

TOWN OF OLD SAYBROOK
BOARD OF SELECTMEN

RESOLUTION TO ENFORCE THE WASTEWATER MANAGEMENT DISTRICT
BENEFIT ASSESSMENTS AND PLEDGE THE REVENUES THEREFROM TO THE
REPAYMENT OF THE APPLICABLE CLEAN WATER FUND LOAN OBLIGATIONS

WHEREAS, the Town of Old Saybrook (the “Town”) has approved a resolution appropriating \$42,171,200 for design and construction of decentralized wastewater management systems (the “Systems”) within the decentralized wastewater management district (the “Project”) and authorizing the issuance of bonds, notes or other obligations to finance said appropriation, which bonds, notes or other obligations may be payable solely from certain revenues, including assessments, derived or to be derived from the ownership, operation, use or services of the Systems; and

WHEREAS, the State’s Clean Water Fund Program (CGS Section 22a-475, et seq.) provides that a municipality may by resolution of its Board of Selectmen and WPCA authorize loan obligations secured solely by a pledge of revenues derived from the Systems; and

WHEREAS, on November 1, 2010 the Water Pollution Control Authority (the “WPCA”) adopted the Decentralized Wastewater Management District Benefit Assessment Policy (the “Policy”) providing that Lot Upgrade Costs, other than those covered by the Funding Assistance, be assessed and collected on Lots in accordance with the Policy and Sections 7-249 through 7-254 of the Connecticut General Statutes (the “Benefit Assessments”); and

WHEREAS, pursuant to the Project Loan and Project Grant Agreement for Phase II of the State’s Clean Water Fund (CWF) Program (the “Agreement”), the Town will execute and deliver to the State certain loan obligations (interim funding obligations and project loan obligations) that will be special, limited obligations of the Town, payable solely from revenues derived from the Benefit Assessments (the “Benefit Assessment CWF Loan Obligations”); and

WHEREAS, the WPCA has pledged the Benefit Assessments to the repayment of the Benefit Assessment CWF Loan Obligations.

BE IT RESOLVED, that the Board of Selectmen, in concurrence with the WPCA, hereby pledges the Benefit Assessments as security for the payment of principal of and interest on the Benefit Assessment CWF Loan Obligations.

BE IT FURTHER RESOLVED, that, while any portion of the Benefit Assessment CWF Loan Obligations remains outstanding, the powers, duties and obligations of the WPCA to implement and enforce the Policy shall not be diminished or impaired in any way that will adversely affect the Benefit Assessments or the pledge thereof made by this resolution.

BE IT FURTHER RESOLVED, that the First Selectman is hereby authorized to execute and deliver all documents necessary and appropriate for the pledge of the Benefit Assessments as provided in this resolution.