

**RESOLUTION NO. 2016-009**

**May 11, 2016**

**A RESOLUTION OF THE BOARD OF DIRECTORS OF THE  
INDIAN VALLEY COMMUNITY SERVICES DISTRICT AUTHORIZING A LINE OF CREDIT OF  
\$129,000 FROM PLUMAS BANK AND ALLOWING THE BOARD CHAIR TO SIGN ALL  
DOCUMENTS.**

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**WHEREAS,** In November 2014 the Plumas County Prop 50 Grant Agreement with California Department of Water Resources was amended to provide \$1,290,000 to the Greenville Water and Sewer System Repairs Project; and

**WHEREAS,** By MOU between IVCS D and Plumas County, the Department of Public Works will be Project Administrator including responsibility for payment of all project claims; and

**WHEREAS,** The terms of the Prop 50 Grant require a hold back of 10% on all claims until project completion projected for December 15, 2016; and

**WHEREAS,** Plumas County has determined that all claims should be paid in full and therefore is requiring IVCS D to provide the necessary funds, subject to reimbursement on project completion, in order to be able to pay project claims as presented at 100%; and

**WHEREAS,** The parties agree that a line of credit of \$129,000 would satisfy IVCS D's funding obligation with Director of Public Works authorized to draw the necessary 10% as needed to pay claims in full; and

**WHEREAS,** Plumas Bank has agreed to establish a \$129,000 standard commercial line of credit secured by the Prop 50 reimbursement money for a twelve month term with option for 90 day extension with costs to be an application fee of \$275, one point (\$1290) with interest on amounts drawn at an annual rate of wall street journal prime plus 2.75 which is currently a starting rate of 6%; and

**WHEREAS,** IVCS D has the authority under Section 61131 of the Government Code to incur this indebtedness by resolution adopted on four-fifths vote and designate the Board to sign all loan documents including the promissory note; and therefore

**NOW, THEREFORE, IT IS HEREBY RESOLVED** by the Board of Directors of the Indian Valley Community Services District as follows:

1. The Board agrees to incur the above-described indebtedness to Plumas Bank and;
2. The Board authorizes the Board Chair Lee Anne Schramel and General Manager Chris Gallagher on behalf of IVCS D to sign all necessary loan documents to accomplish establishing this line of credit on the terms stated, and to
3. The Board authorizes Public Works Director Robert Perreault to draw funds from the line of credit.

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**APPROVED, PASSED AND ADOPTED** at a regular meeting of the Board of Directors of the Indian Valley Community Services District this 11th day of May 2016 by the following vote:

AYES 4

NOES 0

Directors Absent 1

Directors:

Lee Anne Schramel 

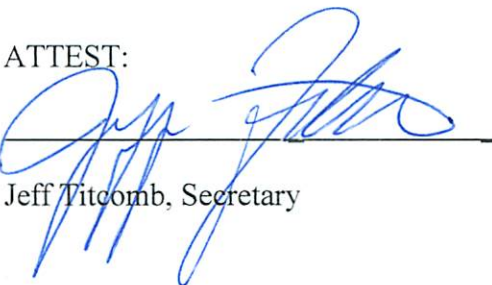
Sarah Holcomb 

Philip Shannon 

Robert Heard \_\_\_\_\_

Mina Admire 

ATTEST:

  
Jeff Titcomb, Secretary

