option; provided, however, that the proceeds of the 2020A Bond shall be allocated solely the portion of the Acquisition that is used and occupied by the administrative staff of the Port, Pangborn Memorial Airport, the University of Washington or other state or local governments and paying related costs of issuance. Any unspent proceeds of the 2020B Bond may be used for any Port purpose.

Section 12. No Undertaking to Provide Ongoing Disclosure; Information to be Provided to Bank. The Bonds are not subject to Rule 15c2-12 of the Securities and Exchange Commission under the Securities Exchange Act of 1934, and the Port makes no undertaking regarding ongoing disclosure with respect to the Bonds.

As long as the Bonds are outstanding, the Port will provide to the Bank the financial information of the Port as the Bank from time to time may reasonably request, including the Port's annual financial statements/reports, audit reports, and audited financial statements, as available.

Section 13. Resolution and Laws a Contract with the Bank. This resolution is adopted under the authority of and in full compliance with the Constitution and laws of the State of Washington, including Title 36 of the Revised Code of Washington, as amended and supplemented. In consideration of the loan made by the Bank, evidenced by the Bonds, the

provisions of this resolution and of said laws shall constitute a contract with the Bank, and the obligations of the Port and its Commission under said laws and under this resolution shall be enforceable by any court of competent jurisdiction; and the covenants and agreements herein and in the Bonds set forth shall be for the equal benefit of the Bank and any permitted transferee or assignee.

Section 14. Severability. If any one or more of the covenants or agreements provided in this resolution to be performed on the part of the Port shall be declared by any court of competent jurisdiction to be contrary to law, then such covenant or covenants, agreement or agreements, shall be null and void and shall be deemed separable from the remaining covenants and agreements of this resolution and shall in no way affect the validity of the other provisions of this resolution or of the Bonds.

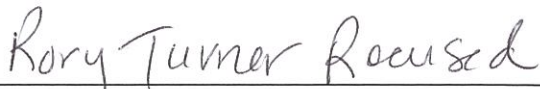
Section 15. Effective Date. This resolution shall become effective immediately upon its adoption.

ADOPTED AND APPROVED at a regular meeting of the Commission of the Port of Chelan County, Washington held this 28th day of April, 2020.

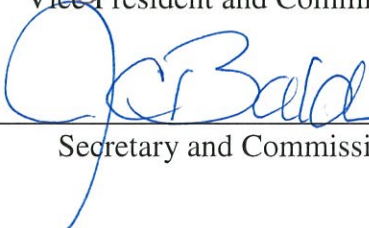
PORT OF CHELAN COUNTY, WASHINGTON

By: 

President and Commissioner

By: 

Vice President and Commissioner

By: 

Secretary and Commissioner

EXHIBIT A
2020A BOND PURCHASE AGREEMENT



April 28, 2020

Via Email

Monica Lough, CPA
Director of Finance & Administration
Chelan Douglas Regional Port Authority
monica@cdrpa.org

Port of Chelan County, Washington
Limited Tax General Obligation Bond, 2020A

Bond Purchase Agreement

Dear Ms. Lough,

North Cascades Bank, division of Glacier Bank, Chelan, Washington (the "Bank") is pleased to provide this Bond Purchase Agreement outlining the terms and conditions the Bank has approved for purchase of a tax-exempt general obligation bond of the Port of Chelan County, Washington. Capitalized terms not defined herein have the meaning given in Resolution No. 2020-06 passed by the Board of Commissioners at their meeting on April 28, 2020 (the "Bond Resolution").

Terms

1. Issuer: Port of Chelan County, Washington (the "Port").
2. Description: Limited Tax General Obligation Bond, 2020A (the "2020A Bond").
3. Par Amount: \$836,641
4. Purpose: To provide funds for the acquisition of the Executive Flight Building at Pangborn Memorial Airport which the Port currently occupies under contract, and to pay the costs of issuing the 2020A Bond.
5. Closing Date: The 2020A Bond will close on or about May 5, 2020 (the "Closing Date"). The Bank will receive the adopted Bond Resolution, authenticated Bond and legal opinion (or pdf copies thereof) prior to the Closing Date.
6. Maturity Date: December 1, 2029 (the "Maturity Date").

