

RESOLUTION NO. _____

A RESOLUTION OF THE COUNCIL OF THE CITY OF SANTA BARBARA PLEDGING THE WASTEWATER FUND NET SYSTEM REVENUE AND WASTEWATER FUND TO PAYMENT OF THE CLEAN WATER STATE REVOLVING FUND FINANCING FOR THE AIR PROCESS IMPROVEMENT PROJECT, NO. 7857-110, AND RESCINDING RESOLUTION NO. 13-083.

WHEREAS, an outside funding source has been identified by staff as an essential instrument to fund the El Estero Wastewater Treatment Plant Air Process Improvements Project;

WHEREAS, the City Administrator was authorized by the City Council on March 5, 2013, to apply for State Revolving Funds to pay for a substantial portion of the costs of such the Project;

WHEREAS, the State Water Resources Control Board has notified the City Administrator that the loan application requires the City Council action dedicating a funding source for repayment of the CWSRF financing;

WHEREAS, City staff has been notified by the State that Resolution 13-083 adopted on September 24, 2013 to pledge the Wastewater Fund Net System Revenue to payment of the Clean Water State Revolving Fund must be amended to incorporate a pledge on the Wastewater fund and to commit to collection of fees necessary to repay the financing; and

WHEREAS, staff recommends the adoption of a new Resolution by the City Council to dedicate and pledge the Wastewater Fund Net System Revenue and the Wastewater Fund to payment of the CWSRF financing for Project No. 7857-110.

NOW, THEREFORE, BE IT RESOLVED BY THE COUNCIL OF THE CITY OF SANTA BARBARA AS FOLLOWS:

SECTION 1. The City of Santa Barbara hereby dedicates and pledges the Wastewater Fund and the Wastewater Fund Net System Revenue to payment of the Clean Water State Revolving Fund financing for the El Estero Wastewater Treatment Plant Air Process Improvements Project CWSRF No. 7857-110.

SECTION 2. Subject to the limitations provided in Article XVI of the California Constitution and as provided in the City Charter, the City of Santa Barbara commits to collect such revenue and maintain such funds throughout the term of such financing and until the City of Santa Barbara has satisfied its repayment obligation thereunder unless modification or change is approved in writing by the State Water Resources Control Board.

SECTION 3. So long as the financing is outstanding, the City of Santa Barbara's pledge hereunder shall constitute a lien in favor of the State Water Resources Control Board on the Wastewater Fund and Wastewater Fund Net System Revenue without any further action necessary.

SECTION 4. So long as the financing is outstanding, the City of Santa Barbara commits to maintaining the Wastewater Fund and Wastewater Fund Net System Revenue at levels sufficient to meet its obligations under the financing.

SECTION 5. The City of Santa Barbara hereby rescinds Resolution No. 13-083.