

RESOLUTION NO. 21-85

A RESOLUTION ACCEPTING LOAN
FROM SECURITY PACIFIC NATIONAL BANK AND
PROVIDING FOR MATTERS RELATED THERETO

RESOLVED, by the Board of Directors of the Sewer Authority Mid-Coastside, San Mateo County, California, as follows:

WHEREAS, this Board of Directors of the Sewer Authority Mid-Coastside (herein "Authority"), a public entity duly organized and existing under and by virtue of Title 1, Division 7, Chapter 5 of the California Government Code and that certain joint powers agreement, entitled "An Agreement Creating the Sewer Authority Mid-Coastside" (herein "Agreement"), dated February 3, 1976, as amended, desires to borrow money for the purpose of paying lawful expenses of the Authority;

WHEREAS, Article II of the Agreement provides that the Authority has the power, in its own name, to incur debts, liabilities or obligations subject to the limitations set forth in the Agreement, and that such power is subject to the restrictions upon the manner of exercising such power as set forth in the Sanitary District Act of 1923 (California Health & Safety Code Section 6400 et. seq.);

WHEREAS, pursuant to Article V of the Agreement, this Authority has adopted its budget for Fiscal Year 1985-86 following approval of same by each of its member agencies;

WHEREAS, the Sanitary District Act provides, at Section 6523.1, that this Authority may borrow money or incur an indebtedness;

WHEREAS, this Authority, by its Resolution No. 15-85, accepted a loan from Security Pacific National Bank (herein "Bank"), in the amount of \$253,000, and executed a note in furtherance thereof;

WHEREAS, the present amount due and owing on said note is the amount of \$98,425, and said amount is due and payable;

WHEREAS, because of the delays in the receipt of the moneys to be received from Federal and State agencies pursuant to the Clean Water Grant Program, based upon grant amounts approved by said agencies, this Authority desires to obtain a loan in the amount of the unpaid amount of the note for a period ending March 1, 1986; and

WHEREAS, the Bank has offered to make a loan to this Authority in an amount equal to the amount due and payable on the existing note, and has submitted to this Board a note dated December 1, 1985, a copy of which is attached hereto as Exhibit "A", pursuant to which the Bank would loan this Authority \$98,425, subject to certain conditions more particularly described in said note.

NOW, THEREFORE, IT IS FOUND, DETERMINED and ORDERED as follows:

1. All of the above recitals are true and correct.
2. This Authority, pursuant to the provisions of Article II of the Agreement, and for the purpose of paying lawful expenses of the Authority, hereby accepts the Bank's offer to make a loan to it in the amount of \$98,425 subject to the conditions set forth in that certain note, dated December 1, 1985, a copy of which is attached hereto as Exhibit "A".
3. The Chairman is hereby authorized and directed to indicate this Authority's acceptance of said loan by executing the note on behalf of this Authority, and the Secretary is hereby authorized and directed to countersign same.
4. The amount borrowed under said note, with interest thereon to the anticipated date of repayment thereof, does not exceed:

A. Moneys to be received from Federal and State agencies pursuant to the Clean Water Grant Program based upon grant amounts approved by said agencies; and

B. Moneys to be received by the Authority from its member agencies pursuant to the budget duly adopted by this Authority following each member agency approval thereof.

5. The Secretary is directed to cause the existing note, now due and payable, to be cancelled, or to have indicated thereon the fact that it has been superseded by the note herein authorized.