North Cascades Bank Municipal Services

Chelan Office
220 Johnson Ave
PO Box 1648
Chelan, WA 98816
Telephone: 509.682.7306

www.northcascadesbank.com

Edmonds Office
152 3rd Avenue South
Suite 200
Edmonds, WA 98020
Telephone: 509.682.7306



Port of Chelan County, Washington
LTGO Bond 2020A (Tax-exempt)
Bond Purchase Agreement
April 28, 2020

7. **Tax Status:** The Port shall designate the 2020A Bond as a “qualified tax-exempt obligation” under the Code.
8. **Interest Rate:** The 2020A Bond shall bear interest at a rate of 2.60% *per annum*, calculated on the basis of a 360-day year consisting of twelve 30-day months.
9. **Payment:** Approximately equal semiannual installments of principal and interest on each June 1 and December 1 (each a “Payment Date”), commencing June 1, 2020. The debt service schedule is attached below as Exhibit A.
10. **Prepayment:** The 2020A Bond may be prepaid, in whole or in part, on any Payment Date without penalty at a price of par plus accrued interest to the date of prepayment. Partial prepayments will be applied first to accrued interest due to the date of prepayment, and second, to the reduction of principal. Upon a partial prepayment, the remaining semiannual installments of principal and interest will be recalculated to reflect a reduction in the remaining payment amounts to the Maturity Date.
11. **Security:** The 2020A Bond shall be a limited tax general obligation of the Port. The Port irrevocably covenants and agrees that it will include in its annual budget and levy taxes annually, within and as a part of the tax levy permitted to port districts without a vote of the electorate, upon all the property subject to taxation in amounts sufficient, together with other revenues and money legally available therefor, to pay the principal of and interest on the 2020A Bond as the same shall become due. The full faith, credit and resources of the Port are hereby irrevocably pledged for the annual levy and collection of such taxes and the prompt payment of such principal and interest.
12. **Reporting:** The Port shall provide the Bank its annual financial report, along with other information the Bank may reasonably request from time to time, for as long as the 2020A Bond is outstanding and held by the Bank.
13. **Bond Registrar:** The Port Treasurer will serve as Bond Registrar as set forth in the Bond Resolution.
14. **Transferability:** The Bank is purchasing the 2020A Bond with the intent to hold until maturity. The 2020A Bond shall be transferable, only in whole, to a qualified investor.
15. **Documentation:** Bond documentation will be prepared by bond counsel to the Port, at Port expense. All Bond documentation shall be in the form and substance satisfactory to the Bank and will include additional terms and conditions not set forth herein.
16. **Additional Items:** As of the Closing Date, the credit of the Port and all other characteristics of this financing shall be as represented to the Bank without material adverse change. In the event of material adverse change, including litigation, the Bank may

Port of Chelan County, Washington
LTGO Bond 2020A (Tax-exempt)
Bond Purchase Agreement
April 28, 2020

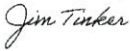
terminate this Bond Purchase Agreement at any time by notifying the Port in writing. This Bond Purchase Agreement supersedes all prior offers or commitments, whether oral or in writing, and may only be modified in writing.

17. Acceptance: To acknowledge and accept the terms of this commitment, the Port must return an electronic copy (pdf or docuSign) of this signed Bond Purchase Agreement to the Bank by 5 p.m. PST on Friday, May 1, 2020 with the original to follow by mail. If the Bank has not received such electronic copy of the signed Bond Purchase Agreement by May 1, 2020, this Bond Purchase Agreement shall terminate upon written notice by the Bank to the Port.
18. Expiration: If the 2020A Bond has not closed by May 8, 2020 this Bond Purchase Agreement shall terminate without notice, unless extended in writing by the Bank.

