

RESOLUTION NO. 22 FOR 2009

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WHEREAS, the City later rescinded Resolution No. 31 for 2002 with Resolution No. 3 for 2004 increasing loan and reserve amount to \$4,000,000 and \$275,238 respectively; and

WHEREAS, on March 22, 2005 City Council approved Resolution No. 7 for 2005 authorizing additional loan of \$2,000,000 (Loan #R89751) and loan reserve of \$70,930; and

WHEREAS, on August 28, 2007 City Council rescinded Resolution No. 7 for 2005 with Resolution No. 31 for 2007 amending Loan #R89751 amount to \$5,886,440 and appropriate reserve amount of \$196,008; and

WHEREAS, upon approval of this Resolution the City will have entered into three separate "Clean Water Revolving Loans" totaling \$14,886,440 with three separate reserve funds totaling \$596,246.

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

Section 1 - The City Council authorizes the City of Sweet Home to enter into Loan Agreement No. R89752 from the State of Oregon Clean Water State Revolving Loan Fund for an amount not to exceed \$5,000,000 with the Oregon Department of Environmental Quality.

Section 2 - The City Council authorizes the establishment of a loan reserve account for \$125,000.

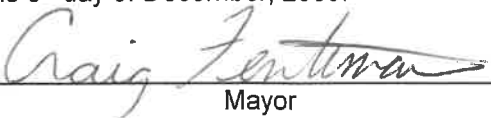
Section 3 - The City Manager is authorized to sign the necessary loan documents on behalf of the City.

Section 4 - The funds from this loan will be used to pay for the costs associated with construction of "Phase 4" 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, if any.

THIS resolution supersedes Resolution No. 31 for 2007

THIS resolution shall be effective immediately upon its passage.

PASSED by the City Council and approved by the Mayor this 8th day of December, 2009.



Mayor

ATTEST:



City Manager - Ex Officio City Recorder