



City of Biggs

Agenda Item Staff Report For Regular City Council Meeting March 12, 2013 6:30 PM

DATE: March 6, 2013

TO: Honorable Mayor and Members of the City Council

FROM: Steve Speights, City Engineer

SUBJECT: Wastewater Treatment Plant Application for State Revolving Fund Loan(SRF) Net Revenue Commitment for Financing the Wastewater Treatment Plant Upgrade Phase 1

Requested Action:

Staff requests Council adopt the attached Resolution as part of the City application for financing under the SRF program of the State Water Quality Control Board.

Background:

As part of our application for grant and loan to the SRF, the City is required to demonstrate the ability to repay any loans, identify the source of those funds and commit those funds to the repayment of any loans. The commitment will be cited as security for a loan in the agreement to be entered into between the City and the State. There will be no agreement and no financing without this commitment from the City.

The commitment is in the form of a Resolution of the City Council, attached, that describes that the source of the funds will be from rate increases scheduled to go into effect in July and dedicates the net revenues of the Sewer Fund to payment of SRF financing. This commitment is required to remain in effect until the debt is paid.

Attachments:

Resolution 2013-07, a Resolution dedicating the net revenues of the Sewer Fund to repay financing.

Fiscal Impact:

There is no fiscal impact at this time. The fiscal impact will come later with the approval of a loan agreement and increase in sewer service charges to pay back the loan.

RESOLUTION NO. 2013-07

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF BIGGS DEDICATING A SOURCE OF NET REVENUES FOR CLEAN WATER STATE REVOLVING FUND FINANCING OF THE WASTEWATER TREATMENT PLANT UPGRADE – PHASE 1

WHEREAS, the City of Biggs has applied for financing of the Wastewater Treatment Plant Upgrade – Phase 1, to the Clean Water State Revolving Fund (CWSRF); and,

WHEREAS, the CWSRF requires a dedicated source of revenue for repayment of any financial assistance (except for grants); and,

WHEREAS, the City Council of the City of Biggs has scheduled a public hearing at a Council Meeting on April 9, 2013 for the introduction of ordinance setting new rates, with a subsequent scheduled meeting on May 14, 2013 for the final adoption of new rates to be effective on July 1, 2013; now therefore,

BE IT RESOLVED, that the City Council of the City of Biggs hereby dedicates the net revenues of the Sewer Fund to payment of any and all CWSRF financing for the Wastewater Treatment Plant Upgrade – Phase 1, Project No. C-06-5544-110. This dedicated source of net revenues shall remain in effect throughout the term of such financing unless modification or change of such dedication is approved in writing by the State Water Resources Control Board.

I HEREBY CERTIFY that the forgoing RESOLUTION was duly introduced, passed, and adopted at the regular meeting of the City Council of the Biggs City held on the 12th of March, 2013 by the following vote.

AYES: COUNCILMEMBER _____

NOES: COUNCILMEMBER _____

ABSENT: COUNCILMEMBER _____

ABSTAIN: COUNCILMEMBER _____

ATTEST:

APPROVED:

Roben Dewsnup
CITY CLERK

Roger L. Frith
MAYOR