PLEASE NOTE ORAL AGREEMENTS OR ORAL COMMITMENTS TO LOAN MONEY, EXTEND CREDIT, OR TO FORBEAR FROM ENFORCING REPAYMENT OF A DEBT ARE NOT ENFORCEABLE UNDER WASHINGTON LAW.

The Bank appreciates the opportunity to work with the Port and its finance team.

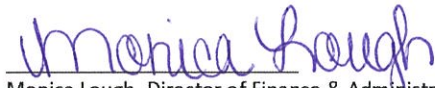
Kind regards,



Jim Tinker
Vice President
North Cascades Bank

Acknowledged and accepted this 28th day of April, 2020

PORT OF CHELAN COUNTY, WASHINGTON



Monica Lough, Director of Finance & Administration

Port of Chelan County, Washington
 LTGO Bond 2020A (Tax-exempt)
 Bond Purchase Agreement
 April 28, 2020

EXHIBIT A

PORT OF CHELAN COUNTY
 LTGO Bond 2020A (Tax-Exempt)

Debt Service Schedule

Closing Date: 5/5/2020
 Maturity Date: 12/1/2029

Payment Date	Principal	Rate	Interest	Payment	Annual Debt Service
6/1/2020	45,679.97	2.60%	1,571.03	47,251.00	
12/1/2020	36,968.51	2.60%	10,282.49	47,251.00	94,502.00
6/1/2021	37,449.10	2.60%	9,801.90	47,251.00	
12/1/2021	37,935.94	2.60%	9,315.06	47,251.00	94,502.00
6/1/2022	38,429.10	2.60%	8,821.90	47,251.00	
12/1/2022	38,928.68	2.60%	8,322.32	47,251.00	94,502.00
6/1/2023	39,434.75	2.60%	7,816.25	47,251.00	
12/1/2023	39,947.41	2.60%	7,303.59	47,251.00	94,502.00
6/1/2024	40,466.72	2.60%	6,784.28	47,251.00	
12/1/2024	40,992.79	2.60%	6,258.21	47,251.00	94,502.00
6/1/2025	41,525.70	2.60%	5,725.30	47,251.00	
12/1/2025	42,065.53	2.60%	5,185.47	47,251.00	94,502.00
6/1/2026	42,612.38	2.60%	4,638.62	47,251.00	
12/1/2026	43,166.34	2.60%	4,084.66	47,251.00	94,502.00
6/1/2027	43,727.50	2.60%	3,523.50	47,251.00	
12/1/2027	44,295.96	2.60%	2,955.04	47,251.00	94,502.00
6/1/2028	44,871.81	2.60%	2,379.19	47,251.00	
12/1/2028	45,455.14	2.60%	1,795.86	47,251.00	94,502.00
6/1/2029	46,046.06	2.60%	1,204.94	47,251.00	
12/1/2029	46,641.60	2.60%	606.34	47,247.94	94,498.94
	836,641.00		108,375.94	945,016.94	945,016.94

EXHIBIT B
2020B BOND PURCHASE AGREEMENT



April 28, 2020

Via Email

Monica Lough, CPA
Director of Finance & Administration
Chelan Douglas Regional Port Authority
monica@cdrpa.org

Port of Chelan County, Washington
Limited Tax General Obligation Bond, 2020B

Bond Purchase Agreement

Dear Ms. Lough,

North Cascades Bank, division of Glacier Bank, Chelan, Washington (the "Bank") is pleased to provide this Bond Purchase Agreement outlining the terms and conditions the Bank has approved for purchase of a taxable general obligation bond of the Port of Chelan County, Washington. Capitalized terms not defined herein have the meaning given in Resolution No. 2020-06 passed by the Board of Commissioners at their meeting on April 28, 2020 (the "Bond Resolution").

Terms

1. Issuer: Port of Chelan County, Washington (the "Port").
2. Description: Limited Tax General Obligation Bond, 2020B (the "2020B Bond").
3. Par Amount: \$2,172,859
4. Purpose: To provide funds for the acquisition of the Executive Flight Building at Pangborn Memorial Airport which the Port currently occupies under contract, and to pay the costs of issuing the 2020B Bond.
5. Closing Date: The 2020B Bond will close on or about May 5, 2020 (the "Closing Date"). The Bank will receive the adopted Bond Resolution, authenticated Bond and legal opinion (or pdf copies thereof) prior to the Closing Date.
6. Maturity Date: December 1, 2029 (the "Maturity Date").

