

RESOLUTION #23-36C

A RESOLUTION AUTHORIZING THE MAYOR TO SIGN AND CITY RECORDER TO ATTEST THE PLANNING FORGIVENESS AGREEMENT FOR THE LEAD SERVICE LINE INVENTORY PROJECT BETWEEN THE STATE OF UTAH, DEPARTMENT OF ENVIRONMENTAL QUALITY, DRINKING WATER BOARD AND SANDY CITY.

BE IT KNOWN AND REMEMBERED that the City Council of Sandy City, State of Utah, finds and determines as follows:

WHEREAS, Title 73, Chapter 10c, Utah Code, as amended, the Water Quality Board and the Drinking Water Board may enter into credit enhancement agreements with political subdivisions containing terms and provisions that the acting board determines will reasonably improve the security for or marketability of drinking water and wastewater project obligations; and


WHEREAS, the attached Agreement described as Planning Principal Forgiveness Agreement between the State of Utah, Department of Environmental Quality, Drinking Water Board and Sandy City shall provide the City the amount of \$100,000 for completion of the Project; and

WHEREAS, the attached Agreement has been prepared to accomplish such purpose.


NOW, THEREFORE, BE IT RESOLVED by the City Council of Sandy City, Utah, as follows:

1. The Hon. Monica Zoltanski, Mayor of Sandy City, and Wendy Downs, City Recorder are hereby authorized to sign the Agreement, in substantially the attached form, on behalf of Sandy City Corporation and to act in accordance with its terms.

DATED this 8 day of August, 2023.

DocuSigned by:

 0254445272544E1...
 Brooke D'Sousa, Chair
 Sandy City Council

ATTEST:

DocuSigned by:

 000E7E0272014B1...
 Wendy Downs, City Recorder
 8/10/2023

RECORDED this ___ day of July, 2023.



Contract #
SRF # 3F1991P
Amount: \$100,000
Recipient: Sandy City
Tax ID # 87-600280

PLANNING PRINCIPAL FORGIVENESS AGREEMENT

LEAD SERVICE LINE INVENTORY

DRINKING WATER STATE REVOLVING FUND

STATE OF UTAH

**Department of Environmental Quality
Drinking Water Board**

This principal forgiveness agreement is entered into by and between the State of Utah, Department of Environmental Quality, Drinking Water Board (hereinafter the "BOARD") and

Sandy City

an applicant for principal forgiveness under the Drinking Water Board provisions contained in R309-705 of the Utah Administrative Code as authorized by Utah Code Title 73, Chapter 10c (hereinafter the "RECIPIENT"). Pursuant to the provisions of the Statute, and the powers and functions of the Drinking Water Board, the BOARD hereby finds and determines, based upon the formal application of the RECIPIENT, the evidence provided by the RECIPIENT to the BOARD and its staff, and information developed by the BOARD in its own investigations and at the hearings on the application of the RECIPIENT, the following, that:

1. The RECIPIENT is eligible for financial assistance pursuant to the Safe Drinking Water Act Section 1452 42 USCA 300j et seq.
2. The BOARD has determined that principal forgiveness is necessary to determine the economical feasibility of the proposed Project as described hereafter as Exhibit-1.
3. The RECIPIENT has been authorized by the BOARD pursuant to Section R309-705 of the Utah Administrative Code and as authorized by Utah Code Title 73-10c-4 to receive principal forgiveness.

Based upon these findings, the BOARD is authorized and empowered to, and does hereby, enter into the following agreement with the RECIPIENT.

GENERAL PROVISIONS

1. The BOARD shall provide the RECIPIENT the amount of \$100,000 (PRINCIPAL FORGIVENESS AMOUNT) for the completion of the Project as described in Exhibit-1, Work Description and Cost Breakdown.
2. The RECIPIENT shall complete the Project described in Exhibit-1, Work Description and Cost Breakdown. If work on the Project is not completed by _____, this principal forgiveness may be canceled by written notice from the BOARD to the RECIPIENT. No work completed after receipt of the notice shall be reimbursable.
3. The RECIPIENT shall notify the BOARD in writing of any proposed modifications to the Project which alters Exhibit-1, Work Description and Cost Breakdown. If such notification is not received, the cost of the proposed modification will be disallowed.
4. The PRINCIPAL FORGIVENESS AMOUNT shall be deposited with other funds necessary to complete the Project into a supervised escrow account at the time this principal forgiveness agreement is executed. All disbursements from the escrow account must be reviewed and approved in advance by the RECIPIENT and the BOARD. Upon completion of the Project unused principal forgiveness funds which remain in the escrow account must be returned to the BOARD. Funds returned as surplus to the BOARD shall be applied as a reduction of the PRINCIPAL FORGIVENESS AMOUNT.
5. The RECIPIENT shall comply with all laws which normally govern its affairs in regard to contracts, fiscal procedures and procurement procedures.
6. The RECIPIENT shall indemnify and hold harmless the State of Utah, the Department of Environmental Quality, the Division of Drinking Water, the BOARD and their officers, agents and employees from and against any and all loss, damage, injury, liability, and claims, including claims for personal injury or death, damages to personal property and liens of workmen and materialmen, howsoever caused, resulting directly or indirectly from the performance of this principal forgiveness agreement by the RECIPIENT, or the operations of the Project and the culinary water system for which this Project is a part including attorneys fees and costs in the investigation or defense of any claim, whether or not the claim has merit.
7. The RECIPIENT shall be an independent contractor, and, as such, shall have no authorization, express or implied, to bind the State of Utah, the Department of Environmental Quality, the Division of Drinking Water, or the Drinking Water Board to any agreement, settlement, liability, or understanding whatsoever, nor to perform any acts as agent for the State of Utah, except as herein expressly set forth.

