

RESOLUTION

ROCK COUNTY BOARD OF SUPERVISORS

Public Works Committee
INITIATED BY



Ronald D. Burdick
Airport Director
DRAFTED BY

Public Works Committee
SUBMITTED BY

October 20, 2011
DATE DRAFTED

Amending Resolution No. 10-4C-014
Responsibility and Performance Note
Dated April 22, 2010

1 **WHEREAS**, it is deemed to be in the best interest of the County of Rock to amend
2 Resolution No. 10-4C-014 Responsibility and Performance Note to read as follows:

3
4 **BORROWER’S PROMISE TO PAY.** In return for a loan received, the promisor (sponsor)
5 promises and agrees to pay to the order of the State of Wisconsin, Department of
6 Transportation, promisee, its successors and assigns, at its offices in Madison, Wisconsin, the
7 principal sum of Nine Hundred Sixty Thousand Dollars U.S., (\$960,000.00) this amount is
8 called “principal.”
9

10 **INTEREST.** Interest will be charged on the unpaid principal balance until the full amount
11 has been paid. Interest will be calculated at the yearly rate of four percent (4%).
12

13 **PAYMENTS.** Annual interest payments will be due beginning February 1st of the calendar
14 year immediately following the first disbursement of loan funds. A final payment of principal
15 and interest is due on February 1, 2016.
16

17 All outstanding principal and interest will become due and payable, at the option of the holder
18 of this instrument, immediately following receipt of federal or state project aid which includes
19 an allocation for engineering, planning, incidental and acquisition cost of parcel (s) of land
20 otherwise acquired via the proceeds of this note.
21

22 **BORROWER’S RIGHT TO PREPAY** Borrower has the right to make prepayments or
23 partial prepayment of principal at any time without prepayment charge.
24

25 **BORROWER’S FAILURE TO PAY AS REQUIRED.** If payments are not received in
26 the full amount on the due date, the loan will be in default. The borrower has ninety (90) days
27 from the due date to pay overdue payments or the entire principal and accrued interest shall
28 become due and payable. Failure to exercise this option shall not constitute a waiver of the
29 right to exercise it at any other time.
30

31 **ADVANCED LAND ACQUISITION LOAN.** That a duly adopted resolution, dated April
32 22, 2010, authorized promisor’s participation in the advance Land Acquisition Loan Program,
33 that said Resolution is incorporated herein by reference to evidence that this instrument is a
34 legal obligation of the promisor, its successors and assigns, and that the Bureau of
35 Aeronautics is authorized to execute this note on behalf of the promisor.
36

37 **WAIVER.** All remedies provided in this instrument are distinct and cumulative to any other
38 rights or remedies afforded by law or equity, and may be exercise concurrently,
39 independently, or successively. If any clause or clauses herein are hereafter declared
40 unconstitutional or in violation of Wisconsin Statutes, it shall not affect the validity of the
41 remaining portions of this instrument.
42

11-110-521

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Dated April 22, 2010

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Executed at Janesville, Rock County, Wisconsin, this 17th day of November, 2011.

By: J. Russell Podzilni
J. Russell Podzilni
Title: Chair, Rock County Board of Supervisors

Address: _____

State or Wisconsin
County of Rock

This instrument was acknowledged before me on Nov. 17 by

Lanaka Stottle as Clerk of Rock County.

Maurice Johnson
Notary Public, State of Wisconsin

MAURICE K. JOHNSON
Printed Name

8/11/2013
Date Commission Expires

Respectfully submitted,

PUBLIC WORKS COMMITTEE

Kurtis L. Yankee
Kurtis Yankee, Chair

Betty Bussie
Betty Bussie, Vice Chair

Eva Arnold
Eva Arnold

David Diestler
David Diestler

Brent Fox
Brent Fox

FISCAL NOTE:

Resolution 10-4C-014 adopted April 22, 2010 authorized the County to enter into a land loan for the purchase of three parcels of land contiguous to the airport. The original loan agreement required the repayment of the loan by annual appropriations. This resolution amends the original resolution to allow annual payment of the interest only with a lump sum (balloon) payment of the principal on February 1, 2016.

Jeffrey A. Smith
Jeffrey A. Smith
Finance Director

LEGAL NOTE:

The County Board is authorized to take this action pursuant to Wisconsin Statutes secs. 59.01, 59.51, 59.52(19), 59.58 and numerous sections of Chapter 114.

Jeffrey S. Kuglitsch
Jeffrey S. Kuglitsch
Corporation Counsel

ADMINISTRATIVE NOTE:

Recommended.

Craig Knutson
Craig Knutson
County Administrator

Executive Summary
For
Resolutions
Resolution to Amend Resolution No. 10-4C-013 Advance Land Acquisition Loan
and
Resolution to Amend Resolution No. 10-4C-014 Responsibility and Performance Note

In 2010 the County Board approved entering into the advance Land Acquisition Loan Program to purchase 3 parcels located within the Runway Protection Zone for Runway 32. This program is administered by the Wisconsin Department of Transportation, Bureau of Aeronautics and was setup by the State to loan funds to airport sponsors to acquire land needed for preserving and improving a safe and efficient air transportation system. Simple interest is charged at a rate of 4 percent on the unpaid balance. The land loan functions much like a short-term loan to cover the expenses incurred until the federal funding is available for reimbursement.

The Amendment changes the five-year installment payments of the principal to a balloon payment at the end of the land loan term. It is anticipated that federal funds would be secured prior to the end of the five year land loan period, and that those funds would be used for repayment of the land loan principal. Interest on any outstanding balance will be calculated as of December 31st each year of the land loan agreement and the interest payment will be due each year on the following February 1st. The final year of this five year land loan agreement ends on December 31, 2015. The payment for 2015 will be due on February 1st, 2016 and will consist of any outstanding balance plus interest calculated as of December 31st 2015.

Respectfully Submitted,

Ronald D. Burdick
Airport Director