

INTRODUCED BY COMMISSIONER: Lisa Lamping

AUTHORIZING A LOAN FROM THE SPECIAL PUBLIC WORKS FUND

BY ENTERING INTO A LOAN CONTRACT

WITH THE OREGON ECONOMIC DEVELOPMENT DEPARTMENT

The City of Warrenton Ordains as Follows:

WHEREAS, The City of Warrenton is a "Municipality" within the meaning of Oregon Revised Statutes 285.700(1); and

WHEREAS, Oregon Revised Statutes 285.700 through 285.750 (the "Act") authorizes any municipality to file an application with the Oregon Economic Development Department (the "Department") to obtain financial assistance from the Special Public Works Fund; and

WHEREAS, The Municipality has filed an application with the Department to obtain financial assistance for "technical assistance" within the meaning of the Act; and

WHEREAS, The Department has approved the Municipality's application for financial assistance from the Special Public Works Fund pursuant to the Act; and

WHEREAS, The Municipality is required, as a prerequisite to the receipt of financial assistance from the Department, to enter into a Financial Assistance Award Contract and a Loan Agreement with the Department in substantially the form attached hereto as Exhibits "A" and "B"; and

WHEREAS, The project described in Exhibit "A" to the Loan Agreement (the "Project") is for "technical assistance" within the meaning of the Act which is needed by and is in the public interest of the Municipality; and

WHEREAS, Notice relating to the Municipality's consideration of the adoption of this Ordinance was published at least once in a newspaper of general circulation within the City of Warrenton. Such notice was published at least 14 days in advance of the adoption of this Ordinance.

NOW, THEREFORE, THE WARRENTON CITY COMMISSION ORDAINS AS FOLLOWS:

SECTION 1: Loan Authorized The Warrenton City Commission hereby authorizes the Mayor to execute the Financial Assistance Award Contract, Loan Agreement, the Promissory Note attached as Exhibit "F" to the Loan Agreement (the "Financing Documents") and such other documents as may be required to obtain financial assistance including a loan from the Department on the condition that the principal amount of the loan from the Department to the Municipality is not in excess of \$20,000 and the interest rate on such loan is not in excess of 6%. The proceeds of the loan from the Department shall be applied solely to the "Costs of the Project" as such term is defined in the Loan Agreement.

SECTION 2: Security Amount payable by the Municipality shall be payable from the sources described in Section 6 - C of the Loan Agreement and Oregon Revised Statutes 285.723(2) which include:

- a. any sources of funds that are legally available to the Municipality, and
- b. the Municipality's general fund including the general revenues of the Municipality, other funds which may be available for such purpose and a pledge of the Municipality's taxing power within the restrictions of

Article XI, Section 11 and 11b of the Constitution of the State of Oregon. The obligation of the Municipality to make payments pursuant to the Loan Agreement is a full faith and credit obligation of the Municipality that is not subject to annual appropriation.

SECTION 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 the Department for the Project pursuant to the Financial Assistance Award Contract and the Loan Agreement.

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

SECTION 5: Reimbursement Bonds The Municipality may reimburse expenditures for the Project with amounts received from the Department pursuant to the Financing Documents. Additionally, the Municipality understands that the Department may fund or reimburse itself for the funding of amounts paid to the Municipality pursuant to the Financing Documents with the proceeds of bonds issued by the State of Oregon pursuant to the Act. This Ordinance shall constitute "official intent" within the meaning of Section 1.150-2 of the Income Tax regulations promulgated by the United States Department of the Treasury with respect to the funding or the reimbursement for the funding of costs of the Project with the proceeds of the Municipality's loan pursuant to the Financing Documents and with the proceeds of any bonds issued by the State of Oregon pursuant to the Act.

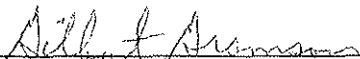
SECTION 6: Declaration of Emergency The City Commission of the City of Warrenton declares that an emergency exists in order that there be no delay in financing the Project as provided in this Ordinance. Therefore, this Ordinance shall be in force and effect from and after passage by the Warrenton City Commission.

PASSED by the City Commission of the City of Warrenton, Oregon, this 17th day of April, 1996.

APPROVED by the Mayor of the City of Warrenton, this 17th day of April, 1996.


