

RESOLUTION NO. 4203

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SOLEDAD
AUTHORIZING AMENDMENTS TO RESOLUTIONS 3980, 4042 AND 4044 FOR THE
STATE REVOLVING FUND FINANCIAL ASSISTANCE**

WHEREAS, on May 2, 2007, the City Council adopted Resolution No. 3980, Authorizing a Local Match Agreement for the State Revolving Fund (SRF) Loan for the City of Soledad Wastewater Treatment and Disposal Facilities Upgrade and Expansion Project; and

WHEREAS, on July 18, 2007 the City Council of the City of Soledad adopted Resolution No. 4042, establishing a Wastewater Capital Reserve Fund in accordance with the State Water Resources Control Board's requirements of the State Revolving Fund Loan Program; and

WHEREAS, City Council also approved on July 18, 2007 Resolution No. 4044 dedicating the appropriate portions of the Wastewater Fund Utility Revenue Fees and CDC Flow Revenues for repayment of the State Revolving Fund (SRF) Loan for the City of Soledad Wastewater Treatment and Disposal Facilities Upgrade and Expansion Project; and

WHEREAS, SRF'S legal staff has determined that the use of the words "loan" and "loan/grant" in SRF related documents is a mischaracterization of the services provided by SRF and should be replaced with the term "financing agreement"; and

WHEREAS, SRF has requested that the afore-referenced change in language be made to Resolutions 3980, 4042 and 4044.

NOW THEREFORE, BE IT HEREBY RESOLVED by the City Council of the City of Soledad that the City Manager is hereby authorized to amend Resolutions 3980, 4042 and 4044, in the manner set forth in Attachments A, B and C that depict such amendments in the underline/strikeout format.

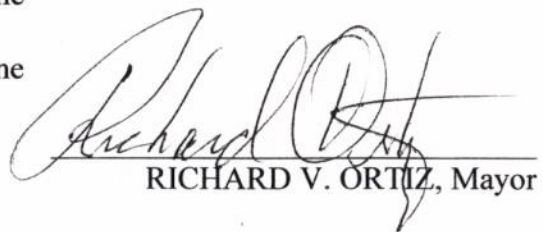
PASSED AND ADOPTED at a regular meeting of the City Council of the City of Soledad duly held on the 7th day of May 2008, by the following vote:

AYES, and in favor thereof, Councilmembers: Martha Camacho, Juan Saavedra, Patricia Stephens, Mayor Pro Tem Christopher Bourke, Mayor Richard Ortiz

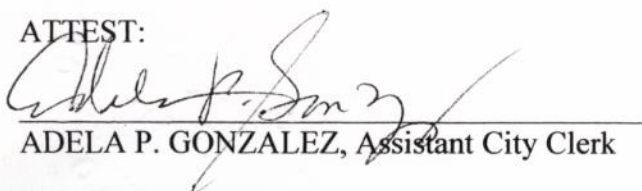
NOES, Councilmembers: None

ABSENT, Councilmembers: None

ABSTAIN, Councilmembers: None


RICHARD V. ORTIZ, Mayor

ATTEST:


ADELA P. GONZALEZ, Assistant City Clerk

Attachment A

RESOLUTION NO. 3980

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SOLEDAD
AUTHORIZING A LOCAL MATCH AGREEMENT FOR THE STATE REVOLVING
FUND ~~LOAN~~ FINANCIAL ASSISTANCE FOR THE CITY OF SOLEDAD
WASTEWATER TREATMENT AND DISPOSAL FACILITIES UPGRADE AND
EXPANSION PROJECT**

WHEREAS, the City Council of the City of Soledad desires to finance the costs of constructing and/or reconstructing certain public facilities and improvements relating to wastewater system, including certain treatment facilities, pipelines and other infrastructure (the "Project"); and

WHEREAS, the City of Soledad intends to finance the construction and/or reconstruction of the Project or portions of the Project with moneys ("Project Funds") provided by the State of California, acting by and through the State Water Resources Control Board (the "Board"); and

WHEREAS, the Board may fund the Project Funds with proceeds from the sale of obligations the interest upon which is excluded from gross income for federal income tax purposes (the "Obligations"), and

