

RESOLUTION NO. _____
OF THE BOARD OF DIRECTORS OF
NEVADA COUNTY SANITATION DISTRICT NO. 1

**RESOLUTION APPROVING A LOAN AGREEMENT BETWEEN
THE COUNTY OF NEVADA AND THE NEVADA COUNTY
SANITATION DISTRICT NO. 1 FOR A LOAN FROM THE
GENERAL FUND TO THE CASCADE OPERATIONS AND
MAINTENANCE FUND 4734 (4/5THS AFFIRMATIVE VOTE
REQUIRED)**

WHEREAS, the Nevada County Sanitation District No. 1 Cascade Shores Community Leach Field Project is experiencing a need to conduct additional geotechnical studies; and,

WHEREAS, there is an immediate need to complete these geotechnical studies; and,

WHEREAS, the Cascade Shores Zone does not have the financial ability to cash flow this additional work; and

WHEREAS, when the Cascade Shores Community Leach Field construction project is complete the Cascade Shores Zone will have the ability to repay the General Fund loan; and,

WHEREAS, the General Fund has funds available to be loaned for this purpose; and,

WHEREAS, a loan from the General Fund to the Cascade Shores Operations and Maintenance Fund (4734) is allowed under Government Code Section 23014; and

WHEREAS, interest on the loan, at the Treasurer's pool rate, will accrue from the date of disbursement; and

WHEREAS, Cascade Shores Zone 8 will begin making loan payments in accordance with Section 2 "Repayment of Loan" of the Loan Agreement.

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

1. Approves a Loan of \$143,000 from the General Fund to Cascade Shores Operations and Maintenance Fund 4734 for the cost of additional geotechnical borings for the proposed Cascade Shores Leach Field Project.
2. The Loan shall bear interest at the Treasurer's pooled rate commencing as of June 1, 2019.
3. The Cascade Shores Zone (Fund 4734) shall make annual loan payments to the General Fund in accordance with the terms set forth in section 2 of the Loan Agreement.
4. All installment payments from Cascade Shores Fund 4734 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 June 1, 2029.
5. Directs the Auditor-Controller to make the loan between the General Fund (0101) and the Cascade Shores Operations and Maintenance Fund (4734) in the amount of \$143,000.