Barbara Balensifer, Mayor

ATTEST:


Gilbert G. Gramson
City Manager/Auditor

RECIPIENT COPY

COPY

**WATER/WASTEWATER FINANCING PROGRAM
FINANCIAL ASSISTANCE AWARD CONTRACT
FOR TECHNICAL ASSISTANCE LOAN AND GRANT**

BETWEEN

STATE OF OREGON

acting by and through its

ECONOMIC DEVELOPMENT DEPARTMENT

AND

CITY OF WARRENTON

- Exhibit A – Project Description and Scope of Work
- Exhibit B – Special Conditions of Award
- Exhibit C – List of Environmental and Natural Resource Agencies
- Exhibit D – Approved Project Budget
- Exhibit E – Repayment Schedule
- Exhibit F – Promissory Note

STATE OF OREGON
WATER/WASTEWATER FINANCING PROGRAM
FINANCIAL ASSISTANCE AWARD CONTRACT
FOR TECHNICAL ASSISTANCE LOAN AND GRANT

This Contract is made and entered into by and between the State of Oregon, acting by and through its Economic Development Department ("State") and the City of Warrenton, a municipal corporation ("Municipality"). The reference number of this Technical Assistance ("TA") Award Contract is V96005.

RECITALS

WHEREAS, the award of financial assistance which is the subject of this Contract is authorized by ORS 285.964; and

WHEREAS, the State has reviewed the Municipality's application, and determined the Project merits funding; and

WHEREAS, the Municipality represents that \$45,000 is a reasonable estimate of the Costs of the Project; and

WHEREAS, the Municipality has committed to provide \$15,000 in public and/or private resources as matching funds for the Project; and

WHEREAS, the State is willing to provide a Loan of \$20,000 and a Grant of \$10,000 to the Municipality on the terms and conditions of this Contract.

THEREFORE, the parties agree as follows:

SECTION I

DEFINITIONS

As used in this Contract, the following terms shall have the following meanings:

"Act" shall mean ORS 285.755 to 285.763.

"Costs of the Project" shall mean all costs for preliminary planning or legal, fiscal and economic investigations, reports and studies to determine the economic and engineering feasibility of a future water or wastewater project as set out in Exhibit D, the Approved Project Budget, hereto.

"Closing Date of the Loan" shall mean the Closing Date as set forth in Exhibit "E".

"Default" shall mean an Event of Default or an event which with notice or lapse of time or both would become an Event of Default as set out in Section 8 hereof.

“Grant” shall have the meaning ascribed thereto in Section 2(B) hereof.

“Loan” means the loan made by the State to the Municipality to finance or refinance a portion of the Costs of the Project.

“Participation Rate” shall have the meaning ascribed thereto in Section 4(D) hereof.

“Project” shall mean the project described in Exhibit A, the Project Description and Scope of Work, hereto.

“Project Area” means the general area subject to the TA study, as described in Exhibit A.

“Vendor” means any firm retained by the Municipality to perform professional engineering, financial and/or legal consulting services financed through this Contract.

SECTION 2

AWARD

A. Amount of Loan

Subject to the terms and conditions of this Contract, and in accordance with the Special Conditions of Award (Exhibit B) and the Project Description and Scope of Work (Exhibit A), incorporated herein by reference, and certifications made by the Municipality therein, the State agrees to make a loan to Municipality in the principal amount of \$20,000 (the “Loan”).

B. Amount of Grant

Subject to the terms and conditions of this Contract and in accordance with the Special Conditions of Award (Exhibit B) and the Project Description and Scope of Work (Exhibit A), incorporated herein by reference, and certifications made by the Municipality therein, the State agrees to provide funds in the amount of \$10,000 (“Grant”).

C. Availability of Funds

The amounts set forth in Sections 2(A) and (B) above are subject to the availability of moneys in the Water Fund (“Fund”).

D. Change in the Act

The State shall not be obligated to provide the Grant and/or Loan if, on or prior to the time the Municipality satisfies all conditions for disbursement of the Grant and/or Loan, there has been a change in the Act so that the Project is no longer eligible for the award authorized by this Contract.

E. Drawdowns

The State shall disburse funds for the Project to the Municipality on a reimbursement basis. Requests for drawdown of the Grant and/or Loan shall be made on cash draw forms provided by the State.

