

RESOLUTION NUMBER 2484

**RESOLUTION THE CITY OF WARRENTON
AUTHORIZING A LOAN FROM THE SAFE DRINKING WATER REVOLVING LOAN FUND
BY ENTERING INTO A FINANCING CONTRACT
WITH THE OREGON BUSINESS DEVELOPMENT DEPARTMENT**

The Warrenton City Commission (the “Governing Body”) of the City of Warrenton (the “Recipient”) finds:

A. The Recipient is a community water system as defined in Oregon Administrative Rule 123-049-0010.

B. The Safe Drinking Water Act Amendments of 1996, Pub.L. 104-182, as amended (the “Act”), authorize any community or nonprofit non-community water system to file an application with the Oregon Infrastructure Finance Authority of the Business Development Department (the “OBDD”) to obtain financial assistance from the Safe Drinking Water Revolving Loan Fund.

C. The Recipient has filed an application with OBDD to obtain financial assistance for a “safe drinking water project” within the meaning of the Act, and OBDD has approved the Recipient’s application for financial assistance.

D. The Recipient is required, as a prerequisite to the receipt of financial assistance from OBDD, to enter into a Financing Contract with OBDD, number S17016, substantially in the form attached hereto as Exhibit 1. The project is described in Exhibit C to that Financing Contract (the “Project”).

E. Notice relating to the Recipient’s consideration of the adoption of this Resolution was published in full accordance with the Recipient’s charter and laws for public notification.

NOW THEREFORE, BE IT RESOLVED by the Governing Body of the Recipient as follows:

1. Financing Loan Authorized. The Governing Body authorizes the Mayor to execute the Financing Contract and such other documents as may be required to obtain financial assistance including a loan from the OBDD on the condition that the principal amount of the loan from OBDD to the Recipient is not more than \$1,100,000 (with \$640,000 eligible for principal forgiveness if contract conditions are met) and the interest rate is not more than 1% if contract conditions are met (and 1.72% if not met). The proceeds of the loan from OBDD must be applied solely to the “Costs of the Project” as such term is defined in the Financing Contract.

2. Sources of Repayment. Amounts payable by the Recipient are payable from the sources described in Section 4 of the Financing Contract and the Oregon Revised Statutes Section 285A.213(5) which include:

- (a) Revenue from Recipient’s water system, including special assessment revenue;
- (b) Amounts withheld under subsection 285A.213(6);
- (c) The general fund of the Recipient;
- (d) Any combination of sources listed in paragraphs (a) to (c) of this subsection; or
- (e) Any other source.

3. Additional Documents. The Mayor is hereby authorized to enter into any agreements and to execute any documents or certificates which may be required to obtain financial assistance from OBDD for the Project pursuant to the Financing Documents.

4. Tax-Exempt Status. The Recipient covenants not to take any action or omit to take any action if the taking or omission would cause interest paid by the Recipient pursuant to the Financing Documents not to qualify for the exclusion from gross income provided by Section 103(a) of the Internal Revenue Code of 1986, as amended. The [name of officer] of the Recipient may enter into covenants on behalf of the Recipient to protect the tax-exempt status of the interest paid by the Recipient pursuant to the Financing Documents and may execute any Tax Certificate, Internal Revenue Service forms or other documents as may be required by OBDD or their bond counsel to protect the tax-exempt status of such interest.

DATED this 28 day of March, 2017.



Mayor, City of Warrenton

ATTEST:



Deputy City Recorder