WHEREAS, prior to either the issuance of the Obligations or the approval by the Board of the Project Funds the City of Soledad desires to incur certain capital expenditures (the "Expenditures") with respect to the Project from available moneys of the City of Soledad; and

WHEREAS, the City of Soledad has determined that those moneys to be advanced on and after the date hereof to pay the Expenditures are available only for a temporary period and it is necessary to reimburse the City of Soledad for the Expenditures from the proceeds of the Obligations; and

WHEREAS, the estimated total State Revolving Fund (SRF) ~~Loan~~ financing agreement amount requested is \$54,400,000 of the total estimated project cost of \$70,000,000; and

WHEREAS, if the City wishes to minimize interest on its SRF ~~Loan~~ financing agreement, it must execute a "Local Match Resolution" whereby the City commits to pay a portion of the Project costs with available funding.

NOW THEREFORE, BE IT HEREBY RESOLVED by the City Council of the City of Soledad Authorizes a "Local Match ~~Loan~~ Financing" Agreement for the State Revolving Fund (SRF) ~~Loan~~ financing for the City of Soledad Wastewater Treatment and Disposal Facilities Upgrade and Expansion Project of Said Loan.

BE IT FURTHER RESOLVED that the City of Soledad hereby agrees to the

following in return for a "Local Match Loan Financing Agreement" State Revolving Fund (SRF) Loan Financing:

SECTION 1. To contribute the State match share equal to 16.667 percent of the eligible project costs, in an estimated amount of \$11,100,000.

SECTION 2. To pay an administrative fee of up to 0.575% of the eligible project cost for the administrative match amount, if requested by the State Water Resources Control Board (State Water Board), prior to the issuance of the local match SRF loan financing agreement contract, provided that the fee shall be waived by the State Water Board if sufficient monies to fund the administrative match are available from other sources.

SECTION 3. To establish a state match account for the project, and deposit sufficient funds, as necessary, to make the state match payments to the contractor(s).

SECTION 4. To provide the State Water Board, Division of Financial Assistance (Division) a certification with each progress payment request stating that the appropriate state match amount for the requested payment has been paid to the contractor(s).

SECTION 5. To provide the Division with copies of the cancelled checks documenting payment of the state match amount, on a quarterly basis.

PASSED AND ADOPTED at a regular meeting of the City Council of the City of Soledad duly held on the 2nd day of May 2007, by the following vote:

AYES, and in favor thereof, Councilmembers: Martha Camacho, Juan Saavedra, Patricia Stephens, Mayor Pro Tem Christopher Bourke, Mayor Richard Ortiz

NOES, Councilmembers: None

ABSTAIN, Councilmembers: None

ABSENT, Councilmembers: None

RICHARD V. ORTIZ, Mayor

ATTEST:

ADELA GONZALEZ, Assistant City Clerk

*Amended to correct language per the request of the State Water Resources Control Board State Revolving Fund by City of Soledad Resolution No. 4203 on May 7, 2008

Attachment B

RESOLUTION NO. 4042

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SOLEDAD ESTABLISHING A WASTEWATER CAPITAL RESERVE FUND IN ACCORDANCE WITH THE STATE WATER RESOURCES CONTROL BOARD'S REQUIREMENTS OF THE STATE REVOLVING FUND ~~LOAN~~ FINANCING ASSISTANCE PROGRAM

WHEREAS, the City Council of the City of Soledad authorized the City Manager to apply for a State Revolving Fund (SRF) ~~loan~~ financial assistance to fund all or a portion of the cost of expansion and improvement of the wastewater treatment facilities; and

WHEREAS, the estimated total State Revolving Fund (SRF) ~~Loan~~ amount requested is approximately \$57,000,000 of the total estimated project cost of \$74,000,000; and

WHEREAS, the State Water Resources Control Board requires, as a condition of approval of the ~~loan~~ financial agreement, the establishment of a Wastewater Capital Reserve Fund equal to ½ of 1 percent of the total amount borrowed in the final loan for future expansion, major repair or replacement costs.

