

RESOLUTION 2012 -15

A RESOLUTION AUTHORIZING AN INCREASE IN THE DEPARTMENT OF ENVIRONMENTAL QUALITY LOAN NUMBER R23042 FOR WASTEWATER CONSTRUCTION AND INCREASING THE LOAN RESERVE

WHEREAS, the City of Coburg has initiated construction of a wastewater system, financed by a mixture of loans, grants and the City's own funds; and

WHEREAS, the projected price of construction may exceed the funds that the City has available to complete construction; and

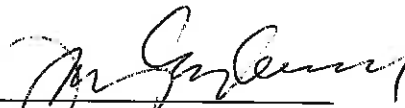
WHEREAS, the City of Coburg is required by existing loan documents to maintain an adequate reserve of funds for debt service at the completion of construction, which the City will not be able to do if it expends its current funds on construction; and

WHEREAS, the City of Coburg has an existing loan from the Department of Environmental Quality that can be increased on favorable terms;

NOW THEREFORE, THE COBURG CITY COUNCIL RESOLVES AS FOLLOWS:

1. The City of Coburg agrees to increase the amount owed to the Oregon Department of Environmental Quality in the loan numbered R23042 by two million dollars (\$2,000,000).
2. The City of Coburg agrees and accepts that the required reserve for its DEQ borrowing will increase by \$65,285.
3. The Mayor and the City Administrator are authorized to execute the loan documents presented to the City to complete the transaction.

Adopted this 19th day of December, 2012



Jae Pudewell, Mayor

4 Ayes

0 Nays

0 Abstain

Attest:



Sammy Egbert, City Recorder