SECTION 3

PAYMENTS OF PRINCIPAL AND INTEREST

A. Payments of Principal and Interest on Loan

Municipality promises to repay the principal of and accrued interest on the Loan made hereunder in immediately available funds. On December 1, 1996, \$4,307.93 shall be due and payable. Beginning December 1, 1997, \$4,747.93 shall be due and payable annually for four additional years. A repayment schedule is set out in Exhibit E hereto.

B. Interest

Municipality promises to pay interest on the unpaid principal amount of the Loan for the period commencing at the Closing Date and until such Loan is paid in full, as set forth in Exhibit E.

C. Prepayments

Municipality shall have the right from time to time to prepay the Loan in whole or in part without penalty upon thirty (30) days prior written notice to the State.

D. Place of Payments

All payments and prepayments of principal and other amounts payable to the State hereunder will be made to the State at its office located at 775 Summer Street, NE, Salem, OR 97310, or at such other place designated by the State in writing to the Municipality.

E. Restructuring Loan

The State may, but is not obligated to, restructure the term and/or payment schedule of the Loan. The Municipality may apply in writing to the State to restructure the Loan 60 days prior to the annual payment date. The State shall respond to the Municipality's request within 30 days.

F. Late Charge

If payment of any installment required under Section 3(A) hereof is delinquent more than ten (10) days, Municipality shall pay a late charge of one and one half percent (1.5%) of the delinquent installment in addition to the installment due under Section 3(A). An additional late charge of one and one half percent (1.5%) of the delinquent installment shall be paid by the Municipality for every additional thirty (30) days the installment payment is delinquent beyond ten (10) days.

SECTION 4

USE OF WATER/WASTEWATER AWARD

A. Eligible Activities

The use of the Grant and/or Loan is expressly limited to the activities in Exhibit A, the Project Description and Scope of Work. The use of these funds is also expressly subject to the Special Conditions set out in Exhibit B hereto.

B. Ineligible Activities

No part of the Grant and/or Loan shall be used for administrative purposes. Ineligible activities include general administrative costs and costs not directly related to the Project.

C. Unexpended Funds

Any funds remaining after the Project is completed or this Contract is terminated shall be returned to the State within 30 days of completion of the Project or termination.

D. Participation Rate

The Municipality shall finance no more than sixty-seven percent (67%) of the Costs of the Project, as set out in Exhibit D hereto and by this reference incorporated herein, from the Grant and/or Loan ("Participation Rate"). If the Costs of the Project are less than the amount set out in the Recitals, Municipality shall use less of the Grant (first) and/or Loan (second), as determined by the State, so as to maintain the Participation Rate.

SECTION 5

REPRESENTATIONS OF THE STATE

The State certifies that at the time this Contract is signed, sufficient funds are available and authorized for this Contract.

SECTION 6

REPRESENTATIONS OF THE MUNICIPALITY

The Municipality represents and warrants to the State that:

A. Eligible Municipality

The Municipality is a municipality authorized to receive financial assistance under the provisions of the Act. Prior to submitting its application, the Municipality held at least one public hearing concerning the Project and provided the public reasonable access to records pertaining to the Project.

B. Matching Funds

Matching funds of \$15,000 are available and committed to the Project. Before disbursement of any Grant and/or Loan funds, the Municipality shall demonstrate, to the satisfaction of the State, that it has obtained all matching funds that are needed to pay for the Costs of the Project.

C. Source of Payment of Municipality's Obligations

The State and the Municipality agree that the Loan shall be repaid from the source of repayment described below. Nothing herein shall be deemed to prevent the Municipality from repaying the Loan from any other legally available source.

The Loan is payable from:

1. any sources of funds that are legally available to the Municipality,
2. the Municipality's general fund including the general revenues of the Municipality, other funds that may be available for such purpose and a pledge of the Municipality's taxing power within the restrictions of Article XI, Section 11 of the Constitution of the State of Oregon. If the Municipality is not a county, the obligation of the Municipality to make payments hereunder is a full faith and credit obligation of the Municipality and is not subject to annual appropriation. If the Municipality is a county, the Municipality acknowledges its current intention to make all payments due hereunder on the dates on which such payments are due and, to the extent that funds are appropriated to make payments hereunder, the full faith and credit of the Municipality are pledged to such payments.

The Municipality expressly acknowledges that if the Municipality defaults on payments due under this Contract, the State, pursuant to ORS 285.968, may withhold any amounts otherwise due to the Municipality to apply to payments due under this Contract.

