

**RESOLUTION NO. \_\_\_\_\_**

**BOARD OF SUPERVISORS, COUNTY OF SAN MATEO, STATE OF CALIFORNIA**

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**RESOLUTION AUTHORIZING THE PRESIDENT OF THE BOARD OF SUPERVISORS TO EXECUTE AN AGREEMENT BETWEEN THE CRYSTAL SPRINGS COUNTY SANITATION DISTRICT AND THE COUNTY THAT PROVIDES A \$8,720,050 LOAN TO THE CRYSTAL SPRINGS COUNTY SANITATION DISTRICT TO PAY ITS PROPORTIONATE SHARE OF COSTS ASSOCIATED WITH IMPROVEMENTS TO THE CRYSTAL SPRINGS/EL CERRITO TRUNK SEWER TRANSMISSION LINES**

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**RESOLVED**, by the Board of Supervisors of the County of San Mateo, State of California, that

**WHEREAS**, the Town of Hillsborough (Hillsborough), City of San Mateo (San Mateo), Crystal Springs County Sanitation District (District), and the County of San Mateo (County) entered into a sanitary sewage agreement dated July 18, 1989 (1989 Agreement), which sets forth the parties' respective rights and obligations with respect to the use of sewage conveyance and treatment facilities jointly used by Hillsborough, San Mateo, District, and County; and

**WHEREAS**, the 1989 Agreement specifies that expenses related to repairs and upgrades to jointly used facilities will be proportionally shared based on each party's contribution of flow to the jointly used sewage conveyance and treatment facilities; and

**WHEREAS**, the 1989 Agreement also specifies that Hillsborough and San Mateo own the portions of the Crystal Springs/El Cerrito Trunk Sewer located within their jurisdiction and are responsible for making any necessary repairs, reconstruction,

replacement, enlargement, or improvements to their sections of the sewer, subject to each party's obligation to make the proportional payments described above; and

**WHEREAS**, the California Regional Water Quality Control Board (San Francisco Bay Region) issued Cease and Desist Order R2-2009-0020 (CDO) on March 13, 2009 to Hillsborough, San Mateo and the District requiring that the parties undertake certain actions, studies, and projects to improve performance and capacity of sewer facilities, including the Crystal Springs/El Cerrito Trunk Sewer, which is subject to the 1989 Agreement; and

**WHEREAS**, this Board adopted Resolution Nos. 071055 and 072459 on September 28, 2010 and April 23, 2013, respectively, which approved execution of Amendment Nos. 1 and 2 relating to the allocation of the parties' shares of the environmental study and design costs related to the Crystal Springs/El Cerrito Trunk Sewer Improvements; and

**WHEREAS**, Hillsborough and San Mateo have estimated the total costs to construct the Trunk Sewer Improvements, including the environmental study and design, to be \$27,000,000, and based on this estimate and the prior amounts committed by the County and District by Amendment Nos. 1 and 2, the estimated financial commitment by the County and District for the construction costs are \$1,414,062 and \$8,720,049, respectively; and

**WHEREAS**, the District does not currently have sufficient funding to pay said

construction costs; and

**WHEREAS**, Sections 6500, *et. seq.* of the Government Code authorize the County and the District to jointly exercise powers common to them and to contract for a loan to provide the District funding to pay said construction costs, with the loan money to be repaid as provided in said agreement; and

**WHEREAS**, Section 4764 of the Health and Safety Code of the State of California provides that county sanitation districts may borrow money to guarantee the performance of its contractual obligations; and

**WHEREAS**, the Director of Public Works has recommended that the District obtain a loan from the General Fund in the amount of \$8,720,050 to finance the District's obligation pursuant to said 1989 Agreement and the subsequent Amendments, with said loan being repaid over a twenty (20) year period with interest from the revenue of the District; and

**WHEREAS**, there has been presented to this Board a form of agreement providing for said loan and the repayment thereof; and

**WHEREAS**, this Board has reviewed and considered said agreement and the recommendation of the Director of Public' Works and concurs in the Director's recommendation.

**NOW THEREFORE, IT IS HEREBY DETERMINED AND ORDERED** that the President of the Board The President of this Board of Supervisors be, and is hereby,

authorized and directed to execute said Agreement for and on behalf of both the District and the County and signature of the Clerk of this Board shall attest thereto.

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