

**RESOLUTION NO. 289**

A RESOLUTION ESTABLISHING A LOAN RESERVE ACCOUNT IN THE AMOUNT OF \$19,917.00 ON OR BEFORE THE DATE THE CITY RECEIVES ITS FIRST DISBURSEMENT FROM SRF LOAN NO. R11860.


WHEREAS, the City of Aurora has entered into a State Revolving Fund Loan Agreement with the State of Oregon Department of Environmental Quality in order to finance a Wastewater Facilities Masterplan Study; and

WHEREAS, Article 2 Section R of the agreement read as follows:

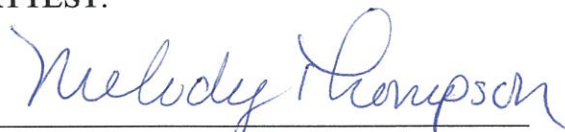
**“LOAN RESERVE REQUIREMENT.** The borrower covenants with the DEQ and any assignee of this Loan Agreement that the Borrower shall establish and maintain a Loan Reserve Account as described in Section 4(E) on page 9. The Loan Reserve Requirement shall be an amount that equals 100% of the average annual debt service as shown on the repayment schedule. Until the Final Loan Amount is calculated, the Loan Reserve Requirement equals \$19,917.”

NOW THEREFORE, BE IT RESOLVED, the Aurora City Council hereby authorizes the City Treasurer to establish a restricted Loan Reserve Account and to deposit to it \$19,917 no later than the first day on which a loan disbursement is received from SRF Loan No. R11860.

ADOPTED by the Aurora City Council at a regularly scheduled meeting on this 27th day of December, 1995.

  
Richard Harrison - Mayor

ATTEST:

  
Melody Thompson - City Recorder