D. Binding Obligations

This Contract has been duly executed and delivered by the Municipality and will constitute the legal, valid and binding obligation of the Municipality, enforceable in accordance with its terms.

SECTION 7

COVENANTS OF MUNICIPALITY

Until the Project is completed the Municipality agrees that, unless the State shall otherwise consent in writing:

A. Compliance with Laws

The Municipality will comply with the requirements of all applicable laws, rules, regulations and orders of any governmental authority. In particular, but without limitation, the Municipality shall comply with:

1. State procurement regulations found in ORS Chapter 279.
2. State labor standards and wage rates found in ORS Chapter 279.
3. State municipal finance and audit regulations found in ORS Chapter 297.
4. State regulations regarding industrial accident protection found in ORS Chapter 656.
5. State conflict of interest requirements for public contracts.
6. State environmental laws enacted by agencies listed in Exhibit C hereto, and by this reference incorporated herein.
7. Oregon Administrative Rules, Chapter 123, Division 43, as amended from time to time at the discretion of the State.

B. Project Completion

The Municipality shall proceed expeditiously, and shall complete the Project in accordance with Exhibit A, the Project Description and Scope of Work. In the event that the matching funds are not sufficient, the Municipality will nevertheless complete the Project in accordance with the provisions of this Contract.

The Municipality shall complete the Project within two (2) years of the date hereof.

C. Plans and Specifications

The Municipality shall provide the State with a copy of all final plans, drawings, reports or other documents prepared as part of the Project before requesting its final Grant and/or Loan drawdown. The State shall review the documents and may require reasonable modifications. If the State does not suggest modifications within thirty (30) days of its receipt of the documents, they shall be deemed approved.

D. Financial Records and Inspection

The Municipality shall establish and maintain appropriate funds/accounts and records for the Project in accordance with generally accepted accounting principles. The Municipality gives the State and any authorized representative of the State access to and the right to examine all books, records, papers or documents relating to this Grant and/or Loan.

E. Signs and Notifications

The Municipality shall include the following statement, prominently placed, on all plans, reports or advertisements relating to the Project; i.e., on the title page of reports, on the cover of sets of blueprints, as part of a map's legend.

"Preparation of this (report/document) was funded in part from Oregon Lottery proceeds with a technical assistance award from the Water/Wastewater Financing Program administered by the State of Oregon Economic Development Department."

F. Disbursement of Drawdowns

The amount of time between receipt of Grant and/or Loan funds by the Municipality and disbursement shall be kept as brief as is administratively possible.

G. Economic Benefit Reports

The Municipality shall submit reports on the economic development benefits of the Project throughout the term of this project and for two years (2) after the completion date of this Contract in such form at the State shall specify. The reports shall document the general economic benefits of the Project to the community and provide other information necessary to evaluate the success of the Project. The preparation and filing of these reports shall be at the Municipality's expense.

H. Insurance

Municipality shall require any Vendor providing engineering services to secure or provide evidence that the Vendor is insured for errors and omissions in the amount of at least \$500,000 when final engineering design is a part of the project.

I. Creation of Accounts

Municipality shall establish and maintain the following accounts:

1. **Professional Services Account.** The Grant and/or Loan funds and matching funds shall be deposited in this account. Earnings on this account shall be credited to this account. Moneys in this account shall be used to pay the Costs of the Project.
2. **Loan Account.** Sources of funds set forth in Section 6.C. of this Contract sufficient to pay each annual Loan payment, shall be promptly deposited in this account. Earnings on this account shall be credited to this account. Moneys in this account shall be used only to pay the principal of and interest on the Loan.

SECTION 8

DEFAULT

If any of the following "Events of Default" occurs and is continuing, namely:

- A. The Municipality fails to proceed expeditiously with, or to complete, the Project or any segment or phase of the Project in accordance with the plans and schedules approved by the State; or
- B. Any representation with respect to current or historical information made to the State herein or in the Approved Application, financial statement, and any other pertinent documents and reports relied upon by the State in gauging the progress on the Project and performance of duties by the Municipality, are untrue in any respect; or
- C. The Municipality fails to perform or observe any of its covenants or agreements contained herein; or
- D. The Municipality has not entered into binding legal agreements with all Vendors necessary to complete the Project within six (6) months of the date of this Contract; or
- E. The State finds that significant corrective actions are necessary to protect the integrity of the Project, and those corrective actions are not, or will not be, made within a reasonable time.

