

RESOLUTION

NO: 2025-02-021

LIVINGSTON COUNTY

DATE: February 24, 2025

Resolution Authorizing an Advance from the Delinquent Tax Revolving Funds to the Airport Capital Improvement Fund for the Purpose of Paying Construction Costs for the Snow Removal Equipment Building – Treasurer /Airport

- WHEREAS,** the Livingston County Spencer J. Hardy Airport has determined a need for the construction of a snow removal equipment building; and
- WHEREAS,** the total of the project has been estimated at \$2,691,000; and
- WHEREAS,** Federal Aviation Administration grant dollars estimated in the amount of \$1,833,000 will be available as partial funding for this project; and
- WHEREAS,** the final project bids are to be received by February 14, 2025 in order to be included with the grant application due to the FAA by March 1, 2025; and
- WHEREAS,** while an application for grant funds with bids is due March 1, 2025, the grant funds are not expected to be available until late fall; and
- WHEREAS,** waiting for grant funds will push the project to a fall start, or possibly a spring 2026 start. Under FAA rules, the contractor can decline the project if a Notice to Proceed is not issued within 120 days of signing the contract; and
- WHEREAS,** if we anticipate a spring 2026 start date, the bids will reflect a cost increase for the anticipated increase in construction costs of the year; and
- WHEREAS,** the Livingston County Airport Manager and Livingston County Treasurer have structured a financing plan based upon the estimated costs of which \$500,000 would be covered by available cash on hand within the Airport's Operating Fund, the remainder of the project costs (\$2,191,000) would be advanced from the Delinquent Tax Revolving Funds to the Airport Capital Improvement Fund with \$1,833,000 being repaid upon receipt of the FAA grant funds, and the remaining project costs of \$358,000 would be repaid over a period of 20 years; and
- WHEREAS,** interest on the advance shall be charged at an annual rate of 4.75%; and
- WHEREAS,** this financing strategy will allow the project to commence while awaiting the receipt of the federal funds, and result in interest earnings to the Delinquent Tax Revolving Funds in an amount equivalent to the current market yield on a 20-year investment.

THEREFORE, BE IT RESOLVED the Livingston County Board of Commissioners hereby authorizes an advance not to exceed \$2,191,000 from the Delinquent Tax Revolving Funds to the Airport Capital Improvement Fund, at an annual rate of 4.75% for a period of 20 years, in order to construct a snow removal equipment building.

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BE IT FURTHER RESOLVED the advance stated above is contingent upon the Board of Commissioner's approval of the overall project and award and acceptance of the FAA grant funds.

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MOVED:

SECONDED:

CARRIED: