

**RESOLUTION NO. 8-17**

**A RESOLUTION OF THE BOARD OF DIRECTORS OF THE GROVELAND COMMUNITY SERVICES DISTRICT AUTHORIZING THE GENERAL MANAGER TO SIGN FINANCING AGREEMENT, AMENDMENT, AND CERTIFICATIONS FOR FUNDING UNDER THE DRINKING WATER STATE REVOLVING FUND (DWSRF); AUTHORIZING GENERAL MANAGER TO APPROVE CLAIMS FOR REIMBURSEMENT; AUTHORIZING GENERAL MANAGER TO EXECUTE BUDGET AND EXPENDITURE SUMMARY; AUTHORIZING GENERAL MANAGER TO SIGN THE FINAL RELEASE FORM AND GENERAL MANAGER TO SIGN THE CERTIFICATION OF PROJECT COMPLETION; AND PLEDGING AND DEDICATING NET WATER REVENUES TOWARDS PAYMENT OF DWSRF FINANCING**

**WHEREAS**, the Groveland Community Services District (GCSD) obtains most of its water supply from the Mountain Tunnel which is part of the Hetch Hetchy Aqueduct system; and

**WHEREAS**, GCSD pumps water from two vertical shafts tapped into Mountain Tunnel designated as the Big Creek Station and the Second Garrotte Station; and

**WHEREAS**, each pumping station lifts water from the Mountain Tunnel into a 2.0 million gallon clearwell; and

**WHEREAS**, each clearwell provides chlorination of the water supply before it is delivered to customers; and

**WHEREAS**, an April 2016 inspection of the interior of each clearwell showed signs of widespread corrosion and that some of the steel members needed to be replaced; and

**WHEREAS**, in order to maintain the structural integrity of the clearwells and to provide adequate disinfection in the long-term, the clearwells must be rehabilitated; and

**WHEREAS**, rehabilitation work would include removing the existing epoxy coating and applying a new coating to the steel tank surfaces; and

**WHEREAS**, a condition assessment of the interior of each clearwell will determine the number of structural members that need to be replaced.

**NOW, THEREFORE, BE IT RESOLVED** that the Board of Directors of the GCSD hereby resolves as follows:

1. The General Manager is hereby authorized and directed to sign and file, for and on behalf of the GCSD a financial assistance application for a financing agreement from the State Water Resources Control Board for the Project;
2. The General Manager or designee is hereby authorized to sign the DWSRF program financing agreement for the Project and any amendments thereto, and provide the assurances, certifications and commitments required therefor;
3. The General Manager or designee is hereby authorized to represent the GCSD is carrying out the GCSD's responsibilities under the financing agreement, including approving and submitting disbursement requests (including Claims for Reimbursement) or other required documentation, compliance with applicable state and federal laws, and making any other necessary certifications;

4. The GCSD does hereby dedicate and pledge its net water revenues and its water enterprise fund to payment of the DWSRF financing for the Project. The GCSD commits to collecting such revenues and maintaining such fund(s) throughout the term of such financing and until the GCSD 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 GCSD 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 GCSD commits to maintaining the fund(s) and revenue(s) at levels sufficient to meet its obligations under the financing agreement(s). If for any reason, the said source of revenues proves insufficient to satisfy the debt service of the DWSRF obligation, sufficient funds shall be raised through increased water rates, user charges, or assessments or any other legal means available to meet the DWSRF obligation and to operate and maintain the project; and
5. The authority granted hereunder shall be deemed retroactive. All acts authorized hereunder and performed prior to the date of this Resolution are hereby ratified and affirmed. The State Water Resources Control Board is authorized to rely upon this Resolution until written notice to the contrary, executed by each of the undersigned, is received by the State Water Resources Control Board. The State Water Resources Control Board shall be entitled to act in reliance upon the matters contained herein, notwithstanding anything to the contrary contained in the formation documents of the GCSD or in any other document.

Passed and adopted this 12<sup>th</sup> day of June, 2017, by the following vote:

AYES: Directors Grieser, Wemmer, Stauffacher, & Swan

NOES:

ABSENT: Director Armstrong

  
Robert Swan, Board President of the GCSD

ATTEST:

I, hereby certify that the foregoing resolution was regularly introduced, passed and adopted at a Regular Meeting of the Board of Directors of the GCSD this 12<sup>th</sup> day of June, 2017.

  
Jennifer L. Flores, Board Secretary of the GCSD