



Agenda Date: 4/20/2016
Agenda Placement: 7C

Napa Sanitation District Board Agenda Letter

TO: Honorable Board of Directors

FROM: Jeff Tucker - Director of Administrative Services/CFO
NS-Administration

REPORT BY: Jeff Tucker, Director of Administrative Services/CFO - 707-258-6000

SUBJECT: Adopt Reimbursement Resolution Associated with CWSRF Loan for Financial Assistance of Capital Expenditures for Browns Valley Road Sewer Interceptor and Pump Station Improvements Project

RECOMMENDATION

Adopt the attached Reimbursement Resolution needed to apply for a Clean Water State Revolving Fund Loan with the State Water Resources Control Board for financial assistance with the capital costs associated with the Browns Valley Road Sewer Interceptor and Pump Station Improvements Project.

EXECUTIVE SUMMARY

The Clean Water State Revolving Fund (CWSRF) program offers low interest financing agreements for water quality projects. Eligible projects include, but are not limited to the construction of publicly owned facilities such as: wastewater treatment, local sewers, sewer interceptors, water reclamation facilities, and stormwater treatment.

The District's Ten-Year Capital Improvement Plan (CIP) includes the design and construction of the Browns Valley Road Sewer Interceptor (BVRSI) Project and the West Napa Pump Station Improvements Project (collectively, the "Project"). The pump station improvements are an integral part of the BVRSI project.

In order to apply for CWSRF financing, a Financial Assistance Application must be submitted to the State Water Resources Control Board. Among other various submittals, a reimbursement resolution must be included with the application packet. This resolution states the intent of the District to be reimbursed for the costs of the Project from the SRF program, which is financed through the issuance of tax-exempt bonds.

The estimated cost of the Project is \$18 million. By IRS and SWRCB rules, the amount financed by the CWSRF cannot exceed the amount established in the Reimbursement Resolution. Because the \$18 million estimate has

been made prior to the design of the Project, it is prudent to establish a maximum financing amount that is greater than the current estimate for these projects. For this reason, the resolution establishes a maximum principal amount of \$20 million.

FISCAL IMPACT

Is there a Fiscal Impact? No

ENVIRONMENTAL IMPACT

ENVIRONMENTAL DETERMINATION: The proposed action is not a project as defined by 14 California Code of Regulations 15378 (State CEQA Guidelines) and therefore CEQA is not applicable.

BACKGROUND AND DISCUSSION

None.

SUPPORTING DOCUMENTS

A . Reimbursement Resolution

Napa Sanitation District: Approve

Reviewed By: Jeff Tucker