

# HEBER PUBLIC UTILITY DISTRICT

## REPORT TO BOARD OF DIRECTORS

**MEETING DATE:** March 19, 2015

**FROM:** Laura Fischer, General Manager

**SUBJECT:** Adopt Resolution 2015-3 Approving and Authorizing the General Manager to Sign and File For on Behalf of the Heber Public Utility District the Necessary Documents for Financing Agreement(s) from the State Water Resources Control Board.

**ISSUE:**

Shall the Board of Directors adopt Resolution 2015-3 authorizing the General Manager to sign on behalf of the District all document related to the financing agreement with the State Water Resources Control Board?

**GENERAL MANAGER'S RECOMMENDATION:**

It is recommended that the Board of Directors adopt Resolution 2015-3 authorizing the General Manager to sign on behalf of the District all document related to the financing agreement with the State Water Resources Control Board.

**FISCAL IMPACT:**

Upon completion of the documentation and signing the needed financing documents the Heber Public Utility District may receive a \$3,000,000 grant and a \$2,700,000 loan. These numbers are estimates as the actual construction costs are not determined and the finance agreement has not be received by HPUD, however this the amount we applied for in 2013.

**BACKGROUND:**

Staff submitted the grant and loan application to the State Water Board and the application was deemed complete in July 2013. The State Water Board and the Water Resource Control Board merged and as a result our application was placed on hold and forgotten for over one year.

The application is now moving forward, but since we applied several new laws and funding requirements have been implemented. We now have a Project Manager assigned by the State Water Board, and he has informed us that we have to adopt these three Resolutions. Additionally, he has informed us that we must complete a project timeline, tax questionnaire, and provide new financial statements and budgets.

As soon as we have these documents completed we will submit them to the State Water Board and hope that this will move the finance agreement through to completion.

The Heber Public Utility District Engineer is busy working to get the construction documents updated and complete so that we can go out to bid as soon as the money is made available.

Senator Hueso's office has been following this project closely and they have contacted Mr. Robert Eagle with the State Water Board and have asked that he assist in moving the application through. We greatly appreciate all of Senator Hueso's assistance. The Senator's staff has suggested that once the application has been funded, the District host a reception at which time the Senator and representatives from the State Water Board can present HPUD Board Members with a "Check" for the project.

This event has been tentatively scheduled for either March 30<sup>th</sup> or April 1<sup>st</sup>. We only await the great news from the State Water Board that the application is complete and that they have authorized the funding.

**DISCUSSION:**

The adoption of Resolution 2015-3 is very similar to Resolution 2015-1, but I was instructed to have the Board adopt both of them. This Resolution authorized the General Manager to sign all documents related to the financing application made to the State Water Resources Control Board. The main difference between the two Resolutions is the name of the funding agency. I have asked for clarification on which Resolution the Board needs to adopt, but I haven't heard back yet and therefore I have placed both of these on the agenda for your consideration.

**CONCLUSION:**

This Resolution is a requirement from the State Water Board in order to secure the Financing for the Water Treatment Plant Improvement Project.

**ALTERNATIVES:**

- 1) Do not adopt Resolution 2015-3, which may cause further delays with the project.
- 2) Do not adopt Resolution 2015-3, but direct staff to make some changes to the language.
- 3) Provide alternate direction to staff regarding the Resolution 2015-3 and the water treatment plant improvement project.

Respectfully Submitted,

Laura Fischer,  
General Manager

Attachments: Resolution 2015-3

## RESOLUTION NO. 2015-3

### A RESOLUTION OF THE HEBER PUBLIC UTILITY DISTRICT BOARD OF DIRECTORS APPROVING AND AUTHORIZING THE GENERAL MANAGER TO SIGN AND FILE FOR AND ON BEHALF OF THE HEBER PUBLIC UTILITY DISTRICT THE NECESSARY DOCUMENTS FOR FINANCING AGREEMENTS(S) FROM THE STATE WATER RESOURCES CONTROL BOARD

**WHEREAS** the Heber Public Utility District ("Entity") desires to finance some of the costs of construction improvements relating to its Water Treatment Plant Improvement Project; and

**WHEREAS** the Heber Public utility District ("Entity") intends to finance the construction of the Project with moneys provided by the State of California, acting by and through the State Water Resources Control Board (State Water Board).

**NOW, THEREFORE, THE HEBER PUBLIC UTILITY DISTRICT DOES HEREBY RESOLVE, ORDER AND DETERMINE AS FOLLOWS:**

1. The General Manager or designee is hereby authorized and directed to sign and file, for and on behalf of the Entity, a Financial Assistance Application for a financing agreement from the State Water Resources Control Board for the planning, design, and construction of Water Plant Improvement Project (the "Project").
2. This Authorized Representative, or his/her designee, is designated to provide the assurances, certifications, and commitments required for the financial assistance application, including executing a financial assistance agreement from the State Water Resources Control Board and any amendments or changes thereto.
3. The Authorized Representative, or his/her designee, is designated to represent the Entity in carrying out the Entity's responsibilities under the financing agreement, including certifying disbursement requests on behalf of the Entity and compliance with applicable state and federal laws.

AYES:

NOES:

ABSENT:

## CERTIFICATION

**PASSED AND ADOPTED** at a regular meeting of the Board of Directors of the Heber Public Utility District held on the 19<sup>th</sup> day of March, 2015.

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Eduardo Valdez-Belmonte, Board President

**APPROVED AS TO FORM:**

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Steven M. Walker, General Counsel

**ATTEST:**

I, Raquel R. Carrillo, Secretary to the Board of the Heber Public Utility District, County of Imperial, State of California, DO HEREBY CERTIFY that the foregoing resolution was dully passed, approved and adopted by the Board of Directors of the Heber Public Utility District at its regularly scheduled meeting held on the 19<sup>th</sup> of March 2015.

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Raquel Carrillo, Secretary of the Heber Public Utility District Board