

RESOLUTION NO. 2092

Introduced by Commissioner: Gilbert Gramson

AUTHORIZING AND APPROVING A CLEAN WATER STATE REVOLVING FUND LOAN AGREEMENT TO PROVIDE FINANCING FOR THE CITY OF WARRENTON'S NEW WASTEWATER TREATMENT FACILITY PROJECT.

WHEREAS, the City of Warrenton, Oregon (the "City") has entered into negotiations, pursuant to ORS 468.439, with the State of Oregon Department of Environmental Quality (the "DEQ") for a loan to the City from the State Revolving Fund in the amount of \$7,500,000, for the purpose of providing financing for the City of Warrenton's new Wastewater Treatment Facility Project; and

WHEREAS, the DEQ has provided to the City a form of Clean Water State Revolving Fund Agreement ("CWSRF Loan Agreement"); and

WHEREAS, the City has reviewed the form of the CWSRF Loan Agreement and finds in Article 1 that the City, as "Borrower," agrees to pledge its Sewer System Net Operating Revenues as a first and paramount lien to secure the loan from the State Revolving Fund, and in Article 5 ( C ) that the City agrees to maintain a loan reserve account in the amount that equals 100% times one-half of the average annual debt service based on the final repayment schedule, and that until the final loan amount is calculated, the loan reserve requirement is \$269,807, and the Borrower shall use the funds in the loan reserve account solely to pay amounts due hereunder until the loan, interest, fees, and any other amounts due hereunder have been fully paid.

NOW, THEREFORE, BE IT RESOLVED by the City Commission of the City of Warrenton, Oregon:

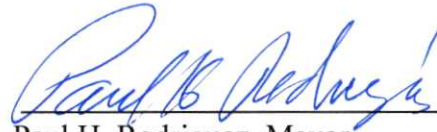
Section 1. The City does authorize and approve of the form of the CWSRF Loan Agreement for the financing of the City's new Wastewater Treatment Facility Project.

Section 2. The City does authorize and approve the establishment and funding of a designated reserve account to meet the "Loan Reserve" requirement of the CWSRF Loan Agreement, and does direct the City's Finance Director to establish this Loan Reserve.


Section 3. The City does authorize and direct the Mayor and City Manager, acting for and on behalf of the City, to execute the CWSRF Loan Agreement and such other and additional documents as may reasonably be required for the consummation and closing of the loan, and any amendments required thereafter.

PASSED AND ADOPTED by the City Commission of the City of Warrenton on this 23rd day of June 2004.

APPROVED by the Mayor of the City of Warrenton on this 23rd day of June 2004.

  
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Paul H. Rodriguez, Mayor

ATTEST:

  
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Linda Engbretson, City Recorder