

RESOLUTION NO. 2590

A RESOLUTION AUTHORIZING A FIVE YEAR CAPITAL INTERFUND LOAN FROM THE WATER FUND TO THE STREET CAPITAL FUND

WHEREAS, the Street Capital Improvement Program has \$62.5 million in identified capital improvement needs over the next 5 years; and,

WHEREAS, the Street Capital Improvement Program is funded mainly by System Development Charges and Urban Renewal which are restricted for certain purposes; and,

WHEREAS, a portion of the Street Capital Improvement Program is funded by gasoline taxes; and,

WHEREAS, the street operations is co-located with other public works functions in a shared space with police operations; and,

WHEREAS, the 2015 Facility Master Plan identified the need for expanded and upgraded space for police operations, thereby necessitating the move of public works functions to another complex; and,

WHEREAS, the 2015 Facility Master Plan further identified the need for the public works functions to have consolidated office, warehouse storage and equipment yard functions on one site; and,

WHEREAS, land has been identified for purchase for a new public works complex, which will house the street operations and other public works functions; and,

WHEREAS, the majority of funding for the Street Capital Improvement Program is restricted in its use and not eligible to be used on land acquisition for a public works complex; and,

WHEREAS, gasoline taxes recorded in the Road Operating Fund are an eligible source but not sufficient to cash finance its share of land acquisition and other projects identified in capital improvement program; and,

WHEREAS, the Water Fund has adequate unrestricted reserves and can offer favorable loan terms; and,

WHEREAS, ORS 294.468 allows one fund to loan money to another fund over multiple years for capital purposes;

NOW, THEREFORE, THE THE CITY OF WILSONVILLE HEREBY RESOLVES AS FOLLOWS:

1. To loan a principal amount of \$400,000 from the City's Water Fund to the Street Capital Fund for the purpose of acquiring land, constructing and rehabilitating capital improvements.
2. The term of the loan shall be for five years, commencing August 1, 2016, and carry a per annum interest rate of six-tenths of one percent (0.6%). Payment shall be annual, each January 15, beginning 2017, through the year 2021, from the Road Operating Fund.
3. Effective Date of this Resolution shall be immediately upon its adoption.

ADOPTED by the Wilsonville City Council at a special meeting thereof this 7th day of July, 2016 and filed with the Wilsonville City Recorder this same date.

 Tim Knapp, Mayor

ATTEST:

 Sandra C. King, MMC, City Recorder

SUMMARY OF VOTES:

Mayor Knapp	Yes
Council President Starr	Excused
Councilor Fitzgerald	Yes
Councilor Lehan	Excused
Councilor Stevens	Yes

Attachments:

Exhibit A – Loan Amortization Schedule

EXHIBIT A – Loan Amortization Schedule

Water Fund Interfund Loan to Road Capital Fund

Payback Schedule from Road Operating Fund

Values		Loan Summary	
Loan Amount	\$ 400,000.00	Scheduled Payment	\$ 81,445.74
Annual Interest Rate	0.60 %	Scheduled Number of Payments	5
Loan Period in Years	5	Actual Number of Payments	5
Number of Payments Per Year	1		
Start Date of Loan	8/1/2016	Total Interest	\$ 7,228.71

Pmt No.	Payment Date	Beginning Balance	Scheduled Payment	Total Payment	Principal	Interest	Ending Balance
1	1/15/2017	\$ 400,000.00	\$ 81,445.74	\$ 81,445.74	\$ 79,045.74	\$ 2,400.00	\$ 320,954.26
2	1/15/2018	320,954.26	81,445.74	81,445.74	79,520.02	1,925.73	241,434.24
3	1/15/2019	241,434.24	81,445.74	81,445.74	79,997.14	1,448.61	161,437.10
4	1/15/2020	161,437.10	81,445.74	81,445.74	80,477.12	968.62	80,959.98
5	1/15/2021	80,959.98	81,445.74	81,445.74	80,959.98	485.76	0.00