1.0 First Selectman Joyce Okonuk called the meeting to order at 3:31 pm. Selectman John Bendoraitis was also present; Selectman Linda Finelli was absent. Audience 0.

2.0 Motion made by Bendoraitis, seconded by Okonuk to authorize the First Selectman to sign a loan Resolution with the United States Department of Agriculture for the financing associated with the Amston Lake Sewer Project. Vote: Yes, unanimous. (See attached).

3.0 Motion made by Okonuk seconded by Bendoraitis to adjourn at 3:32 pm. Vote: Yes, unanimous.

Respectfully Submitted,

Joyce R. Okonuk, First Selectman
A RESOLUTION OF THE

Board of Selectmen

OF THE

LEBANON, TOWN OF

AUTHORIZING AND PROVIDING FOR THE INCURRANCE OF INDEBTEDNESS FOR THE PURPOSE OF PROVIDING A PORTION OF THE COST OF ACQUIRING, CONSTRUCTING, ENLARGING, IMPROVING, AND/OR EXTENDING ITS Amston Lake Sewers

FACILITY TO SERVE AN AREA LAWFULLY WITHIN ITS JURISDICTION TO SERVE.

WHEREAS, it is necessary for the

LEBANON, TOWN OF

(Public Body)

(briefly called Association) to issue a portion of the cost of such undertaking by issuance of its bonds in the principal amount of

FIVE MILLION ONE HUNDRED FIVE THOUSAND AND XX/100 DOLLARS ($5,105,000.00)

pursuant to the provisions of

the Connecticut General Statutes

and

WHEREAS, the Association intends to obtain assistance from the United States Department of Agriculture (herein called the Government) under the provisions of the Consolidated Farm and Rural Development Act (7 U.S.C. § 1921 et seq.) in the planning, financing, and supervision of such undertaking and the purchasing of bonds lawfully issued, in the event that no other acceptable purchaser for such bonds is found by the Association.

NOW, THEREFORE, in consideration of the premises, the Association hereby resolves that:

1. To have prepared in its behalf and to adopt an ordinance or resolution for the issuance of its bonds containing such terms and in such form as are required by State statutes and as are acceptable to the Government.

2. To reaffirm the within balance in whole or in part of its bonds upon the request of the Government; and if at any time it shall appear to the Government that the Association is unable to refinance its bonds by obtaining a loan for such purposes from responsible cooperative or private sources at reasonable rates and terms for loans for similar purposes and periods of time as required by section 333(e) of said Consolidated Farm and Rural Development Act (7 U.S.C. § 1933(e)).

3. To provide for, execute, and comply with Form RD 600-4, "Assurance Agreement," and Form RD 600-1, "Equal Opportunity Agreement," including an "Equal Opportunity Clause," which clause is to be incorporated in, or attached to, each contract or subcontract involving in excess of $16,000.

4. To indemnify the Government for any payments made or losses suffered by the Government on behalf of the Association.

5. That upon default in the payment of any principal and interest on the bonds or in the performance of any covenant or agreement contained therein or in the instrument incidental to making or insuring the bonds, the Government at its option may (a) declare the entire principal amount then outstanding and accrued interest immediately due and payable, (b) for the account of the Association, in whole or in part, pay reasonable expenses of repair, maintenance, and operation of the facility and such other reasonable expenses as may be necessary to cause the default and (c) take possession of the facility, repair, maintain, and operate or rent it. Default under the provisions of this resolution or any instrument incidental to the making or insuring of the loan may be construed by the Government to constitute default under any other instrument held by the Government and executed or assumed by the Association, and default under any such instrument may be construed by the Government to constitute default hereunder.

6. Not to sell, transfer, lease, or otherwise dispose of the facility or any portion thereof, or interest therein, or permit others to do so, without the prior written consent of the Government.

7. Not to defease the bonds, to borrow money, enter into any contractual agreement, or otherwise incur any liabilities for any purpose in connection with the facility, unless the terms hereof shall be secured by, and be in strict compliance with, the provisions of the Governmental bond indenture or mortgage in which the bonds were issued.

