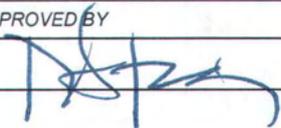


AGENDA ITEM NO.	1 I
COUNCIL MEETING	6/4/2009
APPROVED BY	
DEPARTMENT DIRECTOR	
CITY MANAGER	

June 4, 2009

FROM: RENE A. RAMIREZ, Director 
Department of Public Utilities

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

SUBJECT: ADOPT TWO REVISED 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 THE DIRECTOR OF PUBLIC UTILITIES OR HIS DESIGNEE TO EXECUTE ALL NECESSARY DOCUMENTS

KEY RESULT AREA

Public Safety

RECOMMENDATIONS

Staff recommends that the City Council:

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

EXECUTIVE SUMMARY

Staff is requesting that Council adopt these revised resolutions with the language proposed by the SWRCB in order to reaffirm the previous action taken by the Council. On April 23, 2009, the Fresno City Council unanimously adopted two similar resolutions on the Consent Calendar authorizing the Director of Public Utilities to apply for financial assistance for the Herndon Town and Cortland/Fountain Way sewer projects. The revised resolutions are required by the State Water Resources Control Board to clarify the application as a "request for financial assistance" rather than the previous designation as a "request for grant assistance." This additional action by Council today is a requirement for this process and if adopted will not cause any delays in our original request 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 remains hopeful that we will receive full grants to cover 100% of the projects. However, if the City does not receive this funding, we may return to Council with alternative funding options.

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 City of Fresno desires to finance the costs of reconstructing the Cortland/Fountain Way Sewer System for a cost of \$400,000.00; and,

WHEREAS, the City of Fresno intends to finance the construction of the Cortland/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 a financing agreement 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 any financing or financial assistance received from the State Water Resources Control Board.

3. Authorizes Public Utilities Director or his or her designee to negotiate and execute 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 the City of Fresno.

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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
KCP: bfs [48893KCP_bfsRESO SWRCB \$897,167.00] 04/10/09

Date: May 8, 2009

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 City of Fresno desires to finance the costs of reconstructing 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 a financing agreement 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 any financing or financial assistance received from the State Water Resources Control Board.

3. Authorizes Public Utilities Director or his or her designee to negotiate and execute 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 the City of Fresno.

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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: _____, 2009

KCP:bf5 [48893KCP_bf5RESO SWRCB \$897,167.00] 04/10/09