

**RESOLUTION NO. SD 22- 005
OF THE BOARD OF DIRECTORS OF
NEVADA COUNTY SANITATION DISTRICT NO. 1**

**RESOLUTION AUTHORIZING THE SANITATION DISTRICT NO. 1
TO PURCHASE FIVE (5) VEHICLES FROM FLEET SERVICES AND
APPROVE A LOAN FROM FLEET SERVICES IN THE AMOUNT OF
\$214,032 PLUS INTEREST TO BE PAID OVER THREE (3) YEARS
(4/5THS AFFIRMATIVE VOTE REQUIRED).**

WHEREAS, the Sanitation District No. 1 has been renting five (5) vehicles from the Nevada County Fleet Management, Exhibit A; and

WHEREAS, it has been determined the use of these five (5) vehicles is exclusive to the Sanitation District No. 1, creating a lease situation that is not allowed for both the Fleet Management ISF and Enterprise Fund 4700 within the separate Sanitation District No. 1; and

WHEREAS, the Sanitation District No. 1 has need of these vehicles and must purchase them from Fleet; and

WHEREAS, original purchase price paid by Fleet Management was \$273,473.47 and the Sanitation District No. 1 has previously paid \$59,441.69, leaving a balance due of \$214,031.78, Exhibit A; and

WHEREAS, Sanitation District No. 1 Fund 4700 requires a loan from Fleet Management Fund 4290, paid over a 3-year period as shown in the Exhibit B; and

WHEREAS, a loan from the Fleet Management Fund 4290 to the Sanitation District No. 1 Fund 4700 is allowed per State Controller's Cost Plan Guidance Section 2250; and

WHEREAS, interest on the loan will accrue from the date of disbursement and will be set at 1.49%, which is the prior three (3) year average of the Treasurer's pool apportioned interest rate; and

WHEREAS, Sanitation District No. 1 will begin making loan payments in accordance with Section 2 "Repayment of Loan" of the Loan Agreement.

NOW, THEREFORE, BE IT HEREBY RESOLVED that the Board of Directors of Nevada County Sanitation District No. 1:

1. Accepts a Loan of \$214,032 from the Fleet Management Fund 4290 to the Sanitation District No. 1 Fund 4700 and authorizes the Vice-Chair of the Board of Directors of Nevada County Sanitation District No. 1 to execute the loan agreement on behalf of the District.
2. Approve the purchase of five (5) vehicles listed in Exhibit A.
3. The Loan shall bear interest at the rate of 1.49%, commencing as of July 1, 2022.

PASSED AND ADOPTED at a regular meeting of the Board of Directors of the Nevada County Sanitation District No. 1, held on the 23rd day of August, 2022, by the following vote:

Ayes: Directors Heidi Hall, Edward Scofield, Dan Miller and Susan K. Hoek.

Noes: None.

Absent: Hardy Bullock.

Abstain: None.

ATTEST:

JULIE PATTERSON HUNTER
Clerk of the Board of Directors

By:  _____

 _____
Susan K. Hoek, Chair

8/23/22 cc: NCSD#1*
AC*(hold)

8/30/2022 cc: Fleet*
NCSD#1
AC*(release)

LOAN AGREEMENT

THIS AGREEMENT ("Agreement") made and entered into this 23rd day of August 2022 ("Effective Date") by and between the Nevada County Sanitation District Number 1 ("Borrower") and the County of Nevada Fleet Management, a political subdivision of the State of California ("Lender"); collectively referred to herein as "Parties".

WHEREAS, the Nevada County Sanitation District No. 1 is exclusively using five (5) vehicles currently owned by the Nevada County Fleet Management Fund 4290, Exhibit A; and

WHEREAS, the Sanitation District No. 1, as an enterprise fund, must own its own assets; and

WHEREAS, the Sanitation District No. 1 currently does not have the financial ability to purchase the vehicles out right; and

WHEREAS, the Fleet Management Fund 4290 has the funds available to be loaned for this purpose; and

WHEREAS, a loan from Fleet Management Fund 4290 to the Sanitation District No. 1 Fund 4700 is authorized by Exhibit B.

The Parties agree as follows:

1. **Loan Amount.** Lender agrees to loan Borrower the principal sum of \$214,032 (the "Loan"), together with interest on the outstanding principal amount of the Loan, and in accordance with the terms set forth below.
2. **Repayment of Loan.**
 - A. The Parties agree that equipment will be owned by Sanitation District No. 1 as of July 1, 2022, and that the loan will be considered effective with interest accruing as of that same July 1, 2022, date.
 - B. The Parties further agree that quarterly payments in the amount of \$18,270.78 will be due at the end of every quarter, for the first 11 quarters. The final and 12th quarter will be a payment of \$18,271.01. The first payment is due by September 30, 2022, as per the amortization schedule, Exhibit B.
3. **Interest.** The Principal Balance shall bear interest at the rate of 1.49% commencing as of July 1, 2022.
- 4.
5. **Amendment.** This Agreement may be amended or modified only by written consent signed by both Parties.
6. **Notices.** Any notice or communication under this Loan must be in writing and sent via certified mail to the following:

NEVADA COUNTY SANITATION DISTRICT NO. 1
950 Maidu Avenue Suite 170

COUNTY OF NEVADA
Attn: Fleet Fiscal

PO Box 599002
Nevada City, CA 95959

12350 La Barr Meadows Rd., Suite 1
Grass Valley, CA 95949

7. **Governing Law.** This Agreement shall be governed by and construed in accordance with the laws of the State of California and venue shall be in the County of Nevada, California.
8. **No Third-Party Beneficiaries.** The provisions herein are not intended for the benefit of any third party, but solely for the parties to this Agreement.
9. **Entire Agreement.** This Agreement contains the entire understanding between the Parties.
10. **Time of the Essence.** Time is of the essence in this Agreement, and all transactions contemplated hereby.

