



RESOLUTION NO. 2024-06

A RESOLUTION 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 of Sandy (the Recipient) is a community or nonprofit non-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 Loan Fund; and

WHEREAS, The Recipient 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 Recipient is required, as a prerequisite to the receipt of financial assistance from the OBDD, to enter into a Financing Contract with OBDD, number S24005, substantially in the form attached hereto as Exhibit 1. The project is described in Exhibit C to the Financing Contract (the “Project”); and

WHEREAS, 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 CITY COUNCIL OF THE CITY OF SANDY:

Section 1: Financing Loan Authorized The City Council authorizes the City Manager (the “Authorized Officer”) to execute on behalf of the Recipient the Financing Contract and such other documents as may be required to obtain financial assistance (the “Financing Documents”), 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 \$6,029,100 with \$180,000 eligible for principal forgiveness if contract conditions are met and the interest rate is not more than of 2.90%. The proceeds of the loan from the OBDD will 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 City of Sandy; 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 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 City Manager may enter into covenants on behalf of the City of Sandy 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 OBDD or their bond counsel to protect the tax-exempt status of such interest.

This resolution is adopted by the City Council of the City of Sandy this 4th day of March, 2024.

Stan Pulliam, Mayor

ATTEST:

Jeffrey Aprati, City Recorder