

**CITY OF OAKRIDGE**

**RES. 12-2021**

**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 Oakridge is a community water system as defined in Oregon Administrative Rule 123-049-0010.

**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.

**WHEREAS**, the City of Oakridge 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 City of Oakridge's application for financial assistance.

**WHEREAS**, the City of Oakridge is required, as a prerequisite to the receipt of financial assistance from the OBDD, to enter into a Financing Contract with the OBDD, number S22006, substantially in the form attached hereto as Exhibit 1. The project is described in Exhibit C to that Financing Contract (the "Project").

**NOW, THEREFORE, BE IT RESOLVED** that the City Council of the City of Oakridge as follows:

1. **Financing Loan Authorized.** The Governing Body authorizes the Mayor 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 City of Oakridge is not more than \$260,000 with \$135,000 eligible for principal forgiveness if contract conditions are met, and the interest rate is not more than 1% if contract conditions are met (and 1.65% if not met). 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.
2. **Sources of Repayment.** Amounts payable by the City of Oakridge 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 the City of Oakridge water system, including special assessment revenue;
  - (b) Amounts withheld under subsection 285A.213(6);
  - (c) The general fund of the City of Oakridge;

- (d) Any combination of sources listed in paragraphs (a) to (c) of this subsection;  
or
- (e) Any other source.


- 3. Additional Documents. The mayor 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.
- 4. Tax-Exempt Status. The City of Oakridge covenants not to take any action or omit to take any action if the taking or omission would cause interest paid by the City of Oakridge 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 Mayor of the City of Oakridge may enter into covenants on behalf of the City of Oakridge to protect the tax-exempt status of the interest paid by the City of Oakridge 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.

**BE IT FURTHER RESOLVED** that this resolution shall be effective immediately upon its passage.

**PASSED BY THE COUNCIL** of the City of Oakridge this 4th day of November 2021.

**APPROVED AND SIGNED BY THE MAYOR** of the City of Oakridge this 4th day of November, 2021.

Attest:



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Jackie Sims, Asst City Recorder



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Kathy Holston, Mayor

Ayes: 6 Nays: 0