Thereupon, and in each such case, the State, by written notice of default to the Municipality, may terminate the whole or any part of this Contract. Notice of default shall specify, with reasonable particularity, the deficiencies in the Municipality's performance and shall provide the Municipality fifteen (15) days, or such longer period as the State may authorize in its sole discretion, to correct such deficiencies.

SECTION 9

REMEDIES

In the event the Municipality is found in Default under this Contract, the State may pursue any or all of the remedies set forth in OAR 123-43-090(2) and any other remedies available at law or in equity. Such remedies may include, but are not limited to, termination of the Contract, stop payment on or return of the Grant and/or Loan, repayment of the Grant and/or Loan, payment of interest earned on the Grant and/or Loan, declaration of ineligibility for the receipt of future Water/Wastewater Financing Program awards and withholding of other State funds due the Municipality.

SECTION 10

MISCELLANEOUS

A. No Implied Waiver, Cumulative Remedies

No failure on the part of the State to exercise, and no delay in exercising, any right, power, or privilege under this Contract shall operate as a waiver thereof, nor shall any single or partial exercise of any right, power, or privilege under this Contract preclude any other or further exercise thereof or the exercise of any other such right, power or privilege. The remedies provided herein are cumulative and not exclusive of any remedies provided by law.

B. Notices

Except as otherwise specified herein, all notices, requests, demands, and other communications to or upon the parties hereto shall be in writing and shall be deemed to have been duly given or made when deposited in the mails, postage prepaid, addressed to the party to which such notice, request, demand, or other communication is requested or permitted to be given or made at the addresses set forth below or at such other address of which such party shall have notified in writing the other party hereto.

If to the State: Economic Development Department
775 Summer Street NE
Salem, Oregon 97310
Attn: Manager
Regional Development Division

If to the Municipality: City Manager
City of Warrenton
PO Box 250
Warrenton, OR 97146

C. Amendments

The terms of this Contract, including timeframes for Project completion, will not be waived, altered, modified, supplemented, or amended in any manner except by written instrument signed by the parties.

D. Attorney Fees

The prevailing party in any dispute arising from this Contract shall be entitled to recover from the other its reasonable attorney's fees at trial and on appeal.

E. Indemnity

To the extent permitted by Article XI, section 10 of the Oregon Constitution, Municipality's charter, relevant Oregon statutes and by the Oregon Tort Claims Act, Municipality shall indemnify the State and its officers, employees and agents against any liability for damage to life or property arising from the Municipality's actions under this contract or the actions of Municipality's subcontractors, agents or employees.

F. Severability

If any term or condition of this Contract is declared by a court of competent jurisdiction to be illegal or in conflict with any law, the validity of the remaining terms and conditions shall not be affected, and the rights and obligations of the parties shall be construed and enforced as if the Contract did not contain the particular term or condition held to be invalid.

G. Merger

This Contract constitutes the entire agreement between the parties. There are no understandings, agreements or representations, oral or written, not specified herein regarding this Contract. Municipality, by the signature below of its authorized representative, hereby acknowledges that it has read this Contract, understands it, and agrees to be bound by its terms and conditions.

IN WITNESS WHEREOF, the parties hereto have caused this Contract to be duly executed as of the dates set forth below their signatures.

STATE OF OREGON, acting by and through
its Economic Development Department

City of Warrenton
(Municipality)

By: _____
Yvonne L. Addington, Manager
Regional Development Division

By: Barbara Balesinger
(Signature)

Title: Mayor of Warrenton

Date: _____

Date: April 30, 1996

PROJECT DESCRIPTION AND SCOPE OF WORK

City of Warrenton

The City of Warrenton is under a remedial order from the Oregon Health Division dated January 8, 1992, and extended to June 30, 1996, to filter their drinking water as outlined in the Oregon Revised Statutes and Oregon Administrative Rules for public water systems. Since the city's Water Master Plan was completed in 1979, the city has experienced major growth both east and west of the Skipanon River and become more dependent on a broad-based commercial, industrial and tourism based economy, rather than logging and fishing industries as in the past. In addition, Highway 101 was re-aligned, offering major commercial potential east of the Skipanon River. The city has recognized that with all of the economic changes and the Oregon Health Division Remedial Order, a new Water Master Plan that takes into account future industrial, commercial and residential growth as well as Safe Drinking Water Act requirements is needed.

