

SPECIAL MEETING

SACRAMENTO CITY COUNCIL

I HEREBY CALL a Special Meeting of the Sacramento City Council at the time and date specified below for the purpose of considering and acting upon any and all matters relating to:

1. Resolution amending Resolution 82-544 concerning repayment of loan to American River Flood Control District.

The following portion of this Special Meeting will be held in Joint Session with the Sacramento County Board of Supervisors for the purpose of considering and acting upon any and all matters:

1. Including amendment of the Cable Television Ordinance, relating to the selection of a franchisee for a CABLE T.V. FRANCHISE within the County of Sacramento and Cities of Sacramento, Folsom and Galt.

The Special Meeting will be held at Room 1450, County Administration Building, 700 H Street, Sacramento, California, commencing at 9:00 a.m. on Monday, September 27, 1982.

Issued: This Twenty-third Day of September, 1982

PHILLIP L. ISENBERG
MAYOR

ATTEST:

LORRAINE MAGANA
CITY CLERK



CITY OF SACRAMENTO

DEPARTMENT OF ENGINEERING

915 I STREET
CITY HALL ROOM 207

SACRAMENTO, CALIFORNIA 95814
TELEPHONE (916) 448-5281

J.F. VAROZZA
CITY ENGINEER

M.H. JOHNSON
ASSISTANT CITY ENGINEER

September 23, 1982

City Council
Sacramento, California

Honorable Members in Session:

SUBJECT: Resolution Amending Resolution No. 82-544 by Extending the Payment Period for the \$400,000 Loan to the American River Flood Control District for Levee Repairs at River Park

SUMMARY:

Submitted is a resolution amending Resolution No. 82-544 by extending the payment period for the \$400,000 loan to the American River Flood Control District (ARFCD) for repair to the American River Levee from one to four years. It is recommended that the resolution be adopted.

BACKGROUND:

On August 3, 1982 the City Council passed a resolution authorizing the issuance of a loan for \$400,000 to the ARFCD to be used to pay the cost of the repair to the American River levee adjacent to River Park. The funds were to come from the Sewer Fund balance and the resolution specified that they were to be repaid within one year. Funds to repay the loan were to be derived from a benefit assessment district which included a large portion of the City. The County is currently in the process of developing tax bills and it has come to staff's attention that repayment of this loan in one year will result in a disproportionately high benefit assessments to some property owners. This is the case because the ARFCD's operating budget is \$400,000 per year and, therefore, the repayment of the loan doubles their budget. In order to alleviate this situation, it is staff's opinion that the loan should be made repayable over a four year period at no interest instead of the one year period. If this is done, the ARFCD will only have to raise \$500,000 instead of \$800,000 which would significantly lower the benefit assessment.

FINANCIAL:

Funds utilized for the loan were from the Sewer Fund balance and are considered an asset whether the loan is outstanding or not. Therefore, the fact that the loan is being paid off in four years instead of one year will not affect the bond covenances and consequently will not require an increase in the sewer rates.

RECOMMENDATION:

It is recommended that Resolution No. 82-544, adopted August 3, 1982, be amended by extending the payment period for the \$400,000 loan to the ARFCD from one to four years by passage of the attached resolution.

Respectfully submitted,

Recommendation Approved:

for M. H. Johnson
Walter J. Slupe, City Manager

for M. H. Johnson
J. F. VAROZZA
City Engineer

RESOLUTION NO. 82-67A

ADOPTED BY THE SACRAMENTO CITY COUNCIL ON DATE OF

RESOLUTION AMENDING RESOLUTION NO. 82-544
ADOPTED AUGUST 3, 1982 RELATING TO EXECUTION
OF AGREEMENT FOR ISSUANCE OF A LOAN TO THE
AMERICAN RIVER FLOOD CONTROL DISTRICT FOR
LEVEE REPAIRS AT RIVER PARK

BE IT RESOLVED BY THE COUNCIL OF THE CITY OF SACRAMENTO:

Resolution No. 82-544, adopted August 3, 1982 is hereby amended as follows:

That portion which reads:

2. That the Director of Finance is hereby authorized and directed to issue a 1-year non-interest bearing loan of a figure not to exceed \$400,000 from the Sewer Fund Balance (4-14-0000-0000-1176) for the purpose stated in Paragraph 1 above.

is deleted and the following is substituted therefore:

2. That the Director of Finance is hereby authorized and directed to issue a non-interest bearing loan of a figure not to exceed \$400,000, to be repayable over a 4-year period, from the Sewer Fund Balance (4-14-0000-0000-1176) for the purpose stated in Paragraph 1 above.

MAYOR

ATTEST:

CITY CLERK