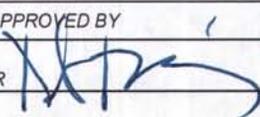


AGENDA ITEM NO.	1	D
COUNCIL MEETING	4/23/2009	
APPROVED BY		
DEPARTMENT DIRECTOR		
CITY MANAGER		

April 23, 2009

FROM: RENE A. RAMIREZ, Director 
Public Utilities Department

BY: ROBERT N. ANDERSEN P.E, Assistant Director 
Department of Public Utilities

SUBJECT: ADOPT TWO RESOLUTIONS AUTHORIZING THE SIGNATURE OF FINANCIAL ASSISTANCE APPLICATIONS AND RELATED DOCUMENTS FOR FINANCING AGREEMENT FROM THE STATE WATER RESOURCES CONTROL BOARD IN THE AMOUNT OF \$897,167.00 FOR THE CONSTRUCTION OF THE HERNDON TOWN SEWER PROJECT AND FOR \$400,000.00 FOR THE CORTLAND/FOUNTAIN WAY SEWER PROJECT, AUTHORIZING PUBLIC UTILITIES DIRECTOR OR HIS DESIGNEE TO EXECUTE ALL NECESSARY DOCUMENTS

KEY RESULT AREA

Public Safety

RECOMMENDATIONS

Staff recommends that the City Council:

1. Adopt two Resolutions authorizing the signature of a financial assistance application from the State Water Resources Control Board for the Herndon Town Sewer System and one for the Cortland/Fountain Way Sewer project.
2. Authorize the Public Utilities Director or his designee to execute all necessary documents on behalf of the City of Fresno.

EXECUTIVE SUMMARY

The State Water Control Board (SWRCB) is a department of California Environmental Protection Agency, whose mission is to protect and enhance the quality of our state's waters for present and future generations. The SWRCB received approximately \$280 million from the American Recovery and Reinvestment Act of 2009, to provide funding for projects throughout the State of California under the Clean Water State Revolving Fund (CWSFR). A portion of the funding received by CWSFR will be given to disadvantaged communities in form of grants and both Herndon Town and Cortland/Fountain Way neighborhoods qualify as disadvantaged communities.

Staff submitted two pre-applications to the SWRCB expressing an interest in applying for available funds to construct two sewer systems: one for the Herndon Town neighborhood and one for the Cortland/Fountain Way

neighborhood. We have been asked to submit a full application to be considered for funding.

KEY OBJECTIVE BALANCE

Affirmative Council action on this matter optimizes the three key objectives of customer satisfaction, employee satisfaction, and financial management. Customer satisfaction is achieved by providing safe and reliable sewer services to these two neighborhoods. Employee satisfaction is derived from the fact that the professional and technical staff who took part in the preparation of the applications has done so in a thorough and professional manner, thereby enhancing the sense of accomplishment by securing grant funding. Prudent financial management is exemplified in procurement of grant funding, allowing re-directed utilization of existing revenues in minimizing cost impacts on other essential projects.

BACKGROUND

There is no sewer collection system in Herndon Town. The aged septic tanks exhibit substantial deterioration and poses environmental health and safety concerns. Area residents are restricted in their use of daily restroom or bathing functions in fear of septic system backflow, drinking water contamination and/or potential compromise of future area development.

This project will provide sewer infrastructure and it proposes to construct sewer mains, branches and connections to 80 housing units in Herndon Town neighborhood. It will minimize and/or reduce significant risk of elevated nitrate contamination in the Fresno area groundwater and ensure residents a reliable sewer system,

The Cortland/Fountain Way sewer system is needed to connect 44 homes in a neighborhood along Fountain Way, Cortland Avenue, Marty Avenue and Gentry Avenue. It is likely that this neighborhood had been a part of the County when developed and was not connected to the City's sewer collection system. These non-sewered neighborhoods increase the amount of nitrate pollution to the City's groundwater supply.

FISCAL IMPACT

Staff anticipates receiving full grants to cover 100% of the projects. No additional funding will be required.

Attachment(s):
- Resolutions

RESOLUTION NO. _____

A RESOLUTION OF THE COUNCIL OF THE CITY OF FRESNO, CALIFORNIA, AUTHORIZING THE APPLICATION AND SUBMISSION OF RELATED DOCUMENTS TO THE STATE WATER RESOURCES CONTROL BOARD FOR THE ACCEPTANCE OF FUNDING FROM THE DEPARTMENT OF THE STATE WATER RESOURCE CONTROL BOARD FOR IMPROVEMENTS TO THE HERNDON SEWER INFRASTRUCTURE

WHEREAS, the State Water Resources Control Board (SWRCB) received funding from the American Reinvestment and Recovery Act (ARRA) to provide financing for its Clean Water State Revolving Funds; and,

WHEREAS, the SWRCB solicited pre-applications or projects that were shovel ready and would provide jobs to stimulate the economy; and,

WHEREAS, the Clean Water State Revolving Funds program is traditionally operated as a financing tool to loan moneys to agencies that would require repayment; and,

WHEREAS, the ARRA is providing fifty percent of the money given to the Clean Water State Revolving Funds to be used as grants to agencies that does not require repayment; and,

WHEREAS, the City of Fresno desires to apply for a grant through the Clean Water State Revolving Funds to reconstruct the Herndon Town Sewer system for a cost of \$897,167.00; and,

WHEREAS, the City of Fresno intends to finance the construction of the Herndon Town Sewer system or portions thereof with moneys provided by American Reinvestment and Recovery Act (ARRA) acting by and through the State Water Resources Control Board (SWRCB).

