

RESOLUTION NO. 2006-18

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ELK GROVE
AUTHORIZING THE EXPENDITURE OF \$1,950,000 FOR CORPORATION
YARD IMPROVEMENTS TO ACCOMMODATE THE ELK GROVE POLICE
DEPARTMENT, APPROVING AN APPROPRIATION AMENDMENT TO THE
FY 2005/2006 BUDGET AND AUTHORIZING A LOAN IN THE AMOUNT OF
\$1,145,000 FROM THE FACILITIES FUND TO THE CORPORATION YARD
FUND FOR SUCH PURPOSES**

WHEREAS, the City Council took action to serve notice to Sacramento County that the City of Elk Grove (the "City") would be terminating its contract for police services and establishing a municipal police department; and

WHEREAS, upon termination of the contract with Sacramento County, the City must vacate the "South Station," located at 9250 Bond Road, which the City leases from Sacramento County to accommodate parking for police vehicles, fleet maintenance services, limited office space, common locker areas and equipment storage; and

WHEREAS, the City's anticipated vacation of the "South Station" creates an immediate need for off-site facilities to store police services equipment, to provide a secure facility to house police vehicles and to have limited fueling capabilities to address the long-term needs of the City's municipal police department; and

WHEREAS, the City owns an existing 5.62 acre parcel located northwesterly of the Corporation Yard that may be improved to accommodate the City's police services storage, parking and maintenance needs; and

WHEREAS, the proposed improvements, including clearing and grading a portion of the site; trenching and adding lights, security cameras, perimeter fencing and signage; placement of an approximate 4,000 square foot facility with lockers and workstations; and utility improvements, are consistent with long-range plans for the site which identified paving portions of the 5.62 acre parcel to accommodate additional parking for growth needs; and

WHEREAS, the estimated total project cost for the improvements is \$1,950,000 of which \$1,145,000 will be funded through the City's Corporation Yard Fund (Fund 313) and the remaining \$805,000 will be funded through the City's Facilities Fund (Fund 631); and

WHEREAS, the City has requested that the Facilities Fund (Fund 631) provide an interfund loan to the Corporation Yard Fund (Fund 313) for its share of improvements costs in the amount of \$1,145,000 to be repaid from the

Corporation Yard Fund (Fund 313) over four (4) years at an initial variable interest rate of 2.9% tied to the average quarterly investment portfolio return; and

WHEREAS, the City's interfund loan policy specifically authorizes interfund loans requiring City Council approval (\$500,000 and above), provided "the resolution shall contain the exact amount of the loan, the funds involved, the specific source of funds for repayments, the schedule of repayment and the interest rate involved."

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Elk Grove:

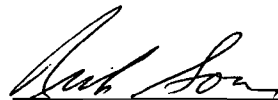
1. That the recitals set forth in this resolution are hereby adopted as true and correct.

2. That the City of Elk Grove is hereby authorized to expend \$1,950,000 for the purposes set forth in the recitals to this resolution.

3. That an appropriation amendment to the FY 2005/2006 Budget be approved for such purposes, and

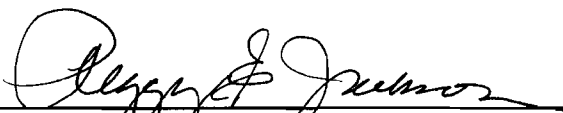
4. That the City Manager is hereby authorized and directed to execute an interfund loan in the amount of \$1,145,000 and subject to the terms, set forth in the recitals to this resolution.

PASSED AND ADOPTED by the City Council of the City of Elk Grove this 25TH day of January 2006.



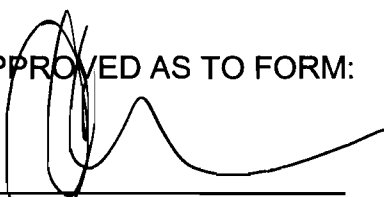
RICK SOARES, MAYOR of the
CITY OF ELK GROVE

ATTEST:



PEGGY E. JACKSON, CITY CLERK

APPROVED AS TO FORM:



ANTHONY B. MANZANETTI,
CITY ATTORNEY


**CERTIFICATION
ELK GROVE CITY COUNCIL RESOLUTION NO. 2006-18**

STATE OF CALIFORNIA)
COUNTY OF SACRAMENTO) ss
CITY OF ELK GROVE)

I, Peggy E. Jackson, City Clerk of the City of Elk Grove, California, do hereby certify that the foregoing resolution was duly introduced, approved, and adopted by the City Council of the City of Elk Grove at a regular meeting of said Council held on the 25th day of January, 2006 by the following vote:

AYES 3: COUNCILMEMBERS: Scherman, Soares, Briggs
NOES 0: COUNCILMEMBERS:
ABSTAIN 2: COUNCILMEMBERS: Cooper, Leary
ABSENT 0: COUNCILMEMBERS:





**Peggy E. Jackson, City Clerk
City of Elk Grove, California**