

**CITY OF BROOKINGS
STATE OF OREGON**

RESOLUTION 21-R-1215

A RESOLUTION OF THE CITY OF BROOKINGS AUTHORIZING A LOAN FROM THE SAFE DRINKING WATER REVOLVING LOAN FUND

BY ENTERING INTO A FINANCING CONTRACT WITH THE OREGON INFRASTRUCTURE FINANCE AUTHORITY

WHEREAS, The City is a community water system as defined in Oregon Administrative Rule 123-049-0010; and

WHEREAS, 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 ("OBDD") to obtain financial assistance from the Safe Drinking Water Revolving Loan Fund; and

WHEREAS, The City has filed an application with the OBDD to obtain financial assistance for a "safe drinking water project" within the meaning of the Act, and the OBDD has approved the Recipient's application for financial assistance; and

WHEREAS, The City is required, as a prerequisite to the receipt of financial assistance from the OBDD, to enter into a Financing Contract with the OBDD, number S22005, substantially in the form attached hereto as Exhibit 1. The project is described in Exhibit C to that Financing Contract (the "Project"); and

WHEREAS, Notice relating to the City's consideration of the adoption of this Resolution 21-R-1215 was published in full accordance with the City's charter and laws for public notification.

NOW THEREFORE BE IT RESOLVED, by the City Council of the City of Brookings, Curry County, Oregon, that

SECTION 1. FINANCING LOAN AUTHORIZED

The City of Brookings authorizes the [Title of Officer] to execute the Financing Contract (the "Financing Documents") 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 the OBDD to the Recipient is not more than \$4,175,000, with \$280,000 eligible for principal forgiveness if contract conditions are met, and the interest rate is not more than 1.7%. The proceeds of the loan from the OBDD must be applied solely to the "Costs of the Project" as such term is defined in the Financing Contract.

SECTION 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.

SECTION 3. ADDITIONAL DOCUMENTS

The City Manager 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 OBDD for the Project pursuant to the Financing Documents.

SECTION 4. TAX-EXEMPT STATUS

The City covenants not to take any action or omit to take any action if the taking or omission would cause interest paid by the City 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 City may enter into covenants on behalf of the City to protect the tax-exempt status of the interest paid by the City pursuant to the Financing Documents and may execute any Tax Certificate, Internal Revenue Service forms or other documents as may be required by the OBDD or their bond counsel to protect the tax-exempt status of such interest.

SECTION 5. REIMBURSEMENT BONDS

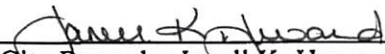
The Recipient may make certain expenditures on the Project prior to the date the Financing Contract is executed with OBDD or the date the State of Oregon issues any bonds to fund the loan. The Recipient hereby declares its intent to seek reimbursement of such expenditures with amounts received from the OBDD pursuant to the Financing Contract, but only as permitted by OBDD policy, the Financing Contract, and federal tax regulations. Additionally, the Recipient understands that the OBDD may fund or reimburse itself for the funding of amounts paid to the Recipient pursuant to the Financing Documents with the proceeds of bonds issued by the State of Oregon pursuant to the Act. This [Ordinance/Resolution/Order] constitutes "official intent" within the meaning of 26 C.F.R. §1.150-2 of the income tax regulations promulgated by the United States Department of the Treasury.

Passed by the City Council December 13, 2021; and made effective the same date.



Mayor Ron Hedenskog

Attest:



City Recorder Janell K. Howard