

RESOLUTION NO. 2473

INTRODUCED BY ALL COMMISSIONERS

**AUTHORIZING A LOAN FROM THE SAFE DRINKING WATER REVOLVING LOAN FUND
BY ENTERING INTO A FINANCING CONTRACT WITH THE OREGON
INFRASTRUCTURE FINANCE AUTHORITY**

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 IFA") to obtain financial assistance from the Safe Drinking Water Revolving Loan Fund.
- C. The Recipient has filed an application with the IFA to obtain financial assistance for a "safe drinking water project" within the meaning of the Act, and the IFA has approved the Recipient's application for financial assistance.
- D. The Recipient is required, as a prerequisite to receipt of financial assistance from the IFA, to enter into a Financing Contract with the IFA, number S17012, 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;

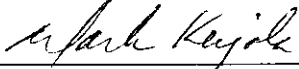
1. Financing Loan Authorized. The Governing Body authorizes the Mayor to execute the Financing Contract and the Promissory Note (the "Financing Documents") and such other documents as may be required to obtain financial assistance including a loan from the IFA on the condition that the principal amount of the loan from the IFA to the Recipient is not more than \$1,645,000 (with \$929,500 eligible for principal forgiveness if contract conditions are met) and the interest rate is not more than 1% if contract conditions are met (and 1.83% if not met). The proceeds of the loan from the IFA 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 the IFA 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 Mayor 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 the IFA or their bond counsel to protect the tax-exempt status of such interest.

Adopted by the City Commission of the City of Warrenton, Oregon this 10 day of January 2017

APPROVED


Mark Kujala, Mayor

ATTEST


Dawne Shaw, Administrative Assistant