

RESOLUTION NO. 5905

A RESOLUTION AUTHORIZING INTERFUND CAPITAL LOANS FROM THE WATER AND SEWER FUNDS TO THE CAPITAL PROJECTS FUND FOR INTERIM FINANCING OF TWO LOCAL IMPROVEMENT DISTRICTS.

WHEREAS, on May 28, 2008, the City Council established two local improvement districts (LIDs) to provide water, sewer, and transportation services to the new Timber Ridge Elementary School; and

WHEREAS, the City also entered into an intergovernmental agreement with Greater Albany Public Schools (GAPS) to provide for construction of the north LID improvements; and

WHEREAS, the agreement authorized the district to act as project manager for the north LID improvements and to use district bond proceeds as interim financing for the project; and

WHEREAS, the north LID improvements have been completed and once the assessments are imposed, the City will reimburse GAPS for any interim financing that it provided which exceeds its assessment; and

WHEREAS, the City intends to complete the south LID improvements before school begins in September 2010; and

WHEREAS, interim financing is needed to complete the south LID improvements; and

WHEREAS, Oregon Local Budget Law allows a local government to loan money from one fund to another, provided the loan is authorized by an official resolution or ordinance (ORS Section 294.460); and

WHEREAS, interfund loans from the Water and Sewer Systems Capital Projects Programs to the Capital Projects Fund are intended to provide interim financing for the reimbursement to GAPS and completion of the south LID improvements; and

WHEREAS, the interim loans are intended to be paid in full in Fiscal Year 2010-2011 together with a rate of return equal to the City's investment rate.

NOW, THEREFORE, BE IT RESOLVED that the City of Albany City Council approves the interfund loans as described below:

1. Detail of the two loans:

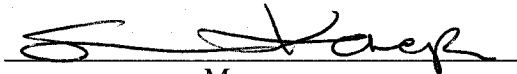
LID1 ST-08-04 Somerset to School		DEBITS	CREDITS
<u>CAPITAL PROJECTS FUND (402)</u>			
<u>LID Construction Projects (402-10-1012)</u>			
From Water Capital	402-10-1012-49027	800,000	
From Sewer Capital	402-10-1012-49020	850,000	
Unbonded Asmnts: Principal	402-10-1012-45007		1,650,000
<u>SEWER FUND (601)</u>			
<u>Sewer Capital Projects (601-50-2500)</u>			
To LID Construction Projects	601-50-2500-91267		850,000
Reserve: Capital Projects	601-50-2500-90012	850,000	
<u>WATER FUND (615)</u>			
<u>Water Capital Projects (615-50-2308)</u>			
To LID Construction Projects	615-50-2308-91267		800,000
Reserve: Capital Projects	615-50-2308-90012	800,000	


LID2 ST-08-06 School to Knox Butte		DEBITS	CREDITS
CAPITAL PROJECTS FUND (402)			
LID Construction Projects (402-10-1012)			
From Water Capital	402-10-1012-49027	1,200,000	
From Sewer Capital	402-10-1012-49020	1,250,000	
LID2 ST-08-06 School to Knox Butte	402-10-1012-85023		2,450,000
SEWER FUND (601)			
Sewer Capital Projects (601-50-2500)			
To LID Construction Projects	601-50-2500-91267		1,250,000
Reserve: Capital Projects	601-50-2500-90012	1,250,000	
WATER FUND (615)			
Water Capital Projects (615-50-2308)			
To LID Construction Projects	615-50-2308-91267		1,200,000
Reserve: Capital Projects	615-50-2308-90012	1,200,000	

2. The loans will be repaid in Fiscal Year 2010-2011 together with a rate of return equal to the City's investment rate.

DATED AND EFFECTIVE THIS 9TH DAY OF JUNE 2010.

Attest:


 Mayor


 Betty Langwell
 City Clerk