

1046
12/06/22

(R-2023-295)

RESOLUTION NUMBER R- **314488**

DATE OF FINAL PASSAGE **DEC 14 2022**

A RESOLUTION OF THE COUNCIL OF THE CITY OF
SAN DIEGO AUTHORIZING THE APPROPRIATION OF
\$128 MILLION UNDER THE WATER INFRASTRUCTURE
FINANCE AND INNOVATION ACT OF 2014 MASTER LOAN
AGREEMENT AND \$32,543,000 IN DEBT FUNDED
GENERAL FUND CAPITAL IMPROVEMENT PROGRAM
FUNDS FOR THE CITY'S STORMWATER CAPITAL
IMPROVEMENT PROGRAM.

WHEREAS, the WIFIA program is a federal credit program established by the Water
Infrastructure Finance and Innovation Act (WIFIA) of 2014 and administered by the
Environmental Protection Agency (EPA); and

WHEREAS, the program is designed to promote improved water, wastewater, and
stormwater infrastructure and, similar to other Federal credit programs, funds are sourced from
the U.S. Treasury and utilize the EPA as the conduit lender; and

WHEREAS, the City of San Diego's Stormwater Department initially composed a letter
of interest in October 2020 to pursue an application for a Stormwater WIFIA Loan; and

WHEREAS, in January 2021, the EPA selected the City's Stormwater CIP as one of
60 projects in the nation to apply for a loan; and

WHEREAS, the City submitted a programmatic loan application for \$733 million in
Stormwater Capital Improvement Program needs; and

WHEREAS, the maximum amount EPA finances through a WIFIA loan is 49% of the
eligible programmatic costs of \$733 million, which results in \$359.2 million in project proceeds;
and

WHEREAS, the City is obligated to fund the remaining 51%, which equals \$364 million, through other means such as pay-go funds, grants, loans, lease revenue bonds, and commercial paper; and

WHEREAS, on March 15, 2022, the Council of the City of San Diego (City Council) passed a Financing Ordinance authorizing a WIFIA Credit Facility in a principal amount not to exceed \$359.2 million; and

WHEREAS, on August 9, 2022, the City and EPA executed a WIFIA Master Loan Agreement for an amount of \$359.2 million and the first Credit Loan Agreement in the amount of \$225 million; and

WHEREAS, the programmatic stormwater improvements to be funded in part by the WIFIA loan comprise of flood resilience infrastructure improvements to safeguard our communities from flooding, and installation of new Green Infrastructure projects to protect water quality and comply with stormwater regulations; and

WHEREAS, the \$459 million in projects to be funded under the first Credit Loan Agreement, represent a combination of active Capital Improvement Projects managed by the Engineering and Capital Projects Department that are in planning or design phase, In-House pipe repair projects that are managed and conducted by Stormwater pipe repair crews, and new projects that are planned to be initiated within the next 2-3 years; and

WHEREAS, these projects focus on the most critical stormwater asset needs and are located throughout the City of San Diego, across all Council Districts within six watersheds; and

WHEREAS, the projects to be funded under the first Credit Loan Agreement are grouped into five main categories: (1) Corrugated Metal Pipes, (2) Green Infrastructure, (3) Revitalization and Restoration of Natural Waterways, (4) Pump Station Upgrades, and (5) Rehabilitation of Stormwater Features; and

WHEREAS, \$128 million under the WIFIA Master Loan Agreement and first Credit Loan Agreement, and \$32,543,000 in Debt Funded General Fund Capital Improvement Program funds are needed for the City's Stormwater Capital Improvement Program for current projects and potential projects, and

WHEREAS, environmental review under the California Environmental Quality Act has progressed to various stages of completion for these projects; and

WHEREAS, the Office of the City Attorney has drafted this resolution based on the information provided by City staff, including information provided by affected third parties and verified by City staff, with the understanding that this information is complete, true, and accurate; NOW, THEREFORE,

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

1. The Chief Financial Officer is authorized to increase the Capital Improvements Program Budget in CIP A-CA.00001, Flood Resilience Infrastructure, and to appropriate and expend \$95,882,532 from Fund 400884, GF WIFIA Loan-Const, for the purpose of design and/or construction activities needed in Fiscal Year 2023 and Fiscal Year 2024.

