

RESOLUTION NO. 62-20

A RESOLUTION AUTHORIZING A LOAN CONTRACT OF
STATE FUNDS FOR PURDY MESA FLOWLINE REPLACEMENT PROJECT

NOW THEREFORE BE IT RESOLVED THAT the Grand Junction City Council, having been duly advised and considered the matter, hereby authorizes City Manager Greg Caton to enter into a contract with the State of Colorado, Colorado Water Conservation Board for a loan for the construction of the Purdy Mesa Flowline Replacement Project (Project.)


Furthermore, the Grand Junction City Council hereby resolves to perform and observe all contractual terms, conditions and obligations, and pledge the revenues of the Water Enterprise Fund to assure repayment of the loan.

The Project will be funded solely by funds made available under Colorado Water Conservation Board (CWCB) Water Project Loan Program which authorizes CWCB to loan money for water projects from the CWCB Severance Tax Perpetual Base Fund for the benefit of the people of the state, provided that the Borrower assures repayment of the money.


The total construction cost of the Project may be up to \$7,000,000. The total loan amount will not exceed \$7,070,000.00 (\$7,000,000.00 for Project costs and CWCB's origination fee of 1% in the amount of \$70,000.00) at an interest rate of 1.50% per annum for a repayment term of twenty (20) years.

The Project will benefit the City's water enterprise, which is a government owned business that may incur debt as provided in Article X, Section 20 of the Colorado Constitution, and C.R.S. 37-45.1-101 *et. seq.*

IN CONSIDERATION OF THE FOREGOING, THE RESOLUTION IS PASSED AND APPROVED this 7th day of October 2020.


C.E. "Duke" Wortmann
President of the City Council

Attest:


Wanda Winkelmann
City Clerk

