

RESOLUTION NO. _____

**BOARD OF SUPERVISORS, COUNTY OF SAN MATEO, STATE OF CALIFORNIA
ACTING AS THE GOVERNING BOARD OF THE BURLINGAME HILLS SEWER
MAINTENANCE DISTRICT**

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RESOLUTION:

- A) AUTHORIZING THE PRESIDENT OF THE BOARD OR HIS/HER DESIGNEE TO NEGOTIATE AND EXECUTE A FINANCIAL ASSISTANCE AGREEMENT FROM THE STATE WATER RESOURCES CONTROL BOARD AND ANY AMENDMENTS OR CHANGES THERETO, AND CERTIFY DISBURSEMENT REQUESTS AND COMPLIANCE WITH APPLICABLE STATE AND FEDERAL LAWS; AND**
B) DEDICATING THE NET REVENUES COLLECTED THROUGH THE SEWER SERVICE CHARGES AND THE BURLINGAME HILLS SEWER FUND FOR PAYMENT OF THE FUNDS ACCESSED THROUGH THE CLEAN WATER STATE REVOLVING FUND

RESOLVED, by the Board of Supervisors of the County of San Mateo (County), State of California, acting as the Governing Board of the Burlingame Hills Sewer Maintenance District (BHSMD), that

WHEREAS, this Board did, on May 19, 2009, adopt Resolution No. 070109, which authorized the Director of Public Works to submit one Financial Assistance Application to the State Water Resources Control Board (SWRCB) for Clean Water State Revolving Fund (CWSRF) for collection system improvement projects in nine County Sewer Maintenance/Sanitation Districts, including the Burlingame Hills Sewer Maintenance District; and

WHEREAS, this Board did, on September 11, 2012, adopt Resolution No. 072154A, which dedicated net revenues to payment of any and all Clean Water State Revolving Fund financing for Project No. 7810-110; and

WHEREAS, current SWRCB policy requires that certain limited but material changes be included in the resolution dedicating and pledging funds or revenues to payment of any and all Clean Water State Revolving Fund financing, including language that indicates this dedication and pledge constitutes a lien in favor of the SWRCB without further action; and

WHEREAS, the CWSRF financing for the BHSMD is expected to be in the amount of \$2,300,000 at a low interest rate for thirty (30) years, which will be paid in annual installments, commencing upon completion of the BHSMD's Collection System Improvement Project (Project); and

WHEREAS, this Board adopted Ordinance No. 04710 on July 15, 2014, setting the FY 2014-15 sewer service rate for the BHSMD; and

WHEREAS, the annual sewer service rate set by the above ordinance included funds to implement the Project within the BHSMD to increase the size of sewer mains where capacity is insufficient or replace sewer mains in poor condition; and

WHEREAS, it is prudent and cost effective to obtain CWSRF financing to pay for the identified Project within the BHSMD; and

WHEREAS, current and future sewer service rates are sufficient to support repayment of a thirty year (30-year) CWSRF loan and the BHSMD's budget will be financially responsible for the construction cost of the Project within the BHSMD; and

WHEREAS, the net revenues of the BHSMD collected in accordance with the sewer service rates and the Burlingame Hills Sewer Fund are to be dedicated for payments required in connection with the CWSRF financing in accordance with the financial assistance agreement to be executed for the BHSMD Project, which has been assigned the Project No. 7810-110 by the SWRCB.

NOW THEREFORE, IT IS HEREBY DETERMINED AND ORDERED as follows:

1. On behalf of the BHSMD, this Board of Supervisors hereby agrees and further does authorize the County Director of Public Works or his/her designee to certify that the BHSMD has and will comply with all applicable state and federal statutory and regulatory requirements related to any financing or financial assistance received from the State Water Resources Control Board.
2. The President of the Board of Supervisors or his/her designee of the County of San Mateo is hereby authorized to negotiate and execute a financial assistance agreement from the State Water Resources Control Board and any amendments or changes thereto and certify disbursement requests on behalf of the BHSMD.
3. The BHSMD hereby dedicates and pledges net revenues and the Burlingame Hills Sewer Fund, which contains such revenues to payment of

any and all Clean Water State Revolving Fund and/or Water Recycling Funding Program financing for Project No. 7810-110 (the "Project"). The BHSMD commits to collecting such revenues and maintaining such fund throughout the term of such financing and until the BHSMD 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 is outstanding, the BHSMD's pledge hereunder shall constitute a lien in favor of the State Water Resources Control Board on the foregoing fund and revenues without any further action necessary. So long as the financing agreement is outstanding, the BHSMD commits to maintaining the fund and revenues at levels sufficient to meet its obligations under the financing agreement.

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