ORDINANCE NO. 02-01

AN ORDINANCE APPROVING THE DELIVERY OF $4,700,000 PRINCIPAL AMOUNT OF CERTIFICATES OF PARTICIPATION (CONSERVATION COMMISSION OF THE STATE OF MISSOURI PROJECT), SERIES 2002; AUTHORIZING AND APPROVING CERTAIN DOCUMENTS IN CONNECTION WITH THE DELIVERY OF THE CERTIFICATES; AND AUTHORIZING CERTAIN OTHER ACTIONS IN CONNECTION WITH THE DELIVERY OF THE CERTIFICATES.

WHEREAS, the County Commission finds and determines that it is advantageous and in the best interests of the County of Cape Girardeau, Missouri (the "County") that the County enter into certain transactions with U.S. Bank National Association, as trustee (the "Trustee") relating to the delivery of $4,700,000 principal amount of Certificates of Participation (Conservation Commission of the State of Missouri Project), Series 2002 (the "Certificates") for the purpose of paying the costs of (1) acquiring and constructing on the Project Site an approximately 19,000 square foot nature center and related on-site infrastructure improvements, including parking for administrative offices and employee parking (collectively, the "Facility"), (2) acquiring and installing certain furniture, fixtures and equipment for the Facility (the "Equipment") and (3) constructing certain off-site infrastructure improvements, including road improvements (the "Infrastructure Improvements") (the acquisition, construction and installation of the Facility, the Equipment and the Infrastructure Improvements are collectively referred to as the "Project"); and

WHEREAS, the County Commission finds and determines that the construction, acquisition and installation of the Project will benefit the residents of the County; and

WHEREAS, the proceeds of the Certificates will also be used to (1) fund a debt service reserve fund for the Certificates and (2) pay the costs of delivering the Certificates; and

WHEREAS, in connection with the delivery of the Certificates, the County Commission finds it necessary to authorize the execution of: (1) a Ground Lease dated as of December 15, 2002 (the "Ground Lease"), between the County and the Trustee, pursuant to which the County will lease the Project Site to the Trustee for rent including the deposit of the funds specified therein to pay the costs of the Project; and (2) a Lease/Purchase Agreement dated as of December 15, 2002 (the "Lease"), pursuant to which the Trustee will lease the Project Site together with that portion of the Project to be located thereon (i.e., the Facility and the Equipment) (collectively referred to as the "Leased Property") back to the County on an annually renewable basis, and the County will make rental payments to the Trustee that will be sufficient, during any term of the Lease, to pay the principal of, premium, if any, and interest distributable with respect to the Certificates as the same become due; and

WHEREAS, concurrently with the execution of the Ground Lease and the Lease, the County Commission finds it desirable to authorize the execution of a Sublease Agreement dated as of December 15, 2002 (the "Sublease"), between the County and the State of Missouri acting by and through the Conservation Commission of the State of Missouri (the "Commission"), pursuant to which the County will sublease the Leased Property to the Commission for an initial term ending June 30, 2003, subject to renewal as described in the Sublease; and

WHEREAS, pursuant to the Sublease, the Commission will, subject to annual appropriation, make rental payments for the use of the Leased Property that will be sufficient to pay the principal of, premium, if any, and interest distributable with respect to the Certificates as the same become due, and will make additional rental payments for the lease of the Project Site, as described in the Sublease; and

WHEREAS, in order to provide additional security for the payment of Base Rentals under the Lease, concurrently with the execution of the Sublease, the County Commission finds it in the best interests of the County to authorize the execution of an Assignment of Sublease Agreement dated as of December 15, 2002 (the "Assignment of Sublease"), pursuant to which the County will assign all its rights under the Sublease to the Trustee (other than certain Reserved Rights described therein);

NOW, THEREFORE, BE IT ORDAINED BY THE COUNTY COMMISSION OF THE COUNTY OF CAPE GIRARDEAU, MISSOURI, AS FOLLOWS:

Section 1. Incorporation of the Preambles. The preambles to this Ordinance are hereby approved and incorporated herein as though set forth in full at this point.