North Cascades Bank Municipal Services

Chelan Office
220 Johnson Ave
PO Box 1648
Chelan, WA 98816
Telephone: 509.682.7306

www.northcascadesbank.com

Edmonds Office
152 3rd Avenue South
Suite 200
Edmonds, WA 98020
Telephone: 509.682.7306



Port of Chelan County, Washington
LTGO Bond 2020B (Taxable)
Bond Purchase Agreement
April 28, 2020

7. **Tax Status:** The 2020B Bond will be taxable under the Code.
8. **Interest Rate:** The 2020B Bond shall bear interest at a rate of 3.00% *per annum*, calculated on the basis of a 360-day year consisting of twelve 30-day months.
9. **Payment:** Approximately equal semiannual installments of principal and interest on each June 1 and December 1 (each a "Payment Date"), commencing June 1, 2020. The debt service schedule is attached below as Exhibit A.
10. **Prepayment:** The 2020B Bond may be prepaid, in whole or in part, on any Payment Date without penalty at a price of par plus accrued interest to the date of prepayment. Partial prepayments will be applied first to accrued interest due to the date of prepayment, and second, to the reduction of principal. Upon a partial prepayment, the remaining semiannual installments of principal and interest will be recalculated to reflect a reduction in the remaining payment amounts to the Maturity Date.
11. **Security:** The 2020B Bond shall be a limited tax general obligation of the Port. The Port irrevocably covenants and agrees that it will include in its annual budget and levy taxes annually, within and as a part of the tax levy permitted to port districts without a vote of the electorate, upon all the property subject to taxation in amounts sufficient, together with other revenues and money legally available therefor, to pay the principal of and interest on the 2020B Bond as the same shall become due. The full faith, credit and resources of the Port are hereby irrevocably pledged for the annual levy and collection of such taxes and the prompt payment of such principal and interest.
12. **Reporting:** The Port shall provide the Bank its annual financial report, along with other information the Bank may reasonably request from time to time, for as long as the 2020B Bond is outstanding and held by the Bank.
13. **Bond Registrar:** The Port Treasurer will serve as Bond Registrar as set forth in the Bond Resolution.
14. **Transferability:** The Bank is purchasing the 2020B Bond with the intent to hold until maturity. The 2020B Bond shall be transferable, only in whole, to a qualified investor.
15. **Documentation:** Bond documentation will be prepared by bond counsel to the Port, at Port expense. All Bond documentation shall be in the form and substance satisfactory to the Bank and will include additional terms and conditions not set forth herein.
16. **Additional Items:** As of the Closing Date, the credit of the Port and all other characteristics of this financing shall be as represented to the Bank without material adverse change. In the event of material adverse change, including litigation, the Bank may terminate this Bond Purchase Agreement at any time by notifying the Port in

Port of Chelan County, Washington
LTGO Bond 2020B (Taxable)
Bond Purchase Agreement
April 28, 2020

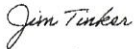
writing. This Bond Purchase Agreement supersedes all prior offers or commitments, whether oral or in writing, and may only be modified in writing.

17. Acceptance: To acknowledge and accept the terms of this commitment, the Port must return an electronic copy (pdf or docuSign) of this signed Bond Purchase Agreement to the Bank by 5 p.m. PST on Friday, May 1, 2020 with the original to follow by mail. If the Bank has not received such electronic copy of the signed Bond Purchase Agreement by May 1, 2020, this Bond Purchase Agreement shall terminate upon written notice by the Bank to the Port.
18. Expiration: If the 2020B Bond has not closed by May 8, 2020 this Bond Purchase Agreement shall terminate without notice, unless extended in writing by the Bank.

