

**RESOLUTION NO. \_\_\_\_\_**

**A RESOLUTION OF THE BOARD OF DIRECTORS OF THE NAPA SANITATION DISTRICT PLEDGING REVENUES AND FUNDS TO REPAY THE CLEAN WATER STATE REVOLVING FUND LOAN FOR THE BROWNS VALLEY ROAD SEWER INTERCEPTOR AND PUMP STATION IMPROVEMENTS PROJECT**

**WHEREAS**, the Browns Valley Road Sewer Interceptor and Pump Station Improvements Project (the “Project”) is a critical and necessary component of the District’s sewer collection system plan; and

**WHEREAS**, the Project is an authorized project in the District’s Capital Improvement Plan and is included in the FY 2016/17 Capital Budget and Ten-Year Capital Improvement Plan; and

**WHEREAS**, the Napa Sanitation District has applied for a loan from the Clean Water State Revolving Fund (SRF) program to finance the Project; and

**WHEREAS**, the Napa Sanitation District has passed a sewer rate ordinance pursuant to the requirements under Article XIII Section D of the California Constitution (Proposition 218) providing sufficient revenue for the District to make debt service payments; and

**WHEREAS**, the State Water Resources Control Board requires the Napa Sanitation District to pledge its revenues to repay the SRF loan.

**NOW, THEREFORE, LET IT BE RESOLVED** that the Board of Directors, as the governing body of the Napa Sanitation District (the “Entity”), dedicates and pledges sewer service charges in the Napa Sanitation District Operating Fund to payment of any and all Clean Water State Revolving Fund financing for the Browns Valley Road Sewer Interceptor and West Napa Pump Station Improvements Project (CWSRF Project # 8244). The Entity commits to collecting such revenues and maintaining such fund(s) throughout the term of such financing and until the Entity has satisfied its repayment obligation thereunder unless modification or change is approved in writing by the State Water Resources Control Board. So long as the financing agreement(s) are outstanding, the Entity’s pledge hereunder shall constitute a lien in favor of the State Water Resources Control Board on the foregoing fund(s) and revenue(s) without any further action necessary. So long as the financing agreement(s) are outstanding, the Entity commits to maintaining the fund(s) and revenue(s) at levels sufficient to meet its obligations under the financing agreement(s).

PASSED AND ADOPTED at the Regular meeting of the Board of Directors of the Napa Sanitation District at Napa, California, this 3rd day of August, 2016 by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

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Chair of the Board

ATTEST:

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Clerk of the Board

#### CERTIFICATION

I do hereby certify that the foregoing is a full, true, and correct copy of the resolution duly and regularly adopted at a meeting of the Napa Sanitation District held on August 3, 2016.

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Cheryl Schuh  
Clerk of the Board