

January 22, 2024

Oregon Infrastructure Finance Authority
775 Summer Street NE Suite 200
Salem OR 97301-1280

Re: City of Sandy – Project No. B24004 – Alder Creek WTP

To Whom It May Concern:

I am the City Attorney for the City of Sandy (the “Recipient”), which has entered into a Financing Contract (as hereinafter defined) with the Oregon Infrastructure Finance Authority of the Oregon Business Development Department (“OBDD”) pursuant to Sections 285B.410 through 285B.482 of the Oregon Revised Statutes (the “Act”), and have acted as such in connection with the authorization, execution and delivery by the Recipient of the Contract (as hereinafter defined). Capitalized terms not otherwise defined in this letter shall have the meanings assigned to them by the Contract.

In so acting I have examined the Constitution and laws of the State of Oregon and the Recipient’s Charter, if any. I have also examined originals, or copies certified or otherwise identified to my satisfaction, of the following:

- A. The Financing Contract by and between the OBDD and the Recipient, number B24004, signed by Recipient on _____, 2024, in the principal loan amount of \$9,500,000, executed by the Recipient (collectively, the “Contract”).
- B. Proceedings of the governing body of the Recipient relating to the approval of the Contract and the execution, issuance and delivery thereof on behalf of the Recipient, and the authorization of the undertaking and completion of the Project as defined in the Contract;
- C. All outstanding instruments relating to bonds, notes or other indebtedness of or relating to the Recipient.

I have also examined and relied upon originals, or copies certified or otherwise authenticated to my satisfaction, of such other records, documents, certificates and other instruments, and made such investigation of law as in my judgment I have deemed necessary or appropriate to enable me to render the opinions expressed below.

Based upon the foregoing, I am of the opinion that:

- 1. The Recipient is a duly formed and operating municipality as defined in ORS 285B.410(9), with the legal right to own and operate the Project.

2. The Recipient has full legal right and authority to execute and deliver the Contract and to observe and perform its duties, covenants, obligations and agreements thereunder and to undertake and complete the Project.
3. Amounts due to the OBDD pursuant to the Contract are payable from the sources described in Section 4 of the Contract.
4. The Ordinance (the “Ordinance”) of the Recipient approving the Contract and authorizing their execution, issuance and delivery on behalf of the Recipient, and authorizing the Recipient to undertake and complete the Project has been duly and lawfully adopted and authorized in accordance with the Recipient’s Charter, if any, the Act and other applicable Oregon law, and the Ordinance was adopted at a meeting or meetings which were duly called with public notice and held in accordance with the Recipient’s Charter, if any, and applicable Oregon law, and at which quorums were present and acting throughout.
5. The Contract has been duly authorized, executed and delivered by the authorized officers of the Recipient and constitutes the legal, valid and binding obligation of the Recipient enforceable in accordance with its terms; subject, however, to bankruptcy, insolvency, fraudulent conveyance, reorganization, moratorium and other similar laws affecting creditors’ rights or remedies generally (“Creditor’s Rights Limitations”) heretofore or hereafter enacted and the application of equitable principles.
6. To the best of my knowledge, after such investigation as I have deemed appropriate, the authorization, execution and delivery of the Contract by the Recipient, the observation and performance by the Recipient of its duties, covenants, obligations and agreements thereunder and the consummation of the transactions contemplated therein and the undertaking and completion of Project, do not and will not contravene any existing law or any existing order, injunction, judgment, decree, rule or regulation of any court or governmental or administrative agency, authority or person having jurisdiction over the Recipient or its property or assets or result in a breach or violation of any of the terms and provisions of, or constitute a default under, any existing bond ordinance, resolution, trust agreement, indenture, mortgage, deed of trust or other agreement to which the Recipient is a party or by which it, the Project, or its property or assets is bound.
7. To the best of my knowledge, after such investigation as I have deemed appropriate, all approvals, consents or authorizations of, or registrations of or filings with, any governmental or public agency, authority or person required to date on the part of the Recipient in connection with the authorization, execution, delivery and performance of the Contract and the undertaking and completion of the Project have been obtained or made.
8. To the best of my knowledge, after such investigation as I have deemed appropriate, there is no litigation or other proceeding pending or threatened in any court or other tribunal of competent jurisdiction (either State or Federal) questioning the creation, organization or existence of the Recipient or of the validity, legality or enforceability of the Contract or the undertaking or completion of the Project.

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This opinion is rendered on the basis of the laws of the State of Oregon, including the Act, as enacted and construed on the date hereof. I express no opinion as to any matter not set forth in the numbered paragraphs herein.

Sincerely,

UNSIGNED DRAFT

Ashleigh K. Dougill

AKD/kkb