6. The Secretary is hereby directed to provide an executed copy of this Resolution to the Bank at the address set forth in its proposal


* * * * *

I hereby certify that the foregoing is a full, true and correct copy of a resolution duly passed and adopted by the Board of Directors of the Sewer Authority Mid-Coastside at a regular meeting thereof held on the 23rd day of December, 1985, by the following vote:


AYES, and in favor thereof, Directors: *Schuetrum, Kuhn, Eriksen, Bedesem, Smith, Leger.*

NOES, Directors: *None.*

ABSENT, Directors: *None.*


Vice-Chairman
Sewer Authority Mid-Coastside

COUNTERSIGNED:


Secretary
Sewer Authority Mid-Coastline

STRAIGHT NOTE
(LOANS OF \$200,000 OR LESS)

No. SAN MATEO, California DECEMBER 1, 1985, \$ 98,425.00

For value received the undersigned jointly and severally promise to pay to SECURITY PACIFIC NATIONAL BANK ("Bank") or order at its SAN MATEO Office in the City of SAN MATEO, California:

1. MATURITY

On demand, or if no demand on MARCH 1, 1986

2. PRINCIPAL AMOUNT

NINETY EIGHT THOUSAND FOUR HUNDRED TWENTY FIVE AND NO/100*** Dollars (\$ 98,425.00****)

3. INTEREST

Interest on the unpaid principal from DECEMBER 1, 1985 until maturity.

a. Interest Rate

(1) Fixed Rate: 8.15 percent per annum

(2) Prime Rate: _____ percent per annum in excess of the Bank's prime rate as said prime rate may change from time to time with any changes in said prime rate becoming effective herein on the effective date of the change in said prime rate. As used herein, the term "prime rate" shall mean the floating commercial loan rate of the Bank, announced from time to time as its "prime rate." The Bank's prime rate in effect on _____, 19____ is _____ percent.

(3) Agricultural Base Rate: _____ percent per annum, in excess of the Bank's agricultural base rate, as said agricultural base rate may change from time to time. Any change in said interest rate resulting from a change in said agricultural base rate shall be effective on the effective date of the change in said agricultural base rate. As used herein, the term "agricultural base rate" shall mean the floating commercial agricultural loan rate of the Bank, announced from time to time as its "agricultural base rate." The Bank's agricultural base rate in effect on _____, 19____ is _____ percent.

b. Interest Calculation: Interest shall be calculated on the basis of the actual number of days the unpaid principal balance is outstanding divided by a 365 day year.

c. Interest Payment

(1) Periodic Payment: Interest shall be payable on the First day of each Month beginning January 1, 1986, and continuing until maturity on which date all principal and interest remaining unpaid shall be due and payable.

(2) Payment At Maturity: Interest shall be payable on _____, 19____, on which date all principal and interest remaining unpaid shall be due and payable.

4. MINIMUM INTEREST: This note is subject to a minimum interest charge of \$ 100.00

5. LOAN FEE: The undersigned shall pay to Bank on N/A, 19____, a loan fee of \$ N/A

Any principal or interest not paid when due hereunder shall bear interest from its due date at the interest rate specified above. Upon failure to make any payment of principal or interest when due the then unpaid principal and interest shall be immediately due and payable, all without demand, presentment or notice. Principal and interest payable in lawful money of the United States. The undersigned further promises to pay all costs of collection, including reasonable attorney's fees, incurred in the collection of this note. The makers, sureties, guarantors and endorsers of this note hereby consent to renewals and extensions of time at or after the maturity hereof and hereby waive diligence, presentment, protest, demand and notice of every kind and (to the full extent permitted by law) the right to plead any statute of limitations as a defense to any demand hereunder or in connection with any security herefor, and hereby agree that no failure on the part of the holder of this note to exercise any power, right or privilege hereunder, or to insist upon prompt compliance with the terms hereof, shall constitute a waiver thereof.

SEWER AUTHORITY MID-COASTSIDE

P.O. Box 862

1000 North Cabrillo Highway

Half Moon Bay, CA. 94019

BY: [Signature]
CHAIRMAN

COUNTERSIGNED:

BY: [Signature]
Secretary



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1000 North Cabrillo Highway

Half Moon Bay, CA. 94019

BY: [Signature]
VICE-CHAIRMAN

COUNTERSIGNED:

BY: [Signature]
Secretary

