

RESOLUTION NO. 2177

A RESOLUTION AUTHORIZING THE CITY OF HERMISTON TO ENTER INTO A \$250,000 DOLLAR RURAL ECONOMIC DEVELOPMENT LOAN AND SECURITY AGREEMENT WITH UMATILLA ELECTRIC COOPERATIVE TO ASSIST IN FUNDRAISING EFFORTS RELATED TO CAPITAL CONSTRUCTION OF THE FUNLAND PLAYGROUND.

WHEREAS, The City of Hermiston, an Oregon municipal corporation, ("Maker"), promises to pay to the order of Umatilla Electric Cooperative, an Oregon cooperative corporation ("Cooperative"), at the times and in the manner provided in that certain Promissory Note and Security Agreement, the sum of Two Hundred and Fifty Thousand Dollars (\$250,000.00), without interest, in annual installments of Twenty Five Thousand Dollars (\$25,000.00) per year beginning on the anniversary of the date of the first advance of funds made thereunder, and continuing on the same day of each year thereafter until the principal sum of Two Hundred and Fifty Thousand Dollars (\$250,000.00) has been paid in full on, or before, the final maturity date of the Promissory Note, which is the tenth (10th) anniversary of the date of the first advance of funds to the City, and

WHEREAS, Maker shall have the right to prepay the obligation set forth in that certain Promissory Note, in whole or in part, at any time without penalty; provided, however, that in the event of a partial prepayment, the Maker is obligated to continue making regular and uninterrupted annual payments of the annual amount on the anniversary date specified in the Promissory Note so long as any portion of the loan remains unpaid, now, therefore,

The City of Hermiston resolves as follows:

That the form, terms and provisions of the Rural and Economic Development Loan and Security Agreement and Promissory Note between the City of Hermiston and Umatilla Electric Cooperative, and the transactions contemplated thereby, providing for, among other things, to help finance the rebuilding and replacement of Funland Playground that burned down in 2019, copies of which have been presented to and reviewed by the Common Council be, and they are, in all respects, hereby approved and adopted; and

That Byron Smith, City Manager of the City of Hermiston, is hereby authorized to execute and deliver the Rural and Economic Development Loan and Security Agreement and Promissory Note substantially in the form heretofore approved and adopted with such changes, additions, deletions, and modifications as such executing officer may approve, such execution to be conclusive evidence of such approval and of the authorization thereof by the Common Council, and

That the City Manager of the City of Hermiston be, and is, hereby authorized and directed to prepare, execute, deliver, acknowledge and file such additional documents, agreements, certificates, forms, receipts and other instruments, in the name of and on behalf of the City of Hermiston and under its corporate seal, if so desired, and to take all such other actions as such officer shall, in his or her or their sole discretion, approve in order to carry out the transactions heretofore approved and perform and discharge the City's obligations in connection with the Rural and Economic Development Loan and Security Agreement and Promissory Note, such

actions and execution to be conclusive evidence of such approval and of the authorization thereof by the Common Council.

Effective Date. This resolution is effective immediately upon its passage as of the date and year set out below.

PASSED by the Common Council the 12th day of April 2021.

SIGNED by the Mayor the 12th day of April 2021.

Dr. David Drotzmann, MAYOR

ATTEST:

Lilly Alacron-Strong, CMC, CITY RECORDER