

City of Somerset

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Eddie R. Girdler
Mayor
Nicholas K. Bradley
City Clerk

AUTHORIZATION RESOLUTION

RES 15-02

WHEREAS, the City of Somerset is or in the process of completing sanitation (sewer) line improvements or extensions in the city utilizing temporary construction loans or cash; and

WHEREAS, the major projects involves the reconstruction of the main sanitation line that serves industry along Kentucky Highway 461 involving hundreds of jobs and serves the entire city; and

WHEREAS, the major project called the Mid-Town Sewer Project is funded through a \$2 million grant provided by the Economic Development Administration (EDA) with a total match required of \$1.4 million; and

WHEREAS, the other two projects have been completed along KY Highway 39 and KY Highway 1247 and permanent financing is now required for the projects.

NOW THEREFORE, the City Council of the City of Somerset hereby authorizes a permanent revenue loan to meet the EDA grant match requirements and provide permanent financing for the two other sewer line improvements in an amount not to exceed \$2 million with Citizens National Bank over a 20 year period at a rate not to exceed 3.5% per annum for the first five years and rate negotiated thereafter. Said permanent project revenue loan may be paid in full at any time without any penalty.

IN ADDITION, the City Council hereby authorizes the Mayor to sign all necessary documents as relating to this resolution.

Adopted this 12th day of January, 2015.

Mayor

City Clerk