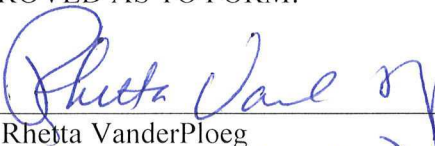
IN WITNESS WHEREOF, the Parties executed this Agreement on the dates reflected below.

COUNTY OF NEVADA,
a political subdivision of the State of California

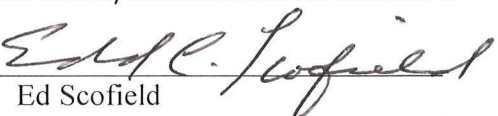
By: 
Susan Hoek
Chairman, Nevada County Board of Supervisors

DATED: 8/29/2022

APPROVED AS TO FORM:

By: 
Rheta Vanderploeg
County Counsel (deputy)

Nevada County Sanitation District Number 1

By: 
Ed Scofield
Vice-Chair Nevada County Sanitation District No. 1 Board of Directors

DATED: 8/26/22

Sanitation District No. 1 Vehicle Purchase from Nevada County Fleet Management

Vehicle Asset #	Vehicle Description	Original Purchase Price	Cost to Upfit	Total New Vehicle Cost	Collected ~FY 20/21	CY Collected ~06/30/2022	Total Collected	Balance Due to Purchase
27462	2020 Ford F150	\$ 35,683.78	\$ 2,576.00	\$ 38,259.78	\$ 6,722.88	\$ 5,608.80	\$ 12,331.68	\$ 25,928.10
27463	2020 Ford F150	\$ 35,683.78	\$ 2,785.73	\$ 38,469.51	\$ 5,445.12	\$ 4,159.68	\$ 9,604.80	\$ 28,864.71
27470	2020 Ford F350	\$ 60,974.10	\$ 4,991.00	\$ 65,965.10	\$ 3,978.19	\$ 3,420.43	\$ 7,398.62	\$ 58,566.48
27471	2020 Ford F350	\$ 60,974.10	\$ 4,042.37	\$ 65,016.47	\$ 5,418.24	\$ 5,341.05	\$ 10,759.29	\$ 54,257.18
27472	2020 Ford F350	\$ 60,974.10	\$ 4,788.51	\$ 65,762.61	\$ 6,836.71	\$ 12,510.59	\$ 19,347.30	\$ 46,415.31
				\$ 273,473.47			\$ 59,441.69	\$ 214,031.78

COUNTY OF NEVADA - Sanitation District 1

Compounded Quarterly Interest calculation based on County Treasurer's pooled interest rate

<i>Outstanding Balance</i>	<i>Interest Rate</i>	<i>Payments</i>	<i>Payment Quarterly</i>
\$ 214,032.00	1.49%**	12	\$18,270.78

Quarterly

<i>Year One</i>	<i>Balance</i>	<i>Payment</i>	<i>Principal</i>	<i>Interest</i>	<i>Balance</i>
<i>Quarter One</i>	\$214,032.00	\$18,270.78	\$17,473.51	\$797.27	\$196,558.49
<i>Quarter Two</i>	\$196,558.49	\$18,270.78	\$17,538.60	\$732.18	\$179,019.89
<i>Quarter Three</i>	\$179,019.89	\$18,270.78	\$17,603.93	\$666.85	\$161,415.96
<i>Quarter Four</i>	\$161,415.96	\$18,270.78	\$17,669.50	\$601.27	\$143,746.46
		\$73,083.12	\$70,285.54	\$2,797.57	
<i>Year Two</i>					
<i>Quarter One</i>	\$143,746.46	\$18,270.78	\$17,735.32	\$535.46	\$126,011.13
<i>Quarter Two</i>	\$126,011.13	\$18,270.78	\$17,801.39	\$469.39	\$108,209.75
<i>Quarter Three</i>	\$108,209.75	\$18,270.78	\$17,867.70	\$403.08	\$90,342.05
<i>Quarter Four</i>	\$90,342.05	\$18,270.78	\$17,934.25	\$336.52	\$72,407.79
		\$73,083.12	\$71,338.66	\$1,744.45	
<i>Year Three</i>					
<i>Quarter One</i>	\$72,407.79	\$18,270.78	\$18,001.06	\$269.72	\$54,406.73
<i>Quarter Two</i>	\$54,406.73	\$18,270.78	\$18,068.11	\$202.67	\$36,338.62
<i>Quarter Three</i>	\$36,338.62	\$18,270.78	\$18,135.42	\$135.36	\$18,203.20
<i>Quarter Four</i>	\$18,203.20	\$18,271.01	\$18,203.20	\$67.81	\$0.00
		\$73,083.35	\$72,407.79	\$675.55	

***Based on average County Treasury rates for the past 3 years*

<i>Total Interest Paid</i>	\$5,217.58
<i>Total Principal Paid</i>	\$214,032.00
	<u>\$219,249.58</u>