PLEASE NOTE ORAL AGREEMENTS OR ORAL COMMITMENTS TO LOAN MONEY, EXTEND CREDIT, OR TO FORBEAR FROM ENFORCING REPAYMENT OF A DEBT ARE NOT ENFORCEABLE UNDER WASHINGTON LAW.

The Bank appreciates the opportunity to work with the Port and its finance team.

Kind regards,



Jim Tinker
Vice President
North Cascades Bank

Acknowledged and accepted this 28th day of April, 2020

PORT OF CHELAN COUNTY, WASHINGTON



Monica Lough, Director of Finance & Administration

Port of Chelan County, Washington
 LTGO Bond 2020B (Taxable)
 Bond Purchase Agreement
 April 28, 2020

EXHIBIT A

PORT OF CHELAN COUNTY
 LTGO Bond 2020B (Taxable)

Debt Service Schedule

Closing Date: 5/5/2020

Maturity Date: 12/1/2029

Payment Date	Beginning Balance	Principal	Rate	Interest	Payment	Annual Debt Service
6/1/2020	2,172,859.00	120,252.14	3.00%	4,707.86	124,960.00	
12/1/2020	2,052,606.86	94,170.90	3.00%	30,789.10	124,960.00	249,920.00
6/1/2021	1,958,435.96	95,583.46	3.00%	29,376.54	124,960.00	
12/1/2021	1,862,852.50	97,017.21	3.00%	27,942.79	124,960.00	249,920.00
6/1/2022	1,765,835.29	98,472.47	3.00%	26,487.53	124,960.00	
12/1/2022	1,667,362.82	99,949.56	3.00%	25,010.44	124,960.00	249,920.00
6/1/2023	1,567,413.26	101,448.80	3.00%	23,511.20	124,960.00	
12/1/2023	1,465,964.46	102,970.53	3.00%	21,989.47	124,960.00	249,920.00
6/1/2024	1,362,993.93	104,515.09	3.00%	20,444.91	124,960.00	
12/1/2024	1,258,478.84	106,082.82	3.00%	18,877.18	124,960.00	249,920.00
6/1/2025	1,152,396.02	107,674.06	3.00%	17,285.94	124,960.00	
12/1/2025	1,044,721.96	109,289.17	3.00%	15,670.83	124,960.00	249,920.00
6/1/2026	935,432.79	110,928.51	3.00%	14,031.49	124,960.00	
12/1/2026	824,504.28	112,592.44	3.00%	12,367.56	124,960.00	249,920.00
6/1/2027	711,911.85	114,281.32	3.00%	10,678.68	124,960.00	
12/1/2027	597,630.52	115,995.54	3.00%	8,964.46	124,960.00	249,920.00
6/1/2028	481,634.98	117,735.48	3.00%	7,224.52	124,960.00	
12/1/2028	363,899.51	119,501.51	3.00%	5,458.49	124,960.00	249,920.00
6/1/2029	244,398.00	121,294.03	3.00%	3,665.97	124,960.00	
12/1/2029	123,103.97	123,103.97	3.00%	1,846.56	124,950.53	249,910.53
		2,172,859.00		326,331.53	2,499,190.53	2,499,190.53

CERTIFICATE

I, the undersigned, Secretary of the Commission (the “Commission”) of the Port of Chelan County, Washington (the “Port”) and keeper of the records of the Commission, DO HEREBY CERTIFY:

1. That the attached resolution is a true and correct copy of Resolution No. 2020 -06 of the Commission (the “Resolution”), duly adopted at a regular meeting thereof held on the 28th day of April, 2020; and

2. That said meeting was duly convened and held in all respects in accordance with law, due and proper notice of such meeting was given, that a legal quorum was present throughout the meeting and a legally sufficient number of members of the Commission voted in the proper manner for the adoption of the Resolution; that all other requirements and proceedings incident to the proper adoption of the Resolution have been duly fulfilled, carried out and otherwise observed, and that I am authorized to execute this certificate.

IN WITNESS WHEREOF, I have hereunto set my hand this 28th day of April, 2020.


Secretary, Commission