



Legislation Text

File #: 16-0244, **Version:** 1

Approval of documents related to USDA grant/loan for Catoosa water tank

SUMMARY:

City Council previously approved an application to USDA-Rural Development for funding of the Hwy. 127N water tank for the Catoosa Department. This application has now been approved in the form of an \$890,000 loan and \$160,500 grant. This loan will be for 40 years with an interest rate of approximately 2.25%.

The following forms must be executed:

- Equal Opportunity Agreement
- Assurance Agreement
- Right-of-Way Certificate - This won't be done until the property is acquired, which will be approved by Council.
- Opinion of Counsel Relative to Rights-of-Way - This won't be done until the property is acquired.
- Loan Resolution
- Legal Services Agreement
- Preliminary Title Opinion - This won't be done until the property is acquired.

In addition to the USDA forms, approval is requested for the Administrative Services Agreement with Community Development Partners, who prepared the grant/loan application.

Bond Counsel must also be engaged. The City Attorney and City Clerk have contacted Bass Berry & Sims to provide this service because they have been involved in all recent USDA grant/loans for the City. Their fee is \$6,000.

The Engineering Services agreement with Stigall Engineering Associates was approved by Council in May 2015.

BUDGET ACCOUNT:

NECESSARY COUNCIL ACTION: Approve documents, contracts, and engagements and authorize the Mayor, City Attorney, and City Clerk to sign all necessary documents and engagements relative to the grant/loan.