

THE BOARD OF SUPERVISORS OF THE COUNTY OF STANISLAUS
ACTION AGENDA SUMMARY

DEPT: Public Works

Johnson

BOARD AGENDA # *C-6

Urgent

Routine

AGENDA DATE June 2, 2015

CEO Concurs with Recommendation YES NO
(Information Attached)

4/5 Vote Required YES NO

SUBJECT:

Approval to Adopt a Resolution to Authorize the Director of Public Works to Apply For, Enter Into and Sign the Financial Assistance Application for the Clean Water State Revolving Fund Program from the State Water Resources Control Board for the Planning, Design and Construction of the Airport Sewer Project

STAFF RECOMMENDATIONS:

1. Adopt a Resolution to authorize the Director of Public Works to apply for, enter into and sign the Financial Assistance Application for the Clean Water State Revolving Fund Program (CWSRF) from the State Water Resources Control Board for the planning, design and construction of the Airport Sewer Project.
2. Adopt the Reimbursement Resolution with the State Water Resources Control Board.

FISCAL IMPACT:

The costs associated with the Financial Assistance Application from the State Water Resources Control Board are being funded with County Community Development funds. The use of Community Development funds in the amount of up to \$35,000 were approved by the Board on September 16, 2014.

(Continued on Page 2)

BOARD ACTION AS FOLLOWS:

No. 2015-246

On motion of Supervisor Monteith, Seconded by Supervisor Chiesa
and approved by the following vote.

Ayes: Supervisors: O'Brien, Chiesa, Monteith, De Martini, and Chairman Withrow

Noes: Supervisors: None

Excused or Absent: Supervisors: None

Abstaining: Supervisor: None

1) Approved as recommended

2) Denied

3) Approved as amended

4) Other:

MOTION:

Christine Ferraro

ATTEST: CHRISTINE FERRARO TALLMAN, Clerk

File No.

Approval to Adopt a Resolution to Authorize the Director of Public Works to Apply For, Enter Into and Sign the Financial Assistance Application for the Clean Water State Revolving Fund Program from the State Water Resources Control Board for the Planning, Design and Construction of the Airport Sewer Project

FISCAL IMPACT (CONTINUED):

Depending on the outcome of the Financial Assistance Application credit review by the State Water Control Board, the debt forgiveness could be 75% or more of the total project cost for the remaining phases which, in total, are estimated to cost \$12 million. Additional funding, if required, will come from Community Development Block Grant funds.

DISCUSSION:

The proposed project will provide sewer infrastructure within the unincorporated Airport Neighborhood. The Airport Neighborhood is a disadvantaged community on the southeast side of the City of Modesto with approximately 481 residential parcels that rely on septic tanks for treatment of sewage. The septic tanks in this neighborhood are failing and cause health and safety concerns.

The design of this project was 100% funded by a State Water Resources Control Board (SWRCB) grant under an Agreement between the City of Modesto and the County of Stanislaus. The design phase of this project was completed and approved by the City of Modesto on August 29, 2012.

A vote was necessary to facilitate the construction of the sewer system within the Airport Neighborhood unincorporated area. The residents of the City of Modesto voted on and approved Measure V in November 2013 allowing for connection to the City of Modesto sewer system.

The first phase of this project consisted of the installation of a fully functional gravity sewer system along Kerr Avenue from Oregon Drive to Page Court and was completed in late 2014 and included approximately 2,100 feet of pipeline and 47 laterals. In addition, approximately 75,000 square feet of existing roadway was reconstructed. The new sewer infrastructure was connected to the existing sewer system which is owned and maintained by the City of Modesto at a construction cost of \$900,000.

The remaining work on this application, including connection fees, is anticipated to cost up to \$12 million of Community Development funding and will provide the remaining parcels the ability to connect to the City of Modesto sewer system.

If the County is successful at securing the funding from the Clean Water State Revolving Fund Program, the project is anticipated to begin construction in the summer of 2016.

