



RESOLUTION No. _____

OF THE BOARD OF SUPERVISORS OF THE COUNTY OF NEVADA

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

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 Internal Service Fund (ISF) 4290 and the 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 Nevada County Board of Supervisors:

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

3. The Sanitation District Fund 4700 shall make loan payments to Fleet Management Fund 4290 in accordance with the terms set forth in section 2 of the Loan Agreement.
4. All installment payments from Sanitation District No. 1 Fund 4700 to Fleet Management Fund 4290 shall be made on or before the last day of the quarter with said Interfund Loan to be repaid in full no later than June 1, 2025.
5. Directs the Auditor-Controller to record the loan between Fleet Management Fund 4290 and the Sanitation District No. 1 Fund 4700 in the amount of \$214,032.