

RESOLUTION NUMBER R- 297530

ADOPTED ON JAN 07 2003

WHEREAS, as part of the Fiscal Year 2003 Final Capital Improvements Program Budget, the Mayor and City Council approved \$59.4 million in capital improvement projects funded by the TransNet Program. Of this total amount, \$26.9 million is from TransNet Sales Tax [TransNet] and \$32.5 million is from TransNet Commercial Paper [commercial paper].

WHEREAS, commercial paper is a short-term borrowing tool used to raise cash needed to cover cash flow deficits and is an option available through SANDAG. In an attempt to minimize the issuance of commercial paper, staff utilizes a cash management system which identifies available cash. Cash is then transferred to commercial paper funded projects that require immediate financing.

WHEREAS, to maintain the balance of appropriations within the CIP budget, an equal amount of commercial paper is then moved to the cash funded project until it is in need of cash. This process continues throughout the year which reduces the use of debt, and maximizes the use of available cash.

WHEREAS, the case management effort has enabled the postponement of issuing commercial paper, it is estimated that approximately \$7,000,000 in commercial paper will be needed this fiscal year to fulfill the short-term financing needs; NOW, THEREFORE,

BE IT RESOLVED, by the Council of The City of San Diego, that the City Manager be authorized to request advance funding from SANDAG through the TransNet commercial paper program in an amount not to exceed \$7,000,000 for the projects listed in Attachment "A"; and


BE IT FURTHER RESOLVED, that the City Manager be authorized and empowered to execute, for and on behalf of said City, to execute any necessary documents relating to the receipt of said funds from SANDAG; and

BE IT FURTHER RESOLVED, that the City Manager be authorized to declare that the City acknowledges that it is responsible for paying its proportionate share of the annual interest and administrative costs of the commercial paper program, which will be deducted from the City's monthly TransNet Sales tax allocations prior to remittance to the City, based on the ratio of the amount of financing provided to the City to the total commercial paper outstanding each fiscal year; and

BE IT FURTHER RESOLVED, that the City Manager be authorized to declare that the first priority use of the City's annual allocation of TransNet revenues shall be payment of the principle amount borrowed according to the schedule on Attachment "A"; and

BE IT FURTHER RESOLVED, that the City Auditor and Comptroller is hereby authorized to repay SANDAG the principle amount of \$7,000,000 according to the dates on schedule on Attachment "A".

APPROVED: CASEY GWINN, City Attorney

By   
Keri Katz  
Deputy City Attorney

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12/17/02  
Aud.Cert:  
Or.Dept:Eng&CapProj  
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ATTACHMENT "A"

<b>COMMERCIAL PAPER REQUIREMENTS FOR FY 2003 - FY 2004</b>			
<b>CIP NO.</b>	<b>PROJECT NAME</b>	<b>AMOUNT</b>	<b>PRINCIPAL REPAYMENT</b>
52-583.0	La Jolla Shores Dr/Ardath Rd/Torrey Pines	\$1,901,889	FY 2005
17-104.5	Caminito Del Canto Drain	\$391,929	FY 2005
39-224.1	Turquoise Street Lighting	\$116,603	FY 2005
52-643.0	W. Mission Bay Dr over SD River	\$264,122	FY 2005
52-436.0	National Ave I-15 ro 43rd Street	\$1,271,765	FY 2006
39-213.0	Hillcrest Streetscape	\$331,400	FY 2006
12-134.0	Sorrento Creek Mitigation	\$310,274	FY 2006
68-106.7	Spring Cannyon Rd & Scripps Creek Rd	\$151,760	FY 2006
52-668.0	Navajo Rd Median Improvements	\$1,974,641	FY 2006
52-692.0	Montezuma Rd Median Improvements	\$285,617	FY 2006
<b>TOTAL</b>		<b>\$7,000,000</b>	

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