CITY OF NEWPORT

RESOLUTION NO. 3966

A RESOLUTION AUTHORIZING THE CITY OF NEWPORT TO APPLY FOR A SAFE DRINKING WATER REVOLVING LOAN FUND FROM THE OREGON HEALTH AUTHORITY TO SERVE AS FINANCING FOR THE PACIFIC COMMUNITIES HEALTH DISTRICT EMERGENCY WATER STORAGE PROJECT.

WHEREAS, Pacific Communities Health District (PCHD) is organized under ORS Chapter 440, and owns a hospital facility, operated, through a lease with Samaritan Health Services, on property identified as Blocks 18, 19, 21 and 22 of Bayley and Case's Addition to the Town of Newport Subdivision together with vacated portions of SW Case Street and SW 10''' Street; and

WHEREAS, Pacific Communities Health District and the City of Newport, Oregon entered into an intergovernmental agreement pursuant to ORS Chapter 190 on October 25, 2021 for the project; and

WHEREAS, Pacific Communities Health District is a health district and not eligible to apply for the Oregon Safe Drinking Water Revolving Loan Fund (SDWRLF) independently; and

WHEREAS, the City of Newport ("City") is eligible to apply for the Safe Drinking Water Revolving Loan Fund, and desires to participate in the Program to the greatest extent possible to help provide PCHD with funding for the purpose of constructing water infrastructure improvements to the Samaritan Hospital for emergency resiliency; and

WHEREAS, the Oregon Health Authority (OHA) is accepting applications for the Safe Drinking Water Revolving Loan Fund program; and

WHEREAS, PCHD has requested the installation of a proposed water tank, pipes. related equipment, and infrastructure work ("Project") on SW Fall Street to provide water to the hospital facility in the event of a seismic event or other emergency; and

WHEREAS, the water tank will serve City water system operations on a day to day basis, and be isolated to serve the PCHD's hospital facility with approximately 375,000 gallons of water in the event of a seismic event or other emergency; and

WHEREAS, all design and construction costs will be covered by PCHD, and routine operations and maintenance costs will be covered by the City once the project is completed. All the assets, Water tank, pipes, related equipment, and infrastructure will belong to the City, and will become part of its water system at completion; and

WHEREAS, if awarded the requested funding, the Oregon Health Authority may forgive a significant amount (more than $1 million) of the principal amount, using funding from the Bipartisan Infrastructure Law (BIL) authorized by Congress recently.

THE CITY OF NEWPORT RESOLVES AS FOLLOWS:

Section 1.   The City of Newport supports the proposed project in concept and hereby authorizes an application for an Oregon Health Authority Safe Drinking Water Revolving Loan Fund in the estimated amount of $6 million (subject to change) to pass through the City's finance department to PCHD for the purposes of constructing the project at the hospital location. The City of Newport and PCHD will enter into an intergovernmental agreement pursuant to ORS Chapter 190 to commit the SDWRLF funding necessary to deliver the proposed project once a Conditional Use Permit is issued as outlined in Section 2.

Section 2.   The Parties understand that the Project will require a Conditional Use Permit for which PCHD will be the applicant and the City the decision-maker. City's application to the SDWRLF has no bearing on whether or not the Project can satisfy approval criteria for a Conditional Use Permit, and no funding associated with this loan application is to be made available for the Project until a Conditional Use Permit has been issued authorizing the improvements.

Section 3.   The City Manager or his designee is authorized to sign all necessary documents to facilitate the application for the Oregon Health Authority Safe Drinking Water Revolving Loan Fund.

Section 4.   This resolution shall be effective immediately upon passage.

Adopted by the City Council of the City of Newport on February 06, 2023.

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Dean H. Sawyer, Mayor

ATTEST:

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Erik Glover, Assistant City Manager/City Recorder