

North Davis Meadows CSA Water Consolidation Project – State Revolving Fund Financing Agreement

Yolo County Board of Supervisors
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Presented By:

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Project Update

- Since 2009, the North Davis Meadows CSA has been working toward a permanent solution to address water quality concerns in the community's public water system (nitrate, hexavalent chromium, aluminum, and iron in excess of maximum contaminant levels (MCLs)).
- Solution: Consolidation Project connecting the CSA with the City of Davis's water system.
- Project has completed environmental review, lawsuit challenging charges to pay for the Project was resolved in the County's favor, and the County is getting ready to advertise for construction bids once the Project financing is completed.



Project Financing – Grant & SRF Loan

Anticipated Project Cost: \$8,135,600

- The Project will be financed using favorable financing through the Drinking Water State Revolving Fund (SRF) program administered by the State Water Resources Control Board (SWRCB).
 - Grant: \$7.6 million (\$80,000 per parcel x 95 parcels)
 - SRF Loan (Installment Sale Agreement): \$535,6000
 - Interest Rate: 2.1% (fixed); 30-year term
 - Security and Source of Repayment: Debt will be secured solely by a pledge of net revenues generated by the CSA water charges and will be payable only from CSA water charges and no other County funds.



Good Faith Estimate

	Loan w/out Grant Funding	Loan w/ Grant Funding
SRF Loan Principal:	\$8,135,600	\$535,600
Grant Proceeds Received:	\$0	\$7,600,000
True Interest Cost:	2.099999%	2.099993%
Total Payment Amount calculated to the final term of the Installment Sale Agreement:	\$11,050,769.20	\$727,516.96



Recommended Action

1. Adopt the attached Resolution authorizing the execution and delivery of an Installment Sale Agreement, for up to \$8,135,600 in Drinking Water State Revolving Funds between the County and the SWRCB, and the execution of all implementing documents, for financial assistance in connection with the North Davis Meadows Water Consolidation Project (Attachments A and B); and
2. Adopt the Resolution, amending Resolution No. 22-146, to authorize the County Administrator, the Director of Community Services, and other designated officers to sign the financing agreement, amendments and funding certifications for the North Davis Meadows Water Consolidation Project (Attachment C).

