

RESOLUTION NO. _____

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CHULA VISTA AFFIRMING AND CONSOLIDATING EXISTING INTERFUND LOANS FROM THE TRUNK SEWER CAPITAL RESERVE FUND TO THE SALT CREEK TRUNK SEWER DEVELOPMENT IMPACT FEE FUND WITH A PRINCIPAL AMOUNT OF \$20,667,477 AND APPROVING A CONSOLIDATED INTERFUND LOAN REPAYMENT SCHEDULE REFLECTING FINANCING COSTS AND REPAYMENTS TO DATE

WHEREAS, the Trunk Sewer Capital Reserve fund previously loaned \$20,667,477 to the Salt Creek Trunk Sewer Development Impact Fee fund to finance capital improvements through a combination of City Council approved interfund loans and direct project expenditures; and

WHEREAS, in compliance with the proposed Interfund Loan Policy under consideration by the City Council on this same date, staff recommends consolidating all interfund borrowings between these two funds, reflecting all payments through June 30, 2014 and recalculating interest charges through the same date using the City's actual pooled investment earnings; and

WHEREAS, the balance due as of June 30, 2014 after accounting for all payments and interest charges totals \$24,065,057; and

WHEREAS, a consolidated interfund loan repayment schedule reflecting a 20-year repayment term and the City's current pooled investment earning rate has been prepared and is set forth in Exhibit 1, attached hereto and incorporated herein by reference as if set forth in full; and

WHEREAS, future financing costs incurred as a result of this borrowing will vary based on the City's actual pooled investment earnings and the availability of funds to repay the debt.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Chula Vista, that it does hereby affirm and consolidate existing interfund loans from the Trunk Sewer Capital Reserve fund to the Salt Creek Trunk Sewer Development Impact Fee fund with a principal amount of \$20,667,477.

BE IT FURTHER RESOLVED by the City Council of the City of Chula Vista, that it does hereby approve a consolidated interfund loan repayment schedule reflecting financing costs and repayments to date in the form presented and as reflected in Exhibit 1 to this Resolution, subject to administrative adjustment based on actual pooled investment earning rates and availability of funds to repay the debt.

Presented by

Approved as to form by

Maria Kachadorian
Deputy City Manager

Glen R. Googins
City Attorney