



**COUNTY OF NEVADA**  
**COMMUNITY DEVELOPMENT AGENCY**  
**DEPARTMENT OF PUBLIC WORKS**  
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Sean Powers  
Community Development Agency Director

Trisha Tillotson  
Director of Public Works

**NEVADA COUNTY BOARD OF SUPERVISORS**  
**Board Agenda Memo**

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**MEETING DATE:** September 25, 2018  
**TO:** Board of Supervisors  
**FROM:** Joshua Pack, Principal Civil Engineer  
**SUBJECT:** **Resolution Approving an Interfund Loan from the General Fund to Road Fund 1114 for the Acquisition of a Snow Blower and an Amendment to the Fiscal Year 2018/19 Roads Maintenance Budget (4/5th Affirmative Vote Required)**

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**RECOMMENDATION:** Approve the attached resolution.

**FUNDING:** Cash for the purchase will come from a loan from the General Fund in Fiscal Year 2018/19 and repayment of the loan will come from discretionary Road Fund revenues in Fiscal Years 19/20 through 2025/26. A budget amendment has been included for your approval.

**BACKGROUND:**

Due to changes in state regulations, rapidly increasing costs and the lack of available snow removal contractors, the Nevada County Public Works Department has determined that it will be necessary and most cost effective to assume certain snow removal operations in eastern Nevada County. There is an immediate need to acquire suitable equipment to ensure adequate snow removal services will be ready and available for the coming winter. Due to the high annual snow load in eastern Nevada County, the County has determined that acquisition of a Snow Blower is necessary to adequately remove snow in this area and has identified a Rolba 3000 Self-Propelled Snow Blower to meet the County's snow removal needs.

Due to the lead time required to deliver the Snow Blower and the proximity of snow season, the Department is required to immediately purchase this capital asset. In order to ensure cash flow for ongoing road construction and maintenance projects, the County desires to provide an interest-bearing interfund loan (Loan) from the General Fund to the Road Fund in order to purchase the Snow Blower, with the loan to be repaid over a multi-year period. Financing the Snow Blower through an interest-bearing loan from the General Fund rather than using traditional third-party loan financing reduces financing and administrative costs to the Road Fund with no net loss in revenue for the General Fund.

The Loan shall bear interest at the Treasurer's pooled rate commencing as of October 1, 2018. Beginning with Fiscal Year 2019-20, Road Fund 1114 shall make seven annual loan payments in the amount of \$85,042.86 to the General Fund. All installment payments from Road Fund 1114 to the General Fund shall be made on or before August 31st of each fiscal year with said Interfund Loan to be repaid in full no later than September 30, 2025.

**Item Initiated by:** Joshua Pack, Principal Civil Engineer  
**Approved by:** Trisha Tillotson, Director of Public Works  
**Submittal Date:** September 12, 2018  
**Revised Date:** September 20, 2018