

OAK LODGE WATER SERVICES

RESOLUTION NO. 2020-16

A RESOLUTION AUTHORIZING REFUNDING OF A LOAN FROM THE WATER FUND WITH THE OREGON INFRASTRUCTURE FINANCE AUTHORITY.

WHEREAS, the Board of Directors (the “Governing Body”) of the Oak Lodge Water Services District (the “Recipient”) finds:

A. The Recipient is a “municipality” within the meaning of Oregon Revised Statutes 285B.410(9).

B. Pursuant to Oregon Revised Statutes 285B.560 through 285B.599 (the “Act”), the Recipient obtained a loan (the “Loan”) in the principal amount of \$6,977,987 from the Oregon Infrastructure Finance Authority of the Business Development Department (“the Department”) through the Water Fund for the financing of a water treatment plant as a “water project” within the meaning of the Act by entering into a Loan Agreement Project Number W10001 with the Department effective on or about August 31, 2010 (the “Loan Agreement”) and executing a Promissory Note dated August 31, 2010 (the “Note”) representing the amounts due under the Loan.

C. The Department funded the Loan, in part, through the issuance of Oregon Bond Bank Revenue Bonds (the “State Bonds”) and passed the interest rates on the State Bonds through to the Loan, which are reflected in the Note.

D. Under current market conditions, refunding all or a portion of the outstanding State Bonds may produce debt service savings for the borrowers whose loans were funded by the State Bonds, including the Recipient.

E. The Recipient wishes to participate in the State’s refunding of the State Bonds in order to achieve debt service savings on the outstanding Loan.

NOW, THEREFORE, BE IT RESOLVED BY THE OAK LODGE WATER SERVICES BOARD OF DIRECTORS:

Section 1. Refunding Authorized. The Governing Body authorizes the General Manager, or person designated by the General Manager to act on behalf of the Recipient (the “Authorized Officer”), to amend the Note by executing a revised payment schedule to the Note pursuant to Section 4 of the Loan Agreement (the “Amended Note”) and such other documents as may be required to refund the Loan to achieve debt service savings. The Authorized Officer is also authorized to further amend the existing documents with the Department to allow the Recipient to participate in the refunding.

Section 2. Security. Amounts due to the Department pursuant to the Loan Agreement and the Amended Note shall be determined by the Authorized Officer and may include

any sources legally available to the Recipient including wastewater revenues. The Authorized Officer is authorized to grant liens on wastewater revenues to secure amounts due to the Department and to take any action and execute any documents related to granting those liens.

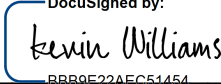
Section 3. Additional Documents. The Authorized Officer is hereby authorized to enter into any agreements and to execute any documents or certificates which may be required to refund the Loan, amend any existing documents with the Department, or secure the amounts due to the Department as outlined in Section 2.

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 Loan, as refunded and amended by the Amended Note, not to qualify for the exclusion from gross income provided by Section 103(a) of the Internal Revenue Code of 1986, as amended. The Authorized Officer may enter into covenants on behalf of the Recipient to protect the tax-exempt status of the interest paid by the Recipient pursuant to the Loan, as refunded and amended by the Amended Note, and may execute any Tax Certificate, Internal Revenue Service forms or other documents as shall be required by the Department or their bond counsel to protect the tax-exempt status of such interest.

Section 4. Resolution Effective Date. This Resolution shall be in force and effect from and after passage by the Governing Body.

INTRODUCED AND ADOPTED THIS 15th DAY OF DECEMBER 2020.

OAK LODGE WATER SERVICES DISTRICT

By 
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Kevin Williams, President

By 
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Paul Gornick, Secretary/Vice President