Yamhill County

Courthouse • 535 NE 5th Street • McMinnville, Oregon 97128-4523
Phone (503) 434-7501 • Fax (503) 434-7553

Office of County Administrator

LAURA S. TSCHABOLD
COUNTY ADMINISTRATOR

KEN HUFFER
DEPUTY ADMINISTRATOR

MEMORANDUM

TO: Board of Commissioners

Date: June 3, 2016

FROM: Laura Tschabold, County Administrator

CC: Becky Weaver, Finance Manager; John Phelan, Public Works Director; Ken Huffer, Deputy
             County Administrator; Mike Green, County Treasurer

RE: **Oregon Transportation Infrastructure Bank Loan – Newberg-Dundee Bypass #1 Loan
             Modification**

The Loan Agreement between the County and the Oregon Department of Transportation for the Newberg-Dundee Bypass will expire on July 1, 2016. According to Tim Potter, Area Manager in charge of the project, all phases of the project will not be complete until November 2017. ODOT's Financial Analyst in charge of the project is recommending that the County extend the agreement for the Bypass until December 31, 2017.

If the Board agrees to extend the agreement to this date, the Board may choose to keep the current repayment schedule or begin a new repayment schedule six months following the new project completion date which would begin on December 31, 2017. If the Board opts for a new repayment schedule, all terms will remain the same, but delaying the principal repayments will cause the county to accrue interest at a higher balance and the maturity date will extend farther.

This additional interest can be offset by early payoff of the loan which is allowed by the loan terms.

RECOMMENDATION

After discussing the options with the liaison commissioner and department head whose departmental budget will bear the loan repayment, we are recommending that the Board extend the agreement for the Newberg-Dundee Bypass to December 31, 2017 and choose a new loan repayment schedule to begin on December 31, 2017.

Please let me know if you have any questions.

Accepted by Yamhill County
Board of Commissioners on
_____6·9·16_____ by Board Order
#__16-225__