

RESOLUTION No. 18/19-9
City of Dayton, Oregon

TITLE: *A Resolution Authorizing Loan Agreement Amendment No. 1 to the City's Outstanding Clean Water State Revolving Fund Loan Agreement No. R26750 in the Amount of \$2,500,000 which extends the Maturity of Interim Financing for Improvements to the City's Facilities and Related Matters.*

WHEREAS, the City Council of City of Dayton, Yamhill County, Oregon (the "City") finds:

A. The City is authorized pursuant to the Constitution and laws of the State of Oregon, namely, Oregon Revised Statutes ("ORS") Section 271.390 to enter into financing agreements to finance real and personal property which the City determines is needed; and

B. The City submitted an application to Rural Development of the United States Department of Agriculture ("USDA") for USDA to provide a loan to the City to finance improvements to the City's wastewater system including, but not limited to: replacement of the main sewer pump station at the footbridge, replacement of sewer mainlines, and replacement of the Highway 221 sewer lift station (the "Project"); and

C. USDA has provided its Letter of Conditions dated December 20, 2016, indicating its intent to provide a loan and grant to the City in amounts not to exceed \$2,300,000 and \$232,500, respectively (the "USDA Loan"), upon completion of construction of the Project; and

D. ORS 287A.180(1)(b) and (4) authorize the issuance of obligations to provide interim financing for capital projects to be undertaken by the City, provided that the maturity date of the interim financing may not be later than five years after the interim financing is issued; and

E. On March 28, 2017 the City issued its Clean water State Revolving Fun Loan Agreement No. R26750 in the principal amount of \$2,500,000 (the "Loan Agreement") to provide interim financing for the Project with the State of Oregon, acting by and through its Department of Environmental Quality ("DEQ"), , which matured December 1, 2018; and

F. The City desires to extend the final maturity of the Loan Agreement to November 30, 2019; and

G. The City has received a draft of Loan Agreement Amendment No. 1 (the "Amendment") from DEQ, a copy of which is attached to this resolution, to extend the maturity of the Loan Agreement which the City deems acceptable; and

H. It is in the best interest of the City to approve of and authorize the execution of the Amendment and to pay all costs incidental thereto.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF DAYTON, YAMHILL

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COUNTY, OREGON RESOLVES AS FOLLOWS:

Section 1. Approval and Authorization. The City Council hereby approves of and authorizes the extension of the final maturity of the Loan Agreement to November 30, 2019 and authorizes the Mayor or the City Manager (the "Authorized Representative") to act on behalf of the City to execute the Amendment with such changes the Authorized Representative deems necessary or desirable.

Section 2. Appointment of Special Counsel. The City does appoint the law firm of Mersereau Shannon LLP of Portland, Oregon as Special Counsel to the City for the issuance of the Amendment.

This resolution shall take effect immediately upon its adoption by the City Council.

DATED this 7th day of January, 2019.

In Favor: Collins, Holbrook, Mackin, McGraw, Price and Wytoski

Opposed: None


Absent: Marquez

Abstained: None


Elizabeth Wytoski, Mayor

1/11/18
Date Signed

ATTEST:


Rochelle Roaden
City Recorder

1/7/2019
Date of Enactment