

RESOLUTION R2019-XX

A RESOLUTION AUTHORIZING A LOAN FROM THE SEWER FUND TO THE FLEET FUND IN ACCORDANCE WITH THE FLEET REPLACEMENT MODEL

WHEREAS, Washington City currently has an aging vehicle fleet; and

WHEREAS, the City Council has approved the rolling Fleet Replacement Model; and

WHEREAS, it is the desire of the City Council to fund the Fleet Replacement Model in the most fiscally responsible manner; and

WHEREAS, the City Council has determined that the most cost effective manner to fund the Fleet Replacement Model is through an interfund loan; and

WHEREAS, in accordance with Utah Code 10-5-120 the Washington City Council held a duly noticed Public Hearing on June 26, 2019 discussing the proposed terms and conditions of the interfund loan.

NOW, THEREFORE, BE IT RESOLVED by the City Council of Washington City, Utah:

Section 1. The Council hereby authorizes a loan not to exceed \$298,000 from the Sewer fund to the Fleet fund for the purpose of funding the Fleet Replacement Model for fiscal year 2020.

TERMS:

The principal amount not to exceed \$298,000 will be loaned from the Sewer fund to the Fleet fund for a term of five years beginning July 1, 2019. The interest rate will be a fixed rate of 3.00% compounded semi-annually.

REPAYMENT:

Principal and interest payments will be made semi-annually in July and January beginning January 2020 as detailed in "Attachment A".

Section 2. All previous acts and resolutions in conflict with this resolution or any part thereof are hereby repealed to the extent of such conflict.

Section 3. In case any provision in this resolution shall be invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining provisions shall not in any way be affected or impaired thereby.

Section 4. This resolution shall take effect immediately upon approval.

PASSED AND APPROVED on this 26th day of June, 2019.

Washington City

Kenneth F. Neilson, Mayor

Attest:

Danice B. Bulloch, MMC
City Recorder