2. The Chief Financial Officer is authorized to increase the Capital Improvements Program Budget in CIP A-CA.00001, Flood Resilience Infrastructure, and to appropriate and expend \$27,200,000 from Fund 400881, Debt Funded GF CIP, for the purpose of design and/or construction activities needed in Fiscal Year 2023 and Fiscal Year 2024.

3. The Chief Financial Officer is authorized to increase the Capital Improvements Program Budget in CIP A-CC.00001, Stormwater Green Infrastructure, and to appropriate and expend \$23,275,000 from Fund 400884, GF WIFIA Loan-Const, for the purpose of design and/or construction activities needed in Fiscal Year 2023 and Fiscal Year 2024.

4. The Chief Financial Officer is authorized to increase the Capital Improvements Program Budget in CIP A-CC.00001, Stormwater Green Infrastructure, and to appropriate and expend \$5,343,000 from Fund 400881, Debt Funded GF CIP, for the purpose of design and/or construction activities needed in Fiscal Year 2023 and Fiscal Year 2024.

5. The Chief Financial Officer is authorized to increase the Capital Improvements Program Budget in CIP S-20003, Maple Canyon Storm Drain Upgrade, and to appropriate and expend \$5,254,468 from Fund 400884, GF WIFIA Loan-Const, for the purpose of design activities needed in Fiscal Year 2023 and Fiscal Year 2024.

6. The Chief Financial Officer is authorized to increase the Capital Improvements Program Budget in CIP S-22008, Upper Auburn Creek Revitalization, and to appropriate and expend \$2,827,000 from Fund 400884, GF WIFIA Loan-Const, for the purpose of design activities needed in Fiscal Year 2023 and Fiscal Year 2024.

7. The Chief Financial Officer is authorized to increase the Capital Improvements Program Budget in CIP S-22009, Chollas Creek Restoration 54th St & Euclid Ave, and to appropriate and expend \$761,000 from Fund 400884, GF WIFIA Loan-Const, for the purpose of design activities needed in Fiscal Year 2023 and Fiscal Year 2024.

8. None of the funds hereby appropriated and/or made available for expenditure for stormwater capital improvement projects shall be used to fund construction or other activities which constitute a commitment to a definite course of action for a given potential project unless environmental review is complete and the relevant project has been approved in accordance with the California Environmental Quality Act.

APPROVED: MARA W. ELLIOTT, City Attorney

By /s/ Jerod Markley
Jerod Markley
Deputy City Attorney

JLM1:cm
October 26, 2022
Or.Dept: Stormwater
Doc. No. 3125721

I certify that the foregoing Resolution was passed by the Council of the City of San Diego, at this meeting of DEC 06 2022

ELIZABETH S. MALAND
City Clerk

By Kristel Medina
Deputy City Clerk

Approved: 12/14/22
(date)

Todd Gloria
TODD GLORIA, Mayor

Vetoed: _____
(date)

TODD GLORIA, Mayor

DEC 08 2022

Passed by the Council of The City of San Diego on _____, by the following vote:

| Councilmembers | Yeas | Nays | Not Present | Recused |
|--------------------------|-------------------------------------|--------------------------|-------------------------------------|--------------------------|
| Joe LaCava | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Jennifer Campbell | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Stephen Whitburn | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Monica Montgomery Steppe | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| Marni von Wilpert | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Chris Cate | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Raul A. Campillo | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Vivian Moreno | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Sean Elo-Rivera | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |

Date of final passage DEC 14 2022

(Please note: When a resolution is approved by the Mayor, the date of final passage is the date the approved resolution was returned to the Office of the City Clerk.)

AUTHENTICATED BY:

TODD GLORIA

Mayor of The City of San Diego, California.

(Seal)

ELIZABETH S. MALAND

City Clerk of The City of San Diego, California.

By Kristell Medina, Deputy

Office of the City Clerk, San Diego, California

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