NOW, THEREFORE, BE IT RESOLVED, by the Council of the City of Fresno as follows:

1. The Council authorizes and directs the Public Utilities Director and his or her designee, as the agent for the City of Fresno to sign and file for and on behalf of the City of Fresno, a Financial Assistance Application for the purpose of receiving grant funds (that would not need to be repaid) from the State Water Resources Control Board for the design and construction of the Herndon Town Sewer System.

2. The Council further authorizes the Public Utilities Director, and his or her designee, as the agent for the City of Fresno to certify that the City has and will comply with all applicable state and federal statutory and regulatory requirements related to the submission of a financial assistance agreement and any grants received from the State Water Resources Control Board.

3. Authorizes the Public Utilities Director or his designee to negotiate and execute financial assistance agreement from the State Water Resources Control Board and any amendments or change orders thereto for the purpose of receiving grant funds that do not require repayment.

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CLERK'S CERTIFICATION

STATE OF CALIFORNIA)
COUNTY OF FRESNO) ss.
CITY OF FRESNO)

I, REBECCA E. KLISCH, City Clerk of the City of Fresno, certify that the foregoing Resolution was adopted by the Council of the City of Fresno, California, at a regular meeting thereof, held on the ___th day of April ____, 2009.

AYES :
NOES :
ABSENT :
ABSTAIN :

Mayor Approval: _____, 2009

Mayor Approval/No Return: _____, 2009

Mayor Veto: _____, 2009

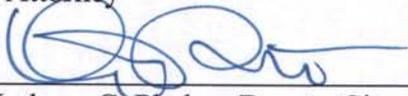
Council Override Vote: _____, 2009

REBECCA E. KLISCH
City Clerk

By: _____
Deputy

APPROVED AS TO FORM:

JAMES C. SANCHEZ
City Attorney

By: 
Kathryn C. Phelan, Deputy City Attorney

Date: 4/13, 2009

KCP:bf [48893KCP_bfRESO SWRCB \$897,167.00] 04/10/09

RESOLUTION NO. _____

A RESOLUTION OF THE COUNCIL OF THE CITY OF FRESNO, CALIFORNIA, AUTHORIZING THE APPLICATION AND SUBMISSION OF RELATED DOCUMENTS TO THE STATE WATER RESOURCES CONTROL BOARD FOR THE ACCEPTANCE OF FUNDING FROM THE DEPARTMENT OF THE STATE WATER RESOURCE CONTROL BOARD FOR IMPROVEMENTS TO THE CORTLAND/FOUNTAIN WAY SEWER SYSTEM

WHEREAS, the State Water Resources Control Board (SWRCB) received funding from the American Reinvestment and Recovery Act (ARRA) to provide financing for its Clean Water State Revolving Funds; and,

WHEREAS, the SWRCB solicited pre-applications or projects that were shovel ready and would provide jobs to stimulate the economy; and,

WHEREAS, the Clean Water State Revolving Funds program is traditionally operated as a financing tool to loan moneys to agencies that would require repayment; and,

WHEREAS, the ARRA is providing fifty percent of the money given to the Clean Water State Revolving Funds to be used as grants to agencies that does not require repayment; and,

WHEREAS, the City of Fresno desires to apply for a grant through the Clean Water State Revolving Funds to construct the Courtland/Fountain Way Sewer system for a cost of \$400,000.00; and,

WHEREAS, the City of Fresno intends to finance the construction of the Courtland/Fountain Way Sewer system or portions thereof with moneys provided by American Reinvestment and Recovery Act (ARRA) acting by and through the State Water Resources Control Board (SWRCB).

NOW, THEREFORE, BE IT RESOLVED, by the Council of the City of Fresno as follows:

1. The Council authorizes and directs the Public Utilities Director and his or her designee, as the agent for the City of Fresno to sign and file for and on behalf of the City of Fresno, a Financial Assistance Application for the purpose of receiving grant funds (that would not need to be repaid) from the State Water Resources Control Board for the design and construction of the Cortland/Fountain Way Sewer System.

2. The Council further authorizes the Public Utilities Director, and his or her designee, as the agent for the City of Fresno to certify that the City has and will comply with all applicable state and federal statutory and regulatory requirements related to the submission of a financial assistance agreement and any grants received from the State Water Resources Control Board.

3. Authorizes the Public Utilities Director or his designee to negotiate and execute financial assistance agreement from the State Water Resources Control Board and any amendments or change orders thereto for the purpose of receiving grant funds that do not require repayment.

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CLERK'S CERTIFICATION

STATE OF CALIFORNIA)
COUNTY OF FRESNO) ss.
CITY OF FRESNO)

I, REBECCA E. KLISCH, City Clerk of the City of Fresno, certify that the foregoing Resolution was adopted by the Council of the City of Fresno, California, at a regular meeting thereof, held on the ___th day of April ____, 2009.

AYES :
NOES :
ABSENT :
ABSTAIN :

Mayor Approval: _____, 2009

Mayor Approval/No Return: _____, 2009

Mayor Veto: _____, 2009

Council Override Vote: _____, 2009

REBECCA E. KLISCH
City Clerk

By: _____
Deputy

APPROVED AS TO FORM:

JAMES C. SANCHEZ
City Attorney

By: 
Kathryn C. Phelan, Deputy City Attorney

Date: 4/13, 2009

KCP:bfs [48894KCP_bfsRESO SWRCB \$400,000.00] 04/10/09