

RESOLUTION OF SUPPORT

RESOLUTION NO. 2497

A RESOLUTION AUTHORIZING SUBMISSION OF AN APPLICATION TO THE BUSINESS READY COMMUNITY GRANT AND LOAN PROGRAM FOR A COMMUNITY READINESS LOAN PROJECT ON BEHALF OF THE GOVERNING BODY FOR THE CITY OF GILLETTE, WYOMING INCLUDING A DESCRIPTION OF PLEDGED SECURITY AND SPECIAL FUND FOR THE REPAYMENT OF THE LOAN.

FOR THE PURPOSE OF: To finance acquisition of existing electrical distribution system infrastructure, construction and installation of new electrical distribution system infrastructure and service area costs in the annexation of the Southern Industrial Addition.

WITNESSETH

WHEREAS, the Governing Body for the City of Gillette, Wyoming desires to participate in the BUSINESS READY COMMUNITY GRANT AND LOAN PROGRAM to assist in financing this project; and

WHEREAS, the Governing Body of the City of Gillette, Wyoming recognizes this project will improve, develop, and enhance infrastructure within the boundaries of the City of Gillette, Wyoming by constructing new electrical infrastructure and purchasing infrastructure from PRECorp as part of the Southern Industrial Addition Annexation, hereinafter ‘the Annexation’; and

WHEREAS, the BUSINESS READY COMMUNITY GRANT AND LOAN PROGRAM requires that certain criteria be met, as described in the Wyoming Business Council’s Rules governing the program, and to the best of our knowledge this application meets those criteria; and

WHEREAS, the Governing Body of the City of Gillette, Wyoming plans to match the requested BUSINESS READY COMMUNITY GRANT AND LOAN PROGRAM COMMUNITY READINESS PROJECT Grant from the funds on hand, legally available to it; and

WHEREAS, the Governing Body of the City of Gillette, Wyoming plans to repay the requested BUSINESS READY COMMUNITY GRANT AND LOAN PROGRAM COMMUNITY READINESS PROJECT Loan; and

WHEREAS, the City of Gillette held a public hearing on August 19, 2014 to seek public comment on this project and to identify the community development opportunity and determine all possible funding solutions for this project, solicit testimony from citizens who may feel that the use of the proposed funds might compete with existing business, and gave full consideration to all comments received; and

WHEREAS, the City of Gillette is working in partnership with the large Industrial users of electrical service within the Annexation, including Joy Global and Wyoming Machinery and has provided preliminary cost estimates, designs, and information for project development; and

WHEREAS, the public benefit of this project is the expansion of the City's electrical system to greatly improve the reliability of electrical service within the Annexation which has been specifically requested by the large Industrial users in the area to allow them to better conduct their industrial processes and to allow them to expand to meet demand in the future; and

WHEREAS, the Governing Body for the City of Gillette will use the revenue recaptured from this project such as increased utility fees, for the following economic development purposes: to help fund the operations, maintenance and expansion of those crucial utilities; and

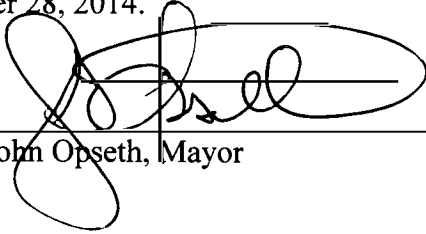
NOW, THEREFORE, BE IT RESOLVED BY THE GOVERNING BODY OF THE City of Gillette, Wyoming, that a Loan application in the amount of \$3,000,000 be submitted to the Wyoming Business Council for consideration of assistance in funding the Project. The \$3,000,000 loan request consists of a \$1,500,000 General Business Ready Community Loan and a \$1,500,000 Special Assistance Loan. The Special Assistance Loan will act as the match for the general Community Readiness Project Grant and the General Business Ready Community Loan.

BE IT FURTHER RESOLVED, that the loan will be repaid from a Special Fund composed of the Power Fund rate revenues. This assignment and pledge of revenues is subject to and subordinate to similar pledges made in conjunction with the financing of the Wygen III power plant purchase and the CT-II combustion turbine purchase.

BE IT FURTHER RESOLVED, The loan will be secured by the capital assets related to the Southern Industrial Addition Annexation that are purchased with the proceeds of this loan. Additionally, revenue from the Power Fund will be used as security for the Loan. The WBC will be required to take a subordinate position to the existing bond obligations.

BE IT FURTHER RESOLVED, that the Mayor, the City Administrator and the Utilities Director of the City of Gillette are hereby designated as the authorized representatives of the City of Gillette to act on behalf of the Governing Body on all matters relating to this grant application.

Passed, Approved and Adopted October 28, 2014.

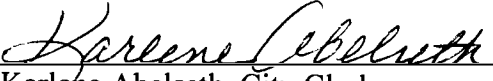

John Opseth, Mayor

Attest:


Karlene Abelseth, City Clerk

CERTIFICATE

I, Karlene Abelseth, City Clerk, hereby certify that the foregoing Resolution was adopted by the City of Gillette at a public meeting held on October 28, 2014 and that the meeting was held accordingly to law; and that said Resolution has been duly entered in the minutes of the City of Gillette.


Karlene Abelseth, City Clerk