NOW THEREFORE, BE IT HEREBY RESOLVED by the City Council of the City of Soledad that a dedicated Wastewater Capital Reserve Fund shall be created, and said Wastewater Capital Reserve Fund shall be administered, by the City of Soledad, as required by the "Policy For Implementing The State Revolving Fund For Construction Of Wastewater Treatment Facilities" adopted by the State Water Resources Control Board on June 18, 1998.

PASSED AND ADOPTED at a regular meeting of the City Council of the City of Soledad duly held on the 18th day of July 2007, by the following vote:

AYES, and in favor thereof, Councilmembers: Juan Saavedra, Patricia Stephens, Mayor Pro Tem Christopher Bourke, Mayor Richard Ortiz

NOES, Councilmembers: None

ABSTAIN, Councilmembers: None

ABSENT, Councilmembers: Martha Camacho

RICHARD V. ORTIZ, Mayor

ATTEST:

ADELA GONZALEZ, Assistant City Clerk

***Amended to correct language per the request of the State Water Resources Control Board State Revolving Fund by City of Soledad Resolution No. 4203 on May 7, 2008**

Attachment C

RESOLUTION NO. 4044

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SOLEDAD
DEDICATING THE APPROPRIATE PORTIONS OF
THE WASTEWATER FUND UTILITY REVENUE FEES AND
CDC FLOW REVENUES
FOR REPAYMENT OF THE STATE REVOLVING FUND ~~LOAN~~ FOR
THE CITY OF SOLEDAD WASTEWATER TREATMENT AND DISPOSAL
FACILITIES UPGRADE AND EXPANSION PROJECT**

WHEREAS, the City Council of the City of Soledad desires to finance the costs of constructing and/or reconstructing certain public facilities and improvements relating to the City of Soledad Wastewater Treatment and Disposal Facilities Upgrade and Expansion Project; and

WHEREAS, the City of Soledad intends to finance the construction and/or reconstruction of the Project or portions of the Project with moneys provided by the State of California, acting by and through the State Water Resources Control Board; and

WHEREAS, the estimated total State Revolving Fund (SRF) ~~Loan~~ Financing Agreement amount requested is approximately \$57,000,000 of the total estimated project cost of \$74,000,000; and

WHEREAS, the Federal Clean Water Act Amendments require each loan recipient to establish by resolution dedicating one or more sources of revenue for the repayment of State Revolving Fund loans; and

WHEREAS, Staff is recommending use of the Wastewater Fund Utility Revenue Fees and CDC Flow Revenues as the dedicated repayment revenue sources; the Wastewater Fund Utility Revenue Fees line item in the City Budget is the location that all wastewater customer user fees are placed except the CDCR user fees which are placed in the CDC Flow Revenues line item; and

WHEREAS, the respective user fees will be increased by their proportionate share of the SRF ~~Loan~~ financing agreement in the amount needed to repay the loan over a twenty year period; and

WHEREAS, the actual payment amounts determined in the terms of the final loan agreement which will come back to the City Council prior to execution by the City Manager for final approval.

NOW THEREFORE, BE IT HEREBY RESOLVED by the City Council of the City of Soledad that the City of Soledad is dedicating the appropriate portions of the Wastewater Fund Utility Revenue Fees and CDC Flow Revenues for repayment of the State Revolving Fund (SRF) ~~Loan~~ for the City of Soledad Wastewater Treatment

and Disposal Facilities Upgrade and Expansion Project.

PASSED AND ADOPTED at a regular meeting of the City Council of the City of Soledad duly held on the 18th day of July 2007, by the following vote:

AYES, and in favor thereof, Councilmembers: Juan Saavedra, Patricia Stephens, Mayor Pro Tem Christopher Bourke, Mayor Richard Ortiz

NOES, Councilmembers: None

ABSTAIN, Councilmembers: None

ABSENT, Councilmember: Martha Camacho

RICHARD V. ORTIZ, Mayor

ATTEST:

ADELA GONZALEZ, Assistant City Clerk

***Amended to correct language per the request of the State Water Resources Control Board State Revolving Fund by City of Soledad Resolution No. 4203 on May 7, 2008**