8. To place the proceeds of the bonds on deposit in an account in a manner approved by the Government. Funds may be deposited in trust funds secured by the State or Federal Government or invested in readily marketable securities backed by the full faith and credit of the United States. Any income from such investments will be considered as revenues of the system.

9. To comply with all applicable State and Federal laws and regulations and to orderly operate and maintain the facility in good condition.

10. To provide for the setting of adequate revenues to meet the requirements of debt service, operation and maintenance, and the establishment of adequate reserves. Revenue not required for debt service, operation and maintenance, debt service, and reserves may only be retained or used to make prepayments on the loan. Revenue cannot be used to pay any expenses which are not directly incurred for the facility financed by USDA. No service charge or use of the facility will be permitted.

Policy regarding bonds for the reservation of information or purposes is to average a loss per recipient, including the time for reviewing documents, searching existing state sources, gathering and examining for the title, and other means of determining the expression of information. Due notice regarding this is to be given to all other users of the collection of information, including arrangements for sharing the burden of the Governmental agencies. Electronic transcription may also be used to provide such notice. The procedures approved by the Secretary of State, the Attorney General, and the Director of the Office of Management and Budget in accordance with 44 U.S.C. § 2103a-1 and 17 CFR 200.900, the Director of the Office of Management and Budget, and the Office of Management and Budget, and the Director of the Office of Management and Budget.
11. To acquire and maintain such insurance and fidelity bond coverage as may be required by the Government.
12. To establish and maintain such books and records relating to the operation of the facility and its financial affairs and to provide for required audits thereto as required by the Government, to prepare the Government a copy of such audit, without its request, and to forward to the Government such additional information and reports as it may from time to time require.
13. To provide the Government at all reasonable times access to all books and records relating to the facility and access to the property of the system so that the Government may ascertain that the Association is complying with the provisions hereof and of the instruments incident to the making or insuring of the loan.
14. That if the Government requires that a reserve account be established, disbursements from that account(s) may be used when necessary for payments due on the bond if sufficient funds are not otherwise available and prior approval of the government is obtained. Also, with the prior written approval of the Government, funds may be withdrawn and used for such things as emergency maintenance, extensions to facilities, and replacement of worn out assets.
15. To provide adequate service to all persons within the service area who can feasibly and legally be served and to obtain USEPA’s concurrence prior to refusing service to any person. Upon failure to provide services which are feasible and legal, such person shall have a direct right of action against the Association or public body.
16. To comply with the measures identified in the Government’s environmental impact analysis for this facility for the purpose of avoiding or reducing the adverse environmental impacts of the facility’s construction or operation.

17. To accept a grant in an amount not to exceed $1,445,000

under the terms offered by the Government, that

and

of the Association hereby authorized and empowered to take all action necessary or appropriate in the execution of all written instruments as may be required in regard to or as evidence of such grant, and to execute the same under the terms offered in said grant agreement(s).

IN WITNESS WHEREOF, the Board of Selectmen of the Town of

LEBANON, has duly adopted this resolution and caused it to be executed by the officers below in due course on this day of January, 2013

LEBANON TOWN OF

By:

Title: Town Clerk

(SEAL) (if applicable)
CERTIFICATION TO BE EXECUTED AT LOAN CLOSING

I, the undersigned, as Town Clerk of the LEBANON, TOWN OF

hereby certify that the Board of Selectmen of such Association is composed of three members, of whom two constituting a quorum, were present at a meeting thereof duly called and held on the 11th day of January, 2013, that the foregoing resolution was adopted at such meeting by the vote shown above. I further certify that as of January 17, 2013, the date of closing of the loan from the United States Department of Agriculture, said resolution remains in effect and has not been rescinded or amended in any way.

Dated, this seventeenth day of January, 2013.

[Signature]

of LEBANON, TOWN OF