

RESOLUTION NO. 3 FOR 2004

A RESOLUTION AUTHORIZING A LOAN FROM THE STATE CLEAN WATER REVOLVING LOAN FUND BY ENTERING INTO A LOAN CONTRACT WITH THE STATE OF OREGON DEPARTMENT OF ENVIRONMENTAL QUALITY (DEQ).

WHEREAS, the City of Sweet Home is a "public agency" as defined in ORS 468.423; and

WHEREAS, ORS 468.439 authorizes a public agency to enter into loan agreements and make related agreements with the DEQ in which the public agency agrees to repay the borrowed money in accordance with the terms of the loan agreement; and

WHEREAS, the City has filed an application with the DEQ to borrow money for Wastewater Inflow & Infiltration (I/I) Reduction Demonstration Pilot project in the 'wastewater treatment works' as defined in ORS 468.423; and

WHEREAS, on November 26, 2002, the City Council approved Resolution No. 31 for 2002 authorizing original loan amount of \$2,000,000 and established appropriate loan reserve amount of \$137,619; and

WHEREAS, the DEQ has approved an amendment request from the City to increase loan amount to \$4,000,000.

NOW THEREFORE, THE CITY OF SWEET HOME RESOLVES AS FOLLOWS:

Section 1. The City Council authorizes the City of Sweet Home to enter into a loan agreement from the State of Oregon Clean Water State Revolving Loan Fund for an amount not to exceed \$4,000,000 with the Oregon Department of Environmental Quality.

Section 2. The City Council authorizes the establishment of a loan reserve account for \$275,238.

Section 3. The City Manager is authorized to sign the necessary loan documents on behalf of the City.

Section 4. The funds from this loan will be used to pay for the costs associated with phase 1 and phase 2 of the demonstration project to reduce inflow & infiltration through major repairs to main lines and service laterals. This project will help determine the extent of work necessary to repair the remainder of the wastewater treatment works.

THIS resolution supersedes Resolution No. 31 for 2002.

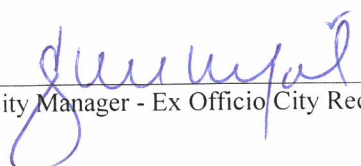
THIS resolution shall be effective immediately upon its passage.

PASSED by the City Council and approved by the Mayor this 13th day of April, 2004.



Mayor

ATTEST:



City Manager - Ex Officio City Recorder