

TO: James L. App, City Manager
FROM: Doug Monn, Public Works Director
SUBJECT: Resolution for State Revolving Loan Fund
DATE: October 7, 2008

NEEDS: For the City Council to consider adopting a resolution from the State Revolving Loan Fund authorizing the City Public Works Director to act as the City's agent in discussions with the State regarding possible future financial assistance applications.

- FACTS:**
1. The City is conducting a feasibility study to determine the most effective manner to address regulatory requirements of the City's National Pollutant Discharge Elimination System (NPDES) permit.
 2. The feasibility process will be completed in 2009.
 3. As part of the feasibility study, potential financing instruments to fund implementation of study findings are being explored.
 4. One financing instrument is the State Infrastructure Revolving Loan Fund Program. Loan can be requested for 85% to 100% of waste water discharge project construction cost.
 5. To open discussions, the City Council is requested to adopt a resolution from the loan fund program expressing interest in the program and assigning a contact individual. Adoption of the resolution does not constitute a contract with the State, nor does it result in any cost to the City (other than staff time).

ANALYSIS &

CONCLUSION: The Regional Water Quality Control Board has informed the City of the need to improve quality of discharge associated with its NRDES permit. To this end, the City has contracted with the engineering firm of Black and Veatch to complete a feasibility study to outline methods to be used to accomplish the task.

POLICY

REFERENCE: City of Paso Robles NPDES Permit.

FISCAL

IMPACT: Adoption of the attached resolution would not result in any impact to the City or its Waste Water Funds. It would allow staff to open discussion with the State regarding the possibility of securing a low interest loan for future waste water infrastructure.

- OPTIONS:**
- a. Approve the resolution from the Infrastructure State Revolving Loan Fund Program and appoint the City Public Works Director as the City's contact person, or;
 - B. Amend, modify or reject the above option.

Attachments: (1)
1) Resolution

RESOLUTION NO. 08-xxxx

APPLICATION/AUTHORIZED REPRESENTATIVE RESOLUTION (Required for all Programs)

BE IT RESOLVED by the City of Paso Robles City Council that the Public Works Director is hereby authorized and directed to sign and file, for and on behalf of the City of Paso Robles, a Financial Assistance Application for a financing agreement from the State Water Resources Control Board for the planning, design, and construction of The City of Paso Robles Wastewater Treatment Plant Upgrade; and

BE IT RESOLVED that the The City of Paso Robles City Council hereby agrees and further does authorize the aforementioned representative or his designee to certify that the Agency has and will comply with all applicable state and federal statutory and regulatory requirements related to any financing or financial assistance received from the State Water Resources Control Board; and

BE IT FURTHER RESOLVED that the Public Works Director or his designee of the City of Paso Robles is hereby authorized to negotiate and execute a financial assistance agreement from the State Water Resources Control Board and any amendments or change orders thereto and certify financing agreement disbursements on behalf of the City of Paso Robles.

WHEREAS, the The City of Paso Robles (the "Agency") desires to finance the costs of constructing and/or reconstructing certain public facilities and improvements relating to its water and wastewater system, including certain treatment facilities, pipelines and other infrastructure (the "Project"); and

WHEREAS, the Agency 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 (State Water Board); and

WHEREAS, the State Water 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 State Water Board of the Project Funds the Agency desires to incur certain capital expenditures (the "Expenditures") with respect to the Project from available moneys of the Agency; and

WHEREAS, the Agency 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 Agency for the Expenditures from the proceeds of the Obligations.

THEREFORE BE IT HEREBY RESOLVED by the City Council of the City of El Paso de Robles to allow the City Public Works Director to act as the City's agent and sign a Financial Assistance Application to open discussions with the State Revolving Loan Fund Program regarding a potential Waste Water Treatment Plant rehabilitation.

PASSED AND ADOPTED by the City Council of the City of Paso Robles, this 7th day of October 2008 by the following vote:

AYES:
NOES:
ABSENT:
ABSTAIN:

Frank Mecham, Mayor

ATTEST:

Deborah Robinson, Deputy City Clerk

CERTIFICATION

I do hereby certify that the foregoing is a full, true, and correct copy of a resolution duly and regularly adopted at a meeting of the City of Paso Robles City Council

Held on: October 7, 2008.

Signature - Authorized City Council Signatory

Date