

RESOLUTION
39-R-01

RESOLUTION approving the removal of Banc One Capital Markets, Inc., as remarketing agent and the appointment of Legg Mason Wood Walker, Incorporated, as successor remarketing agent in relation to the City's General Obligation Variable Rate Demand Bonds, Series 2000A, Taxable Series 2000B, Series 2000C and Series 2000D.

* * *

WHEREAS, the City of Evanston, Cook County, Illinois (the "*City*"), has previously issued and there are currently outstanding and unpaid General Obligation Variable Rate Demand Bonds, Series 2000A, Taxable Series 2000B, Series 2000C and Series 2000D (collectively, the "*Series 2000 Bonds*") pursuant to the Indenture of Trust dated as of June 1, 2000 (the "*2000 Indenture*"), by and between the City and American National Bank and Trust Company of Chicago, as trustee (the "*Trustee*"); and

WHEREAS, Bank of America, N.A., (the "*Liquidity Provider*") has agreed to provide liquidity for the Bonds pursuant to a Standby Bond Purchase Agreement dated as of June 1, 2000 (the "*Liquidity Facility*"), among the City, the Liquidity Provider and the Trustee; and

WHEREAS, in connection with the issuance of the Series 2000 Bonds, the City appointed Banc One Capital Markets, Inc. ("*Banc One*"), to act as remarketing agent for the Series 2000 Bonds, pursuant to the terms of a Remarketing Agreement dated as of June 1, 2000 (the "*2000 Remarketing Agreement*"), by and between the City and Banc One; and

WHEREAS, the City Council of the City (the "*Corporate Authorities*") hereby determine that it is advisable and in the best interests of the City to remove Banc One as remarketing agent for the Series 2000 Bonds and appoint Legg Mason Wood Walker, Incorporated ("*Legg Mason*") as the successor remarketing agent for the Series 2000 Bonds; and

WHEREAS, the Corporate Authorities hereby further determine that it is advisable and necessary at this time to execute and deliver a remarketing agreement (the "*Successor Remarketing Agreement*") by and between the City and Legg Mason:

NOW, THEREFORE, Be It and It Is Hereby Resolved by the City Council of the City of Evanston, Cook County, Illinois, as follows:

Section 1. Incorporation of Preambles. The Corporate Authorities hereby find that all of the recitals contained in the preambles to this Resolution are full, true and correct and does incorporate them into this Resolution by reference.

Section 2. Removal of Banc One; Notice. The Corporate Authorities hereby approve the removal of Banc One, as remarketing agent for the Series 2000 Bonds, such removal to be effective as of _____, 2001. The Finance Director of the City is hereby authorized and directed to notify the Trustee, the Liquidity Provider and Banc One of the City's intent to remove Banc One as the remarketing agent, all pursuant to Section 2.8 of the 2000 Remarketing Agreement and Section 8.12 of the 2000 Indenture, such notice (the "Notice") to be in substantially the form attached hereto as Exhibit A, and filed at least 30 days prior to the effective date of the removal.

Section 3. Appointment of Legg Mason. The Corporate Authorities hereby appoint Legg Mason to act as successor remarketing agent for the Series 2000 Bonds, effective immediately upon the removal of Banc One as remarketing agent and upon receiving the consent of the Liquidity Provider and the foregoing shall be evidenced by the Certificate of the Finance Director in substantially the form attached hereto as Exhibit B. The Corporate Authorities hereby find that Legg Mason is qualified to act as remarketing agent under the terms of Section 8.12 of the 2000 Indenture.

Section 4. Consent. Pursuant to Section 7.21(d) of the Liquidity Facility and Section 2.9 of the 2000 Remarketing Agreement, the appointment of Legg Mason to act as remarketing agent for the Series 2000 Bonds under the Successor Remarketing Agreement is subject to the written consent of the Liquidity Provider. The Mayor, City Manager and the

Finance Director, all officers or officials of the City (the "Authorized Officials"), are hereby authorized and directed to do all such acts and things as may be necessary to obtain the consent of the Liquidity Provider.