8. **RECIPIENT** expenditures under this principal forgiveness agreement determined by audit to be ineligible for reimbursement because they were not authorized by the terms and conditions of the agreement, or that are inadequately documented, and for which payment has been made to the **RECIPIENT** will be immediately refunded to the **BOARD** by the **RECIPIENT** upon written demand of the **BOARD**. The **RECIPIENT** further agrees that the **BOARD** shall have the right to withhold any or all subsequent payments under this or other contracts to **RECIPIENT** until recoupment of overpayment is made.
9. This principal forgiveness agreement may be altered, modified, or supplemented only by written amendment, executed by the parties hereto, and attached to the original signed copy of this agreement. No claim for services furnished by the **RECIPIENT**, not specifically authorized by this agreement will be allowed by the **BOARD**.
10. If it is determined that in any manner the principal forgiveness agreement was improperly made or entered into, or if the monies are or were used improperly or contrary to the terms of this agreement, the **RECIPIENT** shall pay to the **BOARD** the amount of all monies and benefits received by the **RECIPIENT** from the **BOARD**.
11. The **RECIPIENT** agrees, in accepting the proceeds, to comply with all applicable state and federal regulations related to the Utah State Revolving Fund administered by the Drinking Water Board. These requirements include, but are not limited to, Title XIV of the Safe Drinking Water Act of 1996, OMB Circular A-133, the Utah Federal State Revolving Fund Program (R309-705 of the Utah Administrative Code), the Utah Money Management Act, the Utah Procurement Code and the State of Utah Legal Compliance Audit Guide.
12. The **RECIPIENT** agrees to submit with each reimbursement request sufficient documentation, as defined on the reimbursement request forms, to fully define the amount of work completed and the location where the work was completed to verify that the subsidy provided by the **BOARD** through this agreement was applied to disadvantaged communities or disadvantaged areas within the **RECIPIENT'S** service area.

EXECUTION

NOW, THEREFORE, by virtue of the authority contained in Utah Code Title 73, Chapter 10c, as amended, the parties hereto mutually agree to perform this Agreement.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement on this _____ day of _____, 20____. This contract will take effect upon approval as evidenced by the appropriate signatures.

RECIPIENT

STATE

Sandy City
10000 S. Centennial Parkway
Sandy, Utah 84070

APPROVED - DRINKING WATER BOARD

By: _____
Date: _____
Monica Zoltanski
Mayor

By: _____
Date: _____
Michael J. Grange, P.E.
Assistant Executive Secretary

APPROVED - DIVISION OF FINANCE

By: _____
Date: _____
Wendy Downs
City Recorder

By: _____
Date: _____

JURAT

STATE OF UTAH)
)
) :ss
COUNTY OF: SALT LAKE)

On this _____ day of _____, 20____, personally appeared before me Monica Zoltanski and Wendy Downs, who being by me duly sworn did say they are the duly authorized Mayor and City Recorder of Sandy City, a political subdivision of the State of Utah or a Utah Corporation, and that the foregoing instrument was signed in behalf of said political subdivision or corporation by authority of a motion of its governing body passed on the _____ day ____ of _____, 20____, and said persons acknowledged to me that said political subdivision or corporation executed the same.

Notary Public, residing at:

Date: _____

My Commission Expires:

Exhibit No. 1

WORK DESCRIPTION & COST BREAKDOWN

Sandy City

PRINCIPAL FORGIVENESS

PROJECT DESCRIPTION

Sandy City has requested and been approved for principal forgiveness from the Drinking Water Board. This principal forgiveness is for the cost of completing a Lead Service Line Inventory. To partially fund this work, the Board authorized a planning loan with 100% principal forgiveness of \$100,000 to Sandy City.

SCOPE OF WORK

(Please attach a copy of the scope of work)