

ORDINANCE NUMBER O- 19968 (NEW SERIES)

DATE OF FINAL PASSAGE JUL 13 2010

AN ORDINANCE OF THE CITY COUNCIL AUTHORIZING A STATE REVOLVING FUND LOAN FOR THE OTAY WATER TREATMENT PLANT UPGRADE AND EXPANSION, PHASE I PROJECT.

WHEREAS, in January 2008, the Water Department submitted a Safe Drinking Water State Revolving Fund [SDWSRF] Loan application to the California Department of Public Health [CDPH] for the Otay Water Treatment Plant Upgrade & Expansion, Phase I, Project No. 3710020-059 [Project]; and

WHEREAS, on July 3, 2009, CDPH determined that the Project was eligible for a construction loan in the amount of \$11,000,000 and a SDWSRF Notice of Acceptance of Application was sent to the City of San Diego Public Utilities Department indicating that funds were being reserved for the Project; NOW, THEREFORE,

BE IT ORDAINED, by the Council of the City of San Diego, as follows:

Section 1. That the Mayor or his designee is hereby authorized and empowered to execute, for and on behalf of said City, a SDWSRF Loan, Funding Agreement, Amendments, Reimbursement Claims, and Final Release form for the Project.

Section 2. That the Mayor or his designee is hereby authorized to dedicate revenues from its Water Fund rates, charges and assessments and financing proceeds on parity with all other parity obligations of the Water Enterprise Fund in an amount sufficient to repay the SDWSRF loan for the Project. This dedication shall remain in full force and effect until such Funding

Agreement is fully discharged, unless modification or change of such dedication is approved by the State of California, Department of Public Health and that if for any reason, said sources of revenue prove insufficient to satisfy the debt service of the SDWSRF loan, sufficient funds shall be raised through increased water rates, user charges, or assessments or any legal means available to meet this loan obligation and to operate and maintain this Project.

Section 3. That the City Engineer, or other registered engineer designated by the Mayor is authorized to execute the Budget and Expenditure Summary, approve claims for reimbursement and Certificate of Project Completion forms.

Section 4. That the City Engineer or other registered engineer designated by the Mayor is authorized to certify that the Project is complete and ready for final inspection.

Section 5. That the Chief Financial Officer is authorized to accept, appropriate, and expend up to \$11,000,000 for reimbursement by a SDWSRF loan upon the City Comptroller certifying that funds are available and contingent upon the loan being secured.

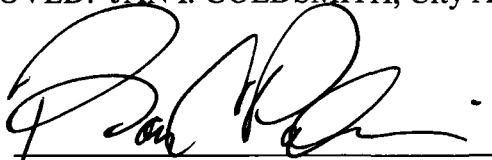
Section 6. That the Chief Financial Officer, upon advice from the administering department, is authorized to transfer excess budgeted funds to the appropriate reserves.

Section 7. Authorizing the \$11,000,000 loan to be repaid over twenty years (20) at a 2.5017 percent interest rate.

Section 8. That a full reading of this ordinance is dispensed with prior to its passage, a written or printed copy having been available to the City Council and the public a day prior to its passage.

Section 9. That this ordinance shall take effect and be in force on the thirtieth day from and after its final passage.

APPROVED: JAN I. GOLDSMITH, City Attorney

By 
Raymond C. Palmucci
Deputy City Attorney

RCP:cfq
06/14/10
Or.Dept:Water
O-2010-102 (Cor.Copy2)
MMS#12110

I hereby certify that the foregoing Ordinance was passed by the Council of the City of San Diego, at this meeting of JUN 29 2010.

ELIZABETH S. MALAND
City Clerk

By 
Deputy City Clerk

Approved: 7.13.10
(date)


JERRY SANDERS, Mayor

Vetoed: _____
(date)

JERRY SANDERS, Mayor

RECEIVED
CITY CLERK
JUN 29 2010