

## RESOLUTION NO. \_\_\_\_\_

**RESOLUTION OF THE CITY COUNCIL  
OF THE CITY OF PLACERVILLE  
APPROVING A LOAN FROM THE SACRAMENTO  
AREA COUNCIL OF GOVERNMENTS AND THE REPAYMENT  
THEREOF FOR THE WESTERN PLACERVILLE  
INTERCHANGES PROJECT, PHASE 2 (CIP #41828)**

**WHEREAS**, the City of Placerville (City) has commenced construction on the Western Placerville Interchanges Project (the Project), Phase 2 (CIP #41828); and

**WHEREAS**, the cost of this project is estimated to be Eleven Million Nine Hundred Forty Thousand Five Hundred Eighty-Eight and zero cents (\$11,940,588.00); and

**WHEREAS**, the CITY has secured and fully funded the Project in the amounts set forth below:

State Transportation Improvement Program(STIP/RIP)	\$5,542,000
State Highway Operation and Protection Program (SHOPP) Minor	470,000
Urban State Transportation Block Grant Program (STBGP)	272,000
Public Transportation Modernization Improvement, and Service Enhancement Account Program (PTMISEA-EDCTA)	1,430,620
Congestion Mitigation Air Quality (CMAQ)	1,666,000
Congestion Mitigation Air Quality (CMAQ-EDCTA)	1,100,000
State Transit Assistance Funds (EDCTA)	335,000
Federal Discretionary 2016 Earmark Repurposing	287,968
El Dorado Irrigation District (EID)	837,000
<b>Total</b>	<b><u>\$11,940,588</u></b>

and;

**WHEREAS**, a significant portion of the funding is provided through reimbursement, paid by the agency administering the funds only after the work has been completed and the agency has been invoiced, thus creating a gap in the cash flow for the Project and affecting the City's ability to make timely payments for the construction of the Project and subjecting the City to penalties and additional interest expense as identified in the Public Contract Code; and

**WHEREAS**, the Sacramento Area Council of Governments (SACOG) has advised the City that funds are available to loan to the City to assist the City's cash flow for payments on the Project; and is willing to loan the City One Million Dollars (\$1,000,000) for that purpose provided said sum is repaid at the completion of the Project together with an amount equal to the interest that would have been earned on the loan amount during the term of the loan. To determine the interest amount, SACOG and the City will use the Sacramento County Pooled Investment Fund statistics for the quarterly interest rates during the period of the loan; and

**WHEREAS**, the loan is necessary to ensure that the City is not penalized by late payments or becomes in default on the terms of the contracts for the Project; and

**WHEREAS**, attached hereto and marked Exhibit "A" is a letter agreement between the City and SACOG setting forth the terms of the loan.

**NOW, THEREFORE, BE IT RESOLVED**, that the City Council of the City of Placerville hereby:

1. Finds that the loan is necessary to provide sufficient cash flow for the Project so that the City will not be subject to penalties and additional interest; and
2. Finds that there are sufficient revenues secured for the Project to fund the Project and repay the loan; and
3. Finds that the loan does not exceed the amount of income and revenues available to the City for the fiscal years of the Project; and
4. Authorizes the acceptance of loan from SACOG in the amount of One Million Dollars (\$1,000,000.00) to be repaid as set forth above and as in the letter agreement attached hereto and marked Exhibit "A" and approves said letter agreement.

The foregoing Resolution was moved for adoption at a regular meeting of the City Council of the City of Placerville held on July 10, 2018 by Councilmember \_\_\_\_\_. The motion was seconded by Councilmember \_\_\_\_\_. A poll vote was taken which stood as follows:

AYES:

NOES:

ABSENT:

ABSTAIN:

\_\_\_\_\_  
Mayor Wendy Thomas

ATTEST:

\_\_\_\_\_

Regina O'Connell, City Clerk