

RESOLUTION NO. 91-R-507

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF BROOKINGS ESTABLISHING A FEE TO COVER ADMINISTRATIVE COSTS IN THE DEVELOPERS CASH BONDING PROCESS.

WHEREAS, the City of Brookings has made a "Cash Bond" process available to Developers of major projects; and,

WHEREAS, by depositing a cash deposit in the amount established by the Developers' engineer and approved by the City Development Director in an account with the City of Brookings as trustee, the Developer is able to accrue interest on the account and is allowed to make up to five disbursements during the course of the project; and,

WHEREAS, this process of "Cash Bonding" saves the Developer the costs involved in the purchase of a bond from a bonding agency; and,

WHEREAS, Cash Bonding requires administrative time to set up and maintain the account, make disbursements, inspections of project completion before the release of funds and various other functions in the course of the project;


NOW, THEREFORE, BE IT RESOLVED that the City Council direct and authorize the Finance Director to charge a fee of one-half percent (1/2 %) of the total Cash Bond amount, with a minimum fee amount of \$250.00, to Developers choosing to "Cash Bond" their project with the City of Brookings.

PASSED by the Council and signed by the Mayor this 14 day of MAY, 19 91.



Fred Hummel
Mayor

ATTEST:



Beverly S. Shields
City Recorder