



CITY OF SAINT PAUL

ALASKA

RESOLUTION 24-09

A RESOLUTION OF THE COUNCIL OF THE CITY OF SAINT PAUL AUTHORIZING THE CITY TO APPLY FOR A LINE OF CREDIT FROM NORTHRIM BANK TO SERVE AS GAP FUNDING TO START ON ELECTRIC UTILITY UPGRADES WHILE THE USDA LOAN IS PROCESSED

WHEREAS, the Council approved Resolution 22-21 on November 3, 2024, authorizing the City to apply for a US Department of Agriculture Rural Electric Program Loan for the Saint Paul Municipal Electric Utility upgrades; and,

WHEREAS, on February 27, 2024, the City received notice that a loan guarantee commitment in the amount of \$13,695,000 was approved by the USDA Rural Utility Service (*see attached letter*); and,

WHEREAS, it could take up to six months to process the USDA Loan to provide funds necessary to the City to start on the Electric Utility upgrades; and,

WHEREAS, there are several Electric Utility upgrades that have been started or are critical to begin as soon as possible; and,

WHEREAS, the City Administration has spoke with the USDA Loan representative and confirmed that the City could seek a commercial loan to start on the Electric Utility upgrades while the City waits for the USDA Loan to be processed; and,

WHEREAS, the City Administration has been working with Northrim Bank to determine a loan solution that will work for starting on the Electric Utility upgrades while the City waits for the USDA Loan to be processed; and,

NOW THEREFORE BE IT RESOLVED THAT, the Council of the City of Saint Paul authorizes the City to borrow from Northrim Bank a sum not to exceed \$4,000,000 total with interest for the purpose of serving as gap funding to start on the Electric Utility upgrades while the USDA Loan is processed; and,

BE IT FURTHER RESOLVED, that the Council of the City of Saint Paul authorizes the City Administration, including but not limited to the City Manager and Finance Director to execute any and all documents which may be required to Northrim Bank to reflect that indebtedness, the terms of it repayment, and any security therefore.

PASSED AND ADOPTED BY APPROVAL OF THE COUNCIL OF THE CITY OF SAINT PAUL THIS 27TH DAY OF MARCH 2024 BY __ IN FAVOR __ OPPOSED AND __ ABSTAIN.

ATTEST:

Aubrey Wegeleben, City Clerk

Jacob N. Mercurief, Mayor