Section 5. Approval of the Successor Remarketing Agreement. The Successor Remarketing Agreement in substantially the form attached hereto as Exhibit C, is hereby approved; the officers of the City shown as signatory to the Successor Remarketing Agreement or, if none are so shown, any of the Authorized Officials are hereby authorized, empowered and directed to execute, and the City Clerk of the City is authorized, empowered and directed to attest and to affix the official seal of the City to, as called for, the Successor Remarketing Agreement in the name of, for and on behalf of the City, and thereupon to cause the Successor Remarketing Agreement to be delivered to the other parties thereto; when the Successor Remarketing Agreement is executed, attested, sealed and delivered on behalf of the City, as applicable and as hereinabove provided, the Successor Remarketing Agreement will be binding on the City; from and after the execution and delivery of the Successor Remarketing Agreement, the officers, employees and agents of the City are hereby authorized, empowered and directed to do all such acts and things and to execute all such documents as may be necessary to carry out and comply with the provisions of the Successor Remarketing Agreement as executed; and the Successor Remarketing Agreement shall constitute, and is hereby made, a part of this Resolution, and a copy of the Successor Remarketing Agreement shall be placed in the official records of the City, and shall be available for public inspection at the office of the City Clerk. The Corporate Authorities shall supply a copy of the Successor Remarketing Agreement to the Trustee as soon as practicable, after the execution and delivery thereof.

Section 6. Notice to Rating Agencies. The Corporate Authorities hereby direct the Trustee to provide to each Rating Agency rating the Series 2000 Bonds prompt written notice

following the effective date of (a) the appointment of Legg Mason, as successor remarketing agent, and (b) the execution and delivery of the Successor Remarketing Agreement, all pursuant to Section 4.12 of the 2000 Indenture.

Section 7. Acknowledgement and Approval of Change in Weekly End Day and Weekly Start Day. The Corporate Authorities hereby acknowledge that the Weekly End Day and the Weekly Start Day (as defined in the 2000 Indenture) used by Legg Mason when determining the interest rate on variable rate bonds while in a weekly rate mode are different from those currently in effect for the Series 2000 Bonds, as described in Section 2.02(B)(2) of the 2000 Indenture and as referenced in Article III of the 2000 Remarketing Agreement, in that the Weekly End Day used by Legg Mason is Wednesday, rather than Tuesday, and the Weekly Start Day used by Legg Mason is Thursday, rather than Wednesday. The Corporate Authorities hereby approve the procedures used by Legg Mason, do hereby approve the change in the Weekly End Day from Tuesday to Wednesday, do hereby approve the change in the Weekly Start Day from Wednesday to Thursday, and do hereby authorize Legg Mason to take all necessary actions, as required under Section 3.11 of the 2000 Indenture, to effect the change in the Weekly End Day and the Weekly Start Day, after the effective date of the appointment of Legg Mason as the remarketing agent.

Section 8. Publication of Resolution. A full, true and complete copy of this Resolution shall be published within ten days after passage in pamphlet form by authority of the Corporate Authorities.

Section 9. Severability. If any section, paragraph, clause or provision of this Resolution shall be held to be invalid or unenforceable for any reason, the invalidity or unenforceability of such section, paragraph or provision shall not affect any of the remaining provisions of this Resolution.

Section 10. Repeal. All resolutions and parts thereof in conflict herewith be and the same are hereby repealed, and this Resolution shall be in full force and effect forthwith upon its adoption.

AYES: Wynne, Bernstein, Kent, Engelman, Rainey, Feldman,
Newman, Jean-Baptiste

NAYS: None

ABSENT: Moran

ADOPTED: May 21 ____, 2001

APPROVED: May 24 ____, 2001



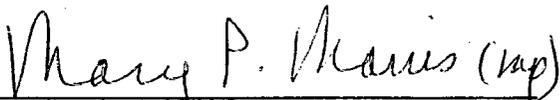
Mayor Pro Tem **City of Evanston**
Cook County, Illinois

Recorded In City Records: _____, 2001.

Published in pamphlet form by authority of the Corporate Authorities at 10:30 a.m. on

May 24 ____, 2001.

ATTEST:



City Clerk, **City of Evanston**
Cook County, Illinois