

#605
8/2/2021

(R-2022-29)

RESOLUTION NUMBER R- 313672

DATE OF FINAL PASSAGE AUG 12 2021

A RESOLUTION OF THE COUNCIL OF THE CITY OF SAN DIEGO AUTHORIZING (I) THE IDENTIFICATION OF PROCEEDS FROM EXISTING OR TO-BE-ISSUED LEASE REVENUE COMMERCIAL PAPER NOTE AND/OR BOND OFFERINGS AND (II) INCREASES TO AND TRANSFERS FROM CERTAIN FISCAL YEAR 2022 CAPITAL IMPROVEMENT PROGRAