

## RESOLUTION NO. 3160

### A RESOLUTION OF THE CITY OF ALBANY, OREGON AUTHORIZING AND APPROVING OF A STATE REVOLVING FUND LOAN AGREEMENT TO FINANCE THE NORTH ALBANY HEALTH HAZARD ABATEMENT PROJECT

WHEREAS, the City of Albany, Oregon (the "City") has authorized the negotiation of a State Revolving Fund Loan Agreement between the State of Oregon Department of Environmental Quality (the "DEQ") and the City as the "Borrower" for the financing of collector sewers for the "North Albany Health Hazard Abatement" project (the "Project"); and

WHEREAS, the Finance Director has presented to the City Council a "S R F Loan Agreement and Term Sheet" dated April 28, 1996 wherein the DEQ agrees to loan to the City for payment of the Project the sum of \$5,837,776 (the "Loan"). The Loan shall bear interest at three percent (3%) per annum and be repayable in nineteen (19) equal annual principal payments beginning on February 1, 1994 and ending on February 1, 2012 plus interest thereon payable on the first days of February and August commencing August 1, 1993; and

WHEREAS, the Loan Agreement has been approved by the DEQ as a "Revenue Secured Loan".

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF ALBANY, OREGON:

Section 1. The City does authorize and approve of the S R F Loan Agreement and Term Sheet dated as of April 28, 1992 for the financing of the North Albany Health Hazard Abatement Project.

Section 2. The Loan shall not be secured as a general obligation of the City nor a charge upon the tax revenues of the City. The City pledges to repayment of the Loan its Net Sewer Revenues subject to and subordinate to the prior pledge of the Net Sewer Revenues to the City's Advance Refunding Sewer Revenue Bonds, Series 1986, the Sewer Revenue Bonds, Series 1989, the Sewer Revenue Bonds, Series 1991A and any obligations issued on a parity therewith. In addition the loan will be secured by a pledge of the North Albany assessments subject to and subordinate only to the pledge of the North Albany assessments that secure the 1991A Bonds.

Section 3. The City does authorize the Finance Director, acting for and on behalf of the City, to execute the S R F Loan Agreement and Term Sheet and such other and additional documents as may reasonably be required for the consummation and closing of the Loan.

Dated this 28th day of April , 1992.

CITY OF ALBANY, OREGON

  
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Mayor

ATTEST:

  
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City Recorder