

RESOLUTION NO.

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF
ARROYO GRANDE AUTHORIZING THE APPLICATION
FOR FINANCIAL ASSISTANCE FROM THE STATE
WATER RESOURCES CONTROL BOARD FOR CLEAN
WATER STATE REVOLVING FUND ASSISTANCE FOR
THE CENTRAL COAST BLUE PROJECT AND
DESIGNATING THE CITY'S AUTHORIZED
REPRESENTATIVE**

WHEREAS, the City of Arroyo Grande ("City") intends to participate in the Central Coast Blue Project ("Project"), a regional recycled water project that, during Phase 1, will produce new developed water for the participating cities of Arroyo Grande, Grover Beach, and Pismo Beach; and

WHEREAS, the Arroyo Grande City Council approved a Cost Sharing Memorandum of Agreement Framework on August 11, 2020, and adopted findings as a responsible agency under the California Environmental Quality Act in support of the Project on March 23, 2021; and

WHEREAS, Phase 1 the Project will be constructed by the City of Pismo Beach as lead agency, and it is anticipated that Arroyo Grande will fund 25% of the Project costs incurred by the City of Pismo Beach in exchange for 25% of the water produced by the Project; and

WHEREAS, it is anticipated that the Arroyo Grande City Council will consider approval of a Cost Sharing Agreement with the Cities of Pismo Beach and Grover Beach that will require formation of a Joint Powers Authority, with the Cities of Arroyo Grande, Grover Beach, and Pismo Beach as its members, that will own and operate the facilities following completion of construction by Pismo Beach; and

WHEREAS, the State Water Resources Control Board ("State Water Board") administers California's Clean Water State Revolving Fund ("CWSRF"), which provides low-cost financial assistance to public agencies and Native American tribal governments for the construction of clean water projects in California, and it is the intent of the Project participants to seek funding from the CWSRF for construction of Phase 1 of the Project; and

WHEREAS, in order to increase the potential for Phase 1 of the Project to receive sufficient financial assistance from the CWSRF by the anticipated construction start date in 2023, General Applications for financial assistance were required to be submitted to the State Water Board by December 31, 2021; and

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WHEREAS, on December 30, 2021, the City Manager submitted a General Application to the State Water Board on behalf of the City seeking financial assistance from the CWSRF for the City's anticipated share of construction costs for Phase 1 of the Project, with the qualification that authorization had not yet been provided by the Arroyo Grande City Council and that the application would be withdrawn if such authorization is not provided; and

WHEREAS, the City Council intends to authorize the application for financial assistance from the CWSRF for its share of construction costs for Phase 1 of the Project to enable the City to continue working toward securing the lowest-cost financing available for the Project.

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

1. The recitals stated above are true, correct, and incorporated herein by this reference.
2. The Arroyo Grande City Manager (the "Authorized Representative") or her designee is hereby authorized and directed to sign and file, for and on behalf of the City of Arroyo Grande ("City"), a Financial Assistance Application for a financing agreement from the State Water Resources Control Board for the planning, design, and construction of the Central Coast Blue Project, Phase 1 (the "Project").
3. This Authorized Representative, or 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.
4. The Authorized Representative, or her designee, is designated to represent the City in carrying out the City's responsibilities under the financing agreement, including certifying disbursement requests on behalf of the City and compliance with applicable State and federal laws.

On motion of Council Member _____, seconded by Council Member _____, and on the following roll call vote, to wit:

AYES:

NOES:

ABSENT:

the foregoing Resolution was passed and adopted this 25th day of January, 2022.

CAREN RAY RUSSOM, MAYOR

ATTEST:

JESSICA MATSON, CITY CLERK

APPROVED AS TO CONTENT:

WHITNEY MCDONALD, CITY MANAGER

APPROVED AS TO FORM:

TIMOTHY J. CARMEL, CITY ATTORNEY