

Resolution Relating to

AUTHORIZATION FOR THE APPROVAL OF LOAN
AND FINANCING OF A WATER PUMP FOR THE
PUBLIC WORKS DEPARTMENT WATER DIVISION

RESOLUTION _____

Sponsor(s): Board of Finance

Introduced: _____

Referred to: _____

Action: _____

Date: _____

Signed by Mayor: _____

CITY OF BURLINGTON

In the year Two Thousand Fourteen

Resolved by the City Council of the City of Burlington, as follows:

1 That WHEREAS, utilizing the Federal Safe Drinking Water Act (the “Act”) funding, the state of Vermont
2 Department of Environmental Conservation (herein called “the State”) has made nearly 20 Million Dollars
3 available to fund capital improvements that improve public health protection and facilitate compliance with
4 the Act through the State’s Water Supply Drinking Water Revolving Loan Program (the “Program”); and

5 WHEREAS, the Water Division of the Department of Public Works was awarded eligibility under the
6 Program to replace an inoperable 500 HP finished water pump with a smaller, high efficiency, variable
7 frequency drive controlled 400 HP pump (the “Project”); and

8 WHEREAS, Article 74 (§3-225) of the Burlington City Charter authorizes the City Council to make all
9 necessary repairs, extensions or improvements to the City water works and water pollution control plants and to
10 pledge the credit of the City to incur obligations to be paid in installments over a period of years to pay the cost
11 of such improvements; and

12 WHEREAS, the City Council found and determined that the interest of the City and the general public
13 interest and necessity require that the afore-described pump replacement improvement be made and authorized
14 the Department of Public Works Director, or his designee, to complete the Construction Loan Application for
15 Drinking Water Revolving Loan Funds under 24 V.S.A. Chapter 120 and to apply to the Vermont Municipal
16 Bond Bank (the “Bank”) for financing;

17 NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Burlington, Vermont, as
18 follows:

19 The City accepts the terms of the Approval of Loan Application from the State and shall borrow an
20 amount of not to exceed \$260,000.00 from the Bank (the “Loan”), for the purpose of purchasing a high efficiency
21 water pump. The Loan shall be primarily payable from the receipt of revenues of the water division, shall not
22 be a general obligation of the City, and shall mature within 20 years from the date it is extended to the City; and
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DIVISION

24 BE IT FURTHER RESOLVED that the Mayor, Chief Administrative Officer and Assistant Chief
25 Administrative Officer for Finance are, and each one of them is, hereby authorized and empowered to execute
26 and deliver (i) a loan agreement with the Bank to evidence the Loan and the repayment thereof, (ii) a bond,
27 promissory note or notes in the principal amount of the Loan, (iii) such documents and instruments as the Bank
28 may request in connection with the Loan, in such form and with such terms as they deem necessary and in the
29 City's best interest, and (iv) such other documents and instruments necessary or convenient in connection with
30 the Loan, subject to the prior review of the City's bond counsel, as necessary.

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