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KING GEORGE COUNTY BOARD OF SUPERVISORS' AGENDA

Meeting Date:

October 5, 2004

Item Number: 10-02

Subject: Loan of \$1,039,072 to the King George County Service Authority

County Administrator's Comments: I recommend that the Board agree to loan the Service Authority the necessary funds to award the contract for construction of the Fairview Beach WWTP

County Administrator: *Out*

Board Action Requested: Authorize a loan to the King George County Service Authority in the amount of \$1,039,072 for the construction of the Fairview Beach WWTP.

Summary of Information: The Service Authority received bids in August for the construction of the wastewater treatment plant at Fairview Beach. Bids received were considerably higher than funds budgeted for this purpose. In order to award a contract, State Code requires that funds be in place to cover the entire contract. The Service Authority would require a loan of \$1,039,072 to provide full funding of the contract which is for a total of \$2,385,000. Davenport & Company, the County's financial advisors, is in the process of exploring options for funding of the project; however, at this time they have not completed their analysis to provide the most efficient options for financing of this project.

The Board is also being asked to adopt a reimbursement resolution that, if adopted, will ensure that the County is reimbursed from proceeds of the sale of bonds for any funds it loans the Service Authority for this purpose.

Prepared by: Grace Bottomly

Title: Executive Assistant

Attachments: Yes No