Section 2. Approval of Delivery of the Certificates. The County Commission hereby approves the delivery of the Certificates described in the preambles to this Ordinance and representing the interests of the Owners thereof in the right to receive Base Rentals payable by the County pursuant to the Lease. The Certificates shall be dated December 15, 2002 and shall be in such denominations, mature in such amounts, bear interest at such rates, be subject to prepayment prior to the stated payment dates thereof, have such other terms and provisions, and be executed and delivered in such manner subject to such provisions, covenants and agreements, as are set forth in the Indenture.

Section 3. Sale of the Certificates. The Certificates shall be sold to Stern Brothers & Co. (the "Underwriter") at a purchase price equal to $4,652,807.15 (representing the principal amount of the Certificates, less a net original issue discount of $192.85, less an underwriting discount of $47,000.00), plus accrued interest from the date thereof to the date of delivery of the Certificates, as set forth in the Certificate Purchase Agreement.

Section 4. Limited Obligations. The Certificates and the interest thereon shall be limited obligations, payable solely out of the rents, revenues and receipts received by the Trustee from the County pursuant to the Lease. The County will pledge to the payment of the Certificates all payments received by the County under the Sublease. Neither the Lease nor the Certificates shall constitute a debt or liability of the County or of the State of Missouri or of any political subdivision thereof, and neither the Lease nor the Certificates shall constitute an indebtedness within the meaning of any constitutional or statutory debt limitation or restriction.

Section 5. Authorization of Documents. The County is hereby authorized to enter into the following documents, in substantially the forms presented to and reviewed by the County Commission at this meeting and attached to this Ordinance (copies of which documents shall be filed in the records of the County), with such changes therein as shall be approved by the officers of the County executing such documents, such officers' signatures thereon being conclusive evidence of their approval thereof:

(a) Ground Lease (attached hereto as **Exhibit A**).
(b) Lease (attached hereto as **Exhibit B**).
(c) Sublease (attached hereto as **Exhibit C**).
(d) Assignment of Sublease (attached hereto as **Exhibit D**).
(e) Tax Compliance Agreement (attached hereto as **Exhibit E**).

Section 6. Approval of Indenture. The County hereby approves the Declaration and Indenture of Trust dated as of December 15, 2002 (the "Indenture"), executed by the Trustee (attached hereto as **Exhibit F**), in substantially the form approved by the County Commission at this meeting.

Section 7. Execution of Documents. The County is hereby authorized to enter into and the Commissioners are hereby authorized and directed to execute and deliver, on behalf of the County, the Ground Lease, the Lease, the Sublease, the Assignment of Lease, the Tax Compliance Agreement and such other documents, certificates and instruments as may be necessary or desirable to carry out and comply with the intent of this Ordinance.

Section 8. Preliminary Official Statement and Official Statement. The County Commission hereby ratifies and approves the Preliminary Official Statement in the form attached hereto as **Exhibit G**, and the final Official Statement is hereby authorized and approved by supplementing, amending and completing the Preliminary Official Statement, with such changes and additions thereto as are necessary to conform to and describe the transaction. The Commissioners are hereby authorized to execute the Official Statement as so supplemented, amended and completed. The County Commission consents to the use and public distribution by the Underwriter of the final Official Statement in connection with the offering for sale of the Certificates.

Section 9. Further Authority. The officers, agents and employees of the County, including the Commissioners and Clerk of the County Commission, are authorized and directed to execute all documents and take such actions as they may deem necessary or advisable in order to carry out and perform the purposes of this Ordinance, and to carry out, comply with and perform the duties of the County with respect to the Ground Lease, the Lease, the Sublease, the Assignment of Sublease and the Tax Compliance Agreement, to make alterations, changes or additions in the foregoing agreements, statements, instruments and other documents herein approved, authorized and confirmed which they may approve, and the execution or taking of such action shall be conclusive evidence of such necessity or advisability.

Section 10. Effective Date. This Ordinance shall take effect and be in full force upon passage by the County Commission.

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PASSED by the County Commission of the County of Cape Girardeau, Missouri, this 12th day of December, 2002.

Gerald W. Jones
Presiding Commissioner

Larry L. Bock
First District Commissioner

Joe F. Gambill
Second District Commissioner

(SEAL)

ATTEST:

Rodney E. Miller, by D. Burk, Dep.
Rodney E. Miller
Clerk of the County Commission