

TEMPORARY RESOLUTION NO. 151-19

PERMANENT RESOLUTION NO. \_\_\_\_\_

A RESOLUTION AUTHORIZING THE SERVICE-SAFETY DIRECTOR AND LANCASTER DEPARTMENT OF TRANSPORTATION SUPERINTENDENT TO ENGAGE IN AN INTRADEPARTMENTAL LOAN FOR THE CONSTRUCTION OF A FIXED CANOPY OVER THE LANCASTER FUEL DEPOT AS REQUIRED BY THE OHIO ENVIRONMENTAL PROTECTION AGENCY

WHEREAS, the Ohio Environmental Protection Agency ("Ohio EPA") has mandated that the City of Lancaster's fuel depot, which is maintained and operated by the Lancaster Department of Transportation ("LDOT"), have a fixed canopy installed to cover the fuel pumps; and

WHEREAS, the cost of this improvement will not exceed Sixty Thousand Dollars (\$60,000.00) and there is not currently sufficient revenue in LDOT's 710 Fund to finance this compulsory project; and

WHEREAS, there is sufficient funding in LDOT's 208 Fund to construct and install a fixed canopy per the EPA's directive;

BE IT RESOLVED BY COUNCIL OF THE CITY OF LANCASTER, STATE OF OHIO

SECTION 1. That the Service-Safety Director and LDOT Superintendent shall be permitted to pay for the cost of this improvement from its 208 Fund and repay that debt from its 710 fund over a period of four (4) years according to the terms described in Exhibit A, LDOT's Intradepartmental Loan Agreement, attached hereto.

SECTION 2. That this resolution shall take effect and be in force from and after the earliest period allowed by law.

Passed: \_\_\_\_\_ after \_\_\_\_\_ reading. Vote: Yeas \_\_\_\_\_ Nays \_\_\_\_\_

Approved: \_\_\_\_\_

\_\_\_\_\_  
President of Council

Attest: \_\_\_\_\_

\_\_\_\_\_  
Mayor

Offered by: \_\_\_\_\_

Second by: \_\_\_\_\_

Requested by Public Works Committee

## INTRADPARTMENTAL LOAN AGREEMENT

This Intradepartmental Loan Agreement ("Agreement") is hereby made and entered into on this \_\_\_\_\_ day of \_\_\_\_\_, 2020 by the City of Lancaster Department of Transportation ("LDOT") in accordance with the terms and provisions set forth herein.

### RECITALS

Whereby, LDOT hereby stipulates and agrees:

1. The Ohio Environmental Protection Agency ("Ohio EPA") has mandated that the City of Lancaster's Fuel Depot, which is maintained and operated by LDOT, have a fixed canopy installed to cover the fuel pumps.
2. The cost of this improvement will be approximately \$60,000.00. There is not currently sufficient revenue in LDOT's 710 Fund to finance this compulsory project. However, there is sufficient revenue in LDOT's 208 Fund to construct and install a fixed canopy per the Ohio EPA's directive.
3. LDOT shall pay for the cost of this improvement from its 208 Fund and repay that debt from its 710 Fund over a period of four (4) years as an intradepartmental loan.

NOW, THEREFORE, in consideration of the promises and covenants set forth in this Agreement, LDOT agrees as follows:

Section 1. Term. This Agreement shall commence upon its execution and shall terminate upon satisfaction of payment.

Section 2. Agreements. During the term of this Agreement, LDOT agrees to uphold and abide by its obligations.

Section 3. Costs. LDOT expects the expense of this improvement not to exceed \$60,000.00.

Section 4. Interest. LDOT shall be obliged to pay interest, at the rate of 2 percent (%), per annum, from its 710 Fund to its 208 Fund, until full payment is satisfied.

Section 5. Payments. LDOT agrees to make four (4) annual payments from its 710 Fund to its 208 Fund until the full balance of the capital and interest are paid. Once the final expense of this improvement is calculated, an amortization schedule shall be created. There shall be no penalty for pre-payment.

Section 6. Amendments. This Agreement may be amended in writing only with the authorization of the City Auditor and City Law Director.

Section 7. Binding Effect; Mandamus. This Agreement shall inure to the benefit of and shall be binding on LDOT. This Agreement shall not inure to the benefit of anyone other than as provided in the immediately preceding sentence.

Section 8. Support of the Agreement. LDOT agrees to cooperate and to use its best efforts to do all things necessary in furtherance of this Agreement.

Section 9. Signing Other Documents. LDOT agrees to sign or cause to be signed, in a timely manner, all other necessary instruments and documents, and to take any and all actions necessary to effectuate the purposes of this Agreement.

Section 10. Governing Law. This Agreement shall be governed exclusively by and construed in accordance with the laws of the State of Ohio.

IN WITNESS WHEREOF, LDOT has caused this Agreement to be signed by its duly authorized representatives as of the date heretofore written.

**LANCASTER DEPARTMENT OF TRANSPORTATION**

\_\_\_\_\_  
Greg Hintz, Superintendent

\_\_\_\_\_  
Paul D. Martin, Service-Safety Director

Approved by the Board of Control of the City of Lancaster, Ohio (R.C. 733.22)

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Approved as to terms:

\_\_\_\_\_  
City of Lancaster Auditor

Approved as to form only:

*Stephanie L. Hall*

Assistant Law Director & City Prosecutor