The city will hire an engineer to develop a Water Master Plan and analyze the existing facilities, rates and fee structures, develop a series of planned improvements to bring the city into compliance with the Safe Drinking Water Act and provide adequate fire and consumptive piping for the various areas within the city and outside service areas based on growth and zoning for the next 20 years. The city will also develop a rate and fee schedule to capitalize on the needed improvements as well as cost estimates for proposed improvements and financing options.

The city's Water Master Plan will be consistent with the Oregon Health Division's Administrative Rules (OAR 333) regarding Water Master Plans for Public Drinking Water Systems. The Water Master Plan will include:

- 1) An evaluation of the needs of the system for at least a 20 year period
- 2) A description of the existing water system
- 3) A description of water quality and level of service goals for the water system
- 4) Alternatives and recommendations for correcting deficiencies and improvements
- 5) Cost estimates for proposed improvements
- 6) Financing options from various funding agencies and/or other resources and
- 7) A comparative rate analysis and rate/fee schedule to capitalize on the needed improvements

SPECIAL CONDITIONS OF AWARD

City of Warrenton

1. The city shall pledge the net revenues from the city's Water Fund. (The "revenues" shall mean rates, fees, and fund balances and any other resources of these respective funds.) The city must maintain adequate revenues in the Water Fund to provide debt service coverage on the loan, and all prior or at parity obligations, of at least 1:1.
2. The city shall also pledge its full faith and credit, subject to the Measure 5 limitation of \$10/\$1,000 to secure the loan.
3. The loan interest rate shall be 6%. The term of the loan shall be 5 years.
4. The city's Water Master Plan must be consistent with the Oregon Health Division's Administrative Rules (OAR 333) regarding Water Master Plans for Public Drinking Water Systems. The Water Master Plan must also include:
 - 1) An evaluation of the needs of the system for at least a 20 year period
 - 2) A description of the existing water system
 - 3) A description of water quality and level of service goals for the water system
 - 4) Alternatives and recommendations for correcting deficiencies and improvements
 - 5) Cost estimates for proposed improvements
 - 6) Financing options from various funding agencies and/or other resources and
 - 7) A comparative rate analysis and rate/fee schedule to capitalize on the needed improvements
5. The city must submit a scope of work to the Oregon Economic Development Department and to the Oregon Health Division for review and approval prior to entering into a contract with a consultant.
6. The city must provide the Oregon Economic Development Department and the Oregon Health Division with copies of the draft study for review and comment at least 10 days prior to submission to the City Council for review and approval.
7. The city must adopt a plan for installation and use of meters on all service connections throughout the drinking water system prior to project close-out.

ENVIRONMENTAL AND NATURAL RESOURCE AGENCIES

The following list is provided in compliance with ORS 279.318. The federal, state, and local agencies listed have enacted ordinances or regulations relating to environmental pollution or the preservation of natural resources that may affect the performance of construction contracts.

FEDERAL AGENCIES

- Agriculture, Department of
 - Forest Service
 - Soil Conservation Service
- Army, Department of the
 - Corps of Engineers
- Coast Guard
- Energy, Department of
- Environmental Protection Agency
- Health & Human Services, Department of
- Heritage Conservation and Recreation Service
- Interior, Department of
 - Bureau of Indian Affairs
 - Bureau of Land Management
 - Fish and Wildlife Service
 - Office of Surface Mining, Reclamation and Enforcement
 - Bureau of Reclamation
- Labor, Department of
 - Occupational Safety & Health Administration
 - Mine Safety & Health Administration
- Transportation, Department of
 - Federal Highway Administration

STATE AGENCIES

- Agriculture, Department of
- Energy, Department of
- Environmental Quality, Department of
- Fish and Wildlife, Department of
- Forestry, Department of
- Geology and Mineral Industries, Department of
- Human Resources, Department of
- Land Conservation and Development Commission
- State Lands, Division of
- State Soil & Water Conservation Commission
- Transportation, Department of
- Water Resources Department

LOCAL AGENCIES

- City Councils
- County Courts
- County Commissioners, Boards of
- Planning Commissions
- Special Districts: Ports, Water, Sewer, Roads

WATER/WASTEWATER PROGRAM

Recipient: City of Warrenton Project No. V96005

PROJECT BUDGET

Project Title: Water Master Plan

Activities	W/W Grant	W/W Loan	City of Warrenton			Total
1. Water System Improvements a. b.						
2. Sanitary Sewer Improvements a. b.						
3. Storm Sewer Improvements a. b.						
4. Contractual Services a. Water Master Plan b.	\$ 10,000	\$ 20,000	\$ 15,000			\$ 45,000
5. a. Engineering/Architectural b. Administration c. Contingencies	XXXXXXXX	XXXXXXXX	0			0
6. Other a. b. c.						
7. Total all Expenses	\$ 10,000	\$ 20,000	\$ 15,000			\$ 45,000

LOAN AMORTIZATION SCHEDULE
SPECIAL PUBLIC WORKS FUND
*****ANNUAL PAYMENT*****

EXHIBIT E

FILE NUMBER:	V96005	PRINCIPAL AMOUNT:	\$20,000
MUNICIPALITY:	Warrenton	INTEREST RATE:	6.00% (estimate)
BUSINESS/PROJECT:	Water Master Plan	LOAN TERM IN YEARS:	5
		CLOSING DATE:	13-May-96
		TRUE INTEREST COST (TIC):	0.00000%
		NET INTEREST COST (NIC):	0.00000%
		WEIGHTED AVERAGE MATURI	2.74970

YEAR	PAYMENT DATE	PAYMENT	INTEREST	PRINCIPAL	CUMULATIVE INTEREST	CUMULATIV PRINCIPAL	UNPAID BALANCE	PERIODS
=====	=====	=====	=====	=====	=====	=====	=====	=====
1997	01-Dec-96	4,307.93	760.00	3,547.93	760.00	3,547.93	16,452.07	0.6333
1998	01-Dec-97	4,747.93	987.13	3,760.80	1,747.13	7,308.73	12,691.27	1.6333
1999	01-Dec-98	4,747.93	761.48	3,986.45	2,508.61	11,295.18	8,704.82	2.6333
2000	01-Dec-99	4,747.93	522.29	4,225.64	3,030.90	15,520.82	4,479.18	3.6333
2001	01-Dec-2000	4,747.93	268.75	4,479.18	3,299.65	20,000.00	(0.00)	4.6333

PROMISSORY NOTE

ECONOMIC DEVELOPMENT DEPARTMENT
STATE OF OREGON

\$20,000

_____, Oregon

For value received, City of Warrenton (hereinafter "Borrower"), promises to pay to the Economic Development Department of the State of Oregon, having its principal office at 775 Sumner Street NE, Salem, OR 97310 (hereinafter "State"), or order, the principal sum of twenty thousand dollars (\$20,000) plus interest from the date hereof on the unpaid balance at the rate of six percent (6%) per annum. Interest shall be computed on the basis of a 360-day year, consisting of twelve (12) thirty- (30-) day months.

Principal and Interest shall be payable as follows:

(a) The Borrower hereby promises to pay to the order of the State the amount specified on Exhibit D attached to the Water/Wastewater Program Financial Assistance Award Contract (Contract) between the Borrower and the State dated _____, at the times and in the amounts specified on the repayment schedule on Exhibit E to the Contract.

(b) Each payment made by the Borrower hereunder shall be applied first to interest then due and payable on the Loan, then to the principal of the Loan.

If any default occurs in the payment of an installment, the entire remainder of the unpaid balance, including principal, interest and other charges, if any, shall, at the option of the State, become immediately due and payable. If this Note is placed in the hands of an attorney for collection, Borrower agrees to pay the reasonable collections costs incurred by the holder hereof, including such reasonable attorney fees for trial and appellate services as may be fixed by the court.

Presentment, demand, protest, and notice of dishonor, protest and nonpayment are waived by Borrower. This Note shall be binding upon the Borrower and its successors and assigns. If the Borrower or any assignee hereof becomes insolvent, commits an act of bankruptcy, commences or becomes subject to any proceeding under the federal Bankruptcy Act, as amended, or any other insolvency or debtor's relief law, then the entire indebtedness evidenced by this Note shall, at the option of the State, become immediately due and payable.

The terms, provisions, covenants and conditions contained in this Note shall apply to, inure to the benefit of and bind the parties hereto and their respective heirs, successors and assigns.

IN WITNESS WHEREOF, Borrower has caused this Note to be executed this 30th day of April, 1996.

BORROWER

By: Barbara Balensief
Title: Mayor of Warrenton