

RESOLUTION AUTHORIZING THE CITY MANAGER TO EXECUTE AN INTERFUND TRANSFER FROM THE WATER & SEWER FUND TO THE SANITATION FUND IN THE AMOUNT OF \$1.9 MILLION AND ESTABLISHING AN ORDERLY SCHEDULE OF REPAYMENT OF THE TRANSFER IN FUTURE YEARS IN ORDER TO PROVIDE FUNDING FOR THE PURCHASE OF PROPERTY LOCATED AT 1809 WEST US HIGHWAY 80.

WHEREAS, on April 11, 2019, the Mayor and Aldermen authorized the City Manager to execute a contract to acquire 47.8 acres of land and 32,880 square feet of on-site improvements located at 1809 West US Highway 80, formerly occupied by Waste Management for the purchase price of \$3,450,000; and

WHEREAS, it is anticipated that certain due diligence costs will be incurred along with cosmetic improvements to the property for a total estimated cost of \$4.0 million; and

WHEREAS, funding of \$2.1 million has been identified from the Landfill Contingency Fund to be supplemented by an interfund transfer of \$1.9 million in currently unappropriated funds from the City's Water and Sewer Fund to the City's Sanitation Fund, which has been determined to be the most economical manner for funding the cost of the acquisition, due diligence and closing costs; and

WHEREAS, the Sanitation Fund will repay the transfer along with a 2.0 percent rate of interest to the Water and Sewer Fund based on a five year amortization schedule; and

NOW, THEREFORE BE IT RESOLVED by the Mayor and Aldermen of the City of Savannah that:

Section 1: On April 25, 2019, the City Manager is hereby authorized to make an interfund transfer in the amount of \$1.9 million from the Water and Sewer Fund to the Sanitation Fund for the purpose of funding the acquisition, due diligence and closing costs associated with acquiring the property located at 1809 West US Highway 80.

Section 2: The Sanitation Fund shall repay the transfer with interest at the rate of 2.0 percent per annum on the outstanding balance with payments of interest and principal due each December 31, in the years and amounts indicated in the following schedule:

Date	Interest	Principal	Loan Balance
			\$1,900,000
12/31/2020	\$63,333	\$365,101	1,534,899
12/31/2021	30,698	372,403	1,162,496
12/31/2022	23,250	379,851	782,645
12/31/2023	15,653	387,448	395,197
12/31/2024	7,904	395,197	0

Section 3: The Sanitation Fund may pre-pay any portion of the advance at any time. In the event of pre-payment, interest will be charged to the Sanitation Fund at the rate of 2.0 percent per annum on the amount of the advance actually outstanding.

ADOPTED AND APPROVED: _____

Eddie W. DeLoach, Mayor

ATTEST:

Mark Massey, Clerk of Council