

Resolution of the Board of Commissioners of the Southeast Chatham County Water District, Pittsboro, NC

Resolution Number: _____

BE IT RESOLVED:

That the Southeast Chatham County Water District Board of Commissioners does hereby accept the conditions set forth in the Letter of Conditions dated August 1, 2005, the RUS Bulletin 1780-27, Loan Resolution, dated August 1, 2005, and;

That the Southeast Chatham County Water District Board of Commissioners will formally adopt an Operating Budget and Water Rate Schedule at a properly called meeting of the governing body. The Water Rate Schedule must provide sufficient revenue to meet the requirements of the Operating Budget. Adoption of these documents should be made a part of the official minutes of the above meeting. A certified copy of the said minutes should be attached to the resolution and be provided to RUS; and,

That the Chairman and Clerk to the Board be authorized to execute all forms necessary to obtain a loan and grant from the USDA Rural Development, Rural Utility Service including, but not limited to the following forms;

Form RD 1942-46	Letter of Intent To Meet Conditions
RUS Bulletin 1780-27	Loan Resolution
Form RD 1940-1	Request for Obligation of Funds
Form RD 400-1	Equal Opportunity Agreement
Form RD 400-4	Assurance Agreement
Form RD 1910-11	Applicant Certification Federal Collection Policies For Consumer Or Commercial Debts
Form AD 1047	Certification Regarding Debarment, Suspension, and Other Responsibility Matters - Primary Covered Transactions
RD Instruction 1940-Q	Certification For Contracts, Grants and Loans
Letter	Certification of Compliance

That the Southeast Chatham County Water District Board of Commissioners elects to have the interest rate charged by RUS to be the lower of the rate in effect at either the time of loan approval or loan closing; and,

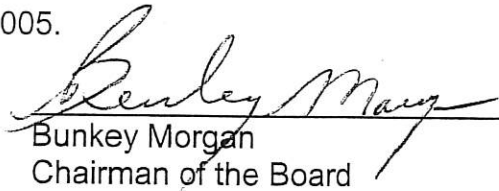
That if the interest rate charged by RUS should be changed between this date and the date of actual loan approval, the Chairman and Clerk be authorized


to execute new forms reflecting the current interest rate and revised payments as required by RUS; and,

That a rate schedule for water use will be adopted by resolution for use when the improvements are in operation; and, the Southeast Chatham County Water District may make modifications to the rate system as long as the rate schedule remains reasonable and nondiscriminatory and sufficient to meet the operating cost of the water system budget; and,

That this resolution become part of the official minutes of the Board meeting held on August 1, 2005.

Adopted this August 1, 2005.


Bunkey Morgan
Chairman of the Board


Sandra B. Sublett, Clerk to the Board

Motion made by Commissioner Emerca and seconded by Commissioner Barnes to adopt the foregoing resolution. Motion passing 5 to 0.