TO: Board of Supervisors

FROM: Community Development and Services Agency, Michael Lee

SUBJECT: Adopt resolution authorizing the borrowing of $45,000 from CSA 66 to CSA 14 for road repairs of CSA 14 road

DATE: August 25, 2020

NUMBER: 419/2020

Recommendation

Adopt resolution authorizing the borrowing of up to $45,000 from CSA 66 to CSA 14 for repairs of CSA 14 roads.

Background

Public Works is currently administering a road repair 2020 CSA overlay contract for work on seven County Service Areas (CSAs). To adequately address the needed repairs, CSA 14 requires additional funds of up to $45,000 in order to complete the work properly.

Discussion

The extent of road repairs needing immediate attention in CSA 14 exceeds the amount of money the CSA currently has in trust. Adequate revenues to cover the additional costs will be collected this fiscal year through the tax bills. However, the repairs are needed now and it is more economical to do all of the work at one time. This borrowing will allow the necessary repairs to proceed this summer, with repayment expected later this fiscal year after property tax collections occur.

CSA 66 has adequate funds in trust to allow for the borrowing without adversely affecting current services for CSA 66. CDSA will work with the Auditor-Controller’s office for proper accounting and loan repayment.
Committee Action

Due to construction timelines, the Land Use & Public Works Committee was bypassed. Additionally, this process has historically been utilized and routinely approved by the Board.

Fiscal Impact

The principal amount of the loan shall not exceed $45,000, and the rate of borrowing will be determined by the county pool rate. All borrowed funds and interest owed to the CSA 66 trust fund will be repaid from CSA 14 using future assessment revenues.

There is no impact to the General Fund.

Attachments

419/2020 Resolution