POLICY ISSUES:

The recommended actions are consistent with the Board's priorities of providing A Safe Community, A Healthy Community, and A Well Planned Infrastructure System by providing sanitary sewer connections to properties which currently rely on aged, failing septic systems.

Approval to Adopt a Resolution to Authorize the Director of Public Works to Apply For, Enter Into and Sign the Financial Assistance Application for the Clean Water State Revolving Fund Program from the State Water Resources Control Board for the Planning, Design and Construction of the Airport Sewer Project

STAFFING IMPACT:

Staffing impact will be limited to the time required to prepare Board reports and their supporting materials.

CONTACT PERSON:

Matt Machado, Public Works Director. Telephone: (209) 525-4153.

ATTACHMENTS:

1. Grant Application Resolution
2. Reimbursement Resolution

CE: SJ

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THE BOARD OF SUPERVISORS OF THE COUNTY OF STANISLAUS
STATE OF CALIFORNIA

Date: June 2, 2015

2015-246 (a)

On motion of Supervisor Monteith Seconded by Supervisor Chiesa
and approved by the following vote,
Ayes: Supervisors: O'Brien, Chiesa, Monteith, De Martini and Chairman Withrow
Noes: Supervisors: None
Excused or Absent: Supervisors: None
Abstaining: Supervisor: None

Item # *C-6

THE FOLLOWING RESOLUTION WAS ADOPTED:

**AUTHORIZATION TO NEGOTIATE AND EXECUTE FINANCIAL ASSISTANCE AGREEMENT
FROM THE STATE WATER RESOURCES CONTROL BOARD FOR THE AIRPORT SEWER
PROJECT**

WHEREAS, the Airport Neighborhood is an unincorporated, disadvantaged community on the southeast side of the City of Modesto with 481 residential parcels that rely on septic tanks for treatment of sewage. Failing septic tanks within the neighborhood are threatening the local water supplies and pose a public health risk; and

WHEREAS, the State Water Resources Control Board offers unique funding programs for disadvantaged neighborhoods with debt forgiveness of up to 100% depending on the neighborhood's Median Household Income; and

WHEREAS, Clean Water State Revolving Fund (CWSRF) requires a Board approved Resolution be included with the financial assistance application.

BE IT RESOLVED by Stanislaus County Board of Supervisor that the Director of Public Works is hereby authorized and directed to sign and file, for and on behalf of Stanislaus County, a Financial Assistance Application for a financing agreement from the State Water Resources Control Board for the planning, design, and construction of the Airport Neighborhood Sewer Project; and

Now, Therefore BE IT RESOLVED that the Stanislaus County Board of Supervisor hereby agrees and further does authorize the aforementioned representative or his/her 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 Director of Public Works or his/her designee of Stanislaus County 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 Stanislaus County.

ATTEST: **CHRISTINE FERRARO TALLMAN, Clerk**
Stanislaus County Board of Supervisors,
State of California



File No.

THE BOARD OF SUPERVISORS OF THE COUNTY OF STANISLAUS
STATE OF CALIFORNIA

Date: June 2, 2015

2015-246 (b)

On motion of Supervisor Monteith Seconded by Supervisor Chiesa
and approved by the following vote,
Ayes: Supervisors: O'Brien, Chiesa, Monteith, De Martini and Chairman Withrow
Noes: Supervisors: None
Excused or Absent: Supervisors: None
Abstaining: Supervisor: None

Item # *C-6

THE FOLLOWING RESOLUTION WAS ADOPTED:

REIMBURSEMENT RESOLUTION

WHEREAS, the County of Stanislaus (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 and federal income tax purposes (the "Obligation"), 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 Obligation.

NOW, THEREFORE, THE STANISLAUS COUNTY BOARD OF SUPERVISORS DOES HEREBY RESOLVE, ORDER AND DETERMINE THAT the Agency hereby states its intention and reasonably expects to reimburse Expenditures paid prior to the issuance of the Obligation or the approval by the State Water Board of the Project Funds.

ATTEST: **CHRISTINE FERRARO TALLMAN**, Clerk
Stanislaus County Board of Supervisors,
State of California



File No.