

LOAN RESOLUTION

RESOLUTION NO. 3837

A RESOLUTION ENTITLED; "A RESOLUTION OF THE CITY OF MILES CITY
, APPROVING A LOAN IN THE AMOUNT OF \$169,530 , TOGETHER WITH
INTEREST THEREON AT THE RATE OF 1.625% PER ANNUM ON THE UNPAID
BALANCE OF THE PRINCIPAL UNTIL PAID, FROM THE AERONAUTICS DIVISION OF
THE DEPARTMENT OF TRANSPORTATION OF THE STATE OF MONTANA TO THE
CITY OF MILES CITY , FOR THE PURPOSE OF:

AIP 3-30-055-016-2015

Rehabilitate Rwny 4/22, Rwny 12-30 pavement maintence, Rehabilitate Apron,

Rwny 4/22 Lighting, Rwny 4/22 PAPI Lights

AT THE FRANK WILEY FIELD AIRPORT, LOCATED IN MILES CITY
MONTANA, PROVIDING FOR THE REPAYMENT OF LOAN, AND THE TERMS
THEREOF,"

WHEREAS, the City of MILES CITY , hereinafter known as "SPONSOR",
has approval from the Aeronautics Division of the Department of Transportation of the State of
Montana, hereafter known as "DIVISION", for a loan of State funds in the amount of
\$169,530 together with interest thereon at the rate of 1.625% per annum of
the unpaid balance of the principal until paid, for the purpose of Airport Improvements described
above.

The DIVISION, has prescribed the terms and conditions under which loan is to be repaid,
to wit: Said sum of \$169,530 together with interest thereon at the rate of
1.625% per annum on the unpaid balance of the principal until paid, must be repaid to the
DIVISION, in annual installments in such payment amounts and in accordance with the schedule

of repayments as set forth in the repayment schedule attached hereto and marked EXHIBIT "A".

The SPONSOR accepts such DIVISION monies and agrees to expend same upon such terms and conditions as are prescribed by the DIVISION, and in accordance with the Airport Aid Application Section Four (Representations) and Section Three (Sponsor Assurances) and by this reference incorporated herein as though fully set forth.

NOW THEREFORE, IT IS RESOLVED by the City of MILES CITY, known herein as SPONSOR, as follows:

1. SPONSOR, hereby agrees to receive and expend such loan totaling \$169,530 for the improvements of the FRANK WILEY FIELD Airport, located in MILES CITY, Montana, in the manner and form applied for, and as approved by the DIVISION.

2. That in consideration of said loan, that SPONSOR, hereby obligates itself during the period of time as set forth in EXHIBIT "A", to repay to the DIVISION, the loan of \$169,530, together with interest thereon at the rate of 1.625% per annum on the unpaid balance of the principal until paid, in annual installments in accordance with EXHIBIT "A". The first of said payments, in the amount as stated in EXHIBIT "A" will be made on or before the date set forth in EXHIBIT "A", in the full amount of the loan together with interest as aforesaid; and

3.) The SPONSOR shall have the right of prepayment of the principal and interest of the loan, or any part thereof, without penalty, at any time. Any prepayment shall be applied first to interest then accrued at the time of payment and the balance of the payment shall be applied to the principal balance of the loan at the time of prepayment. Any prepayment of principal shall accordingly reduce the amount of interest to be paid on the loan. The prepayment shall not relieve the Sponsor from making the next succeeding payment installment or installment when due until the total balance of the loan is paid in full.

4.) SPONSOR, in consideration of said loan does hereby obligate itself to include within its budget for the period of time during which loan is to be repaid, sufficient funds to pay and discharge loan together with interest thereon in the amount as stated in EXHIBIT "A".

