

**RESOLUTION NO. 23-\_\_\_\_\_**

**RESOLUTION OF THE YOLO COUNTY BOARD OF SUPERVISORS  
AUTHORIZING A \$500,000 LOAN TO THE MADISON COMMUNITY  
SERVICES DISTRICT FOR THE MADISON COMMUNITY DRINKING  
WATER REHABILITATION PROJECT**

WHEREAS, the Madison Community Services District (“Madison CSD”) operates and exists pursuant to the provisions of the Community Services District Law, Government Code section 61000 et seq., and manages and maintains the water system and the sewer system around the community of Madison located in Yolo County;

WHEREAS, the Madison CSD was awarded a grant from the California Department of Water Resources (“DWR”) in the amount of \$3,843,706 (“DWR Grant”); and

WHEREAS, the DWR Grant funds to be received will be used for the Madison Community Drinking Water Rehabilitation Project (“the Project”), which involves the replacement of existing leaking water distribution system pipelines and rehabilitating the existing well to ensure the community has reliable water supply during current and future droughts; and

WHEREAS, the Project requires Madison CSD to expend significant sums and seek reimbursement from DWR and, in order to properly manage cashflow, Madison CSD requested to the County for a line of credit in the maximum principal sum of Five Hundred Thousand and No/100 Dollars (\$500,000.00) and

WHEREAS, the County is expressly authorized to lend any of its available funds to Madison CSD, which is located entirely within the boundaries of the County pursuant to Government Code section 23010 for the Project, which will enable Madison CSD to perform its functions and meet its obligations; and

WHEREAS, Madison CSD has determined the loan does not exceed 85 percent of Madison CSD’s anticipated revenue for the fiscal year in which it is made or for the next ensuing fiscal year, and shall be repaid out of that revenue, including the DWR Grant fund revenues, before the payment of any other obligation of Madison CSD in compliance with Government Code section 23010; and

WHEREAS, County agrees to loan a maximum of \$500,000 to Madison CSD on the terms and conditions set forth in this Agreement; and

WHEREAS, the County further desires to delegate authority to the County’s Chief Financial Officer to increase the loan maximum by \$250,000 if conditions warrant (a revised maximum Principal Amount of \$750,000). If the option is exercised, the Chief Financial Officer shall amend this Agreement to reflect the additional principal offered.

**NOW, THEREFORE, BE IT RESOLVED by the Board of Supervisors of Yolo County as follows:**

1. Incorporation of Recitals. The recitals set forth above are true and hereby incorporated as substantive findings for this Resolution.

2. Approval of Loan Agreement. The Chief Financial Officer, or the Chief Financial Officer's designee, is hereby authorized to execute the loan agreement with the Madison CSD attached hereto for the Madison Community Drinking Water Rehabilitation Project with a maximum principal amount of \$500,000, a maturity date of December 31, 2024, and a 5.0% per annum interest rate.

3. Delegation. The Board further authorizes the Chief Financial Officer, or the Chief Financial Officer's designee, to approve a written amendment to the loan agreement to increase the principal amount up to a maximum of \$750,000 if conditions warrant as determined in the Chief Financial Officer's sole discretion.

**PASSED AND ADOPTED** by the Yolo County Board of Supervisors at its meeting on June 27, 2023, by the following vote:

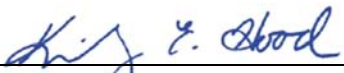
AYES:  
NOES:  
ABSENT:  
ABSTENTION:

\_\_\_\_\_  
Oscar E. Villegas, Chair  
Yolo County Board of Supervisors

Attest: Julie Dachtler, Senior Deputy Clerk  
Yolo County Board of Supervisors

Approved as to Form:  
Philip J. Pogledich, County Counsel

By: \_\_\_\_\_  
Deputy (Seal)

By:   
Kimberly Hood, Assist. County Counsel