



Agenda Date: 8/3/2016
Agenda Placement: 7E

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: Pledge Revenue and Funds to Repay the CWSRF Loan for Browns Valley Road Sewer Interceptor and West Napa Pump Station Improvements Project

RECOMMENDATION

Approve the attached resolution pledging sewer service revenues to repay the Clean Water State Revolving Fund (CWSRF) loan for the Browns Valley Road Sewer Interceptor and West Napa Pump Station Improvements project.

EXECUTIVE SUMMARY

As part of the Proposition 218 process in Spring 2016, the District included in its long-term financing plans the resources necessary to fund the Browns Valley Road Sewer Interceptor and West Napa Pump Station Improvements project. The increase in sewer service charges is intended to pay debt service payments on a Clean Water State Revolving Fund (SRF) loan with the State Water Resources Control Board.

The District is currently submitting materials requested by the State as part of the SRF loan application process. Included in these requirements is a resolution by the District pledging revenues sufficient to make debt service requirements over the next 20 years. The attached resolution pledges sewer service charges for this purpose.

FISCAL IMPACT

Is there a Fiscal Impact?	Yes
Is it currently budgeted?	Yes
Where is it budgeted?	The budget for the project is included in the 10-Year Capital Plan. The 10-Year Financial Plan includes increases in sewer service charges necessary to

meet future debt service payments on this loan.

Is it Mandatory or Discretionary? Discretionary

Discretionary Justification: This item is a priority item in the Board's Strategic Plan.

Is the general fund affected? Yes

Future fiscal impact: The pledge of revenues will commit sewer service charges over the 20 years of SRF debt service payments.

Consequences if not approved: Without the pledge of revenues, the District would need to find alternative financing for the project.

Additional Information:

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 . Resolution

Napa Sanitation District: Approve

Reviewed By: Jeff Tucker