Unanimously passed and approved by the City of MILES CITY, located in MILES CITY, Montana, this 8th day of 2015

C.A. Gung
Mayor Chairman, City Commission
or authorized representative

Witnessed by:
Spice Peace

EXHIBIT "A"
REPAYMENT SCHEDULE
Miles City

Fixed Principal Amortization Worksheet

Loan Amount 6,715.00
 Annual Interest Rate 1.625%
 First Payment Date 02/28/16
 Loan Period 10

PAYMENT #	PAYMENT DUE	PAYMENT	PRINCIPLE	INTEREST	PRINCIPLE BALANCE
**1	02/28/16	\$ 780.62	\$ 671.50	\$ 109.12	\$ 6,043.50
2	02/28/17	\$ 769.71	\$ 671.50	\$ 98.21	\$ 5,372.00
3	02/28/18	\$ 758.80	\$ 671.50	\$ 87.30	\$ 4,700.50
4	02/28/19	\$ 747.88	\$ 671.50	\$ 76.38	\$ 4,029.00
5	02/28/20	\$ 736.97	\$ 671.50	\$ 65.47	\$ 3,357.50
6	02/28/21	\$ 726.06	\$ 671.50	\$ 54.56	\$ 2,686.00
7	02/28/22	\$ 715.15	\$ 671.50	\$ 43.65	\$ 2,014.50
8	02/28/23	\$ 704.24	\$ 671.50	\$ 32.74	\$ 1,343.00
9	02/28/24	\$ 693.32	\$ 671.50	\$ 21.82	\$ 671.50
10	02/28/25	\$ 682.41	\$ 671.50	\$ 10.91	\$ -
Totals		\$ 7,315.15	\$ 6,715.00	\$ 600.15	

**Actual interest rate for first payment will be prorated - You will receive an invoice for the correct amount owed every January

EXHIBIT "A"
REPAYMENT SCHEDULE
Miles City

Fixed Principal Amortization Worksheet

Loan Amount 162,815.00
 Annual Interest Rate 1.625%
 First Payment Date 02/28/16
 Loan Period 10

PAYMENT #	PAYMENT DUE	PAYMENT	PRINCIPLE	INTEREST	PRINCIPLE BALANCE
**1	02/28/16	\$ 18,927.24	\$ 16,281.50	\$ 2,645.74	\$ 146,533.50
2	02/28/17	\$ 18,662.67	\$ 16,281.50	\$ 2,381.17	\$ 130,252.00
3	02/28/18	\$ 18,398.10	\$ 16,281.50	\$ 2,116.60	\$ 113,970.50
4	02/28/19	\$ 18,133.52	\$ 16,281.50	\$ 1,852.02	\$ 97,689.00
5	02/28/20	\$ 17,868.95	\$ 16,281.50	\$ 1,587.45	\$ 81,407.50
6	02/28/21	\$ 17,604.37	\$ 16,281.50	\$ 1,322.87	\$ 65,126.00
7	02/28/22	\$ 17,339.80	\$ 16,281.50	\$ 1,058.30	\$ 48,844.50
8	02/28/23	\$ 17,075.22	\$ 16,281.50	\$ 793.72	\$ 32,563.00
9	02/28/24	\$ 16,810.65	\$ 16,281.50	\$ 529.15	\$ 16,281.50
10	02/28/25	\$ 16,546.07	\$ 16,281.50	\$ 264.57	\$ -
Totals		\$ 177,366.59	\$ 162,815.00	\$ 14,551.59	

**Actual Interest rate for first payment will be prorated - You will receive an invoice for the correct amount owed every January

2015 Runway Maintenance Project

Project Cost	Sched. I-IV Century Bid and Currently FAA Funded
Source of Funds	
Federal Aviation Grant	3,922,500
State Aeronautics Board Grant	81,407
Coal Board Grant	166,118
Other Grants	-
Total Funding	4,170,025
Balance Requiring Financing- Miles City Share	169,530
Source of Loans	
State Aeronautics Board Loan	169,530
Board of Investments Loan Intercep	-
Annual Cost to Airport	
State Aeronautics Board Loan	18,357
Board of Investment Loan	-
Annual Cost	18,357
Additional Monthly Cost to Airport	1,530
State Aeronautics Board Loan	Term Interest
Board of Investment Loan	10 1.6%
	15 1.0%

Schedules **Currently Funded by FAA**

- I Reconstruct Runway 04/22 & Pavement Maintenance
- II Runway 04/22 Electrical
- III Reconstruct NW Apron pavement
- IV Runway 12/30 Pav Maint and Markings for approach
- Other Engineering and Design
- Misc Contingency and Misc Expense

Engineer Est.

Century Bid

2,823,220	3,014,107
192,219	123,668
508,888	511,992
252,522	172,025
464,900	511,400
<u>5,363</u>	<u>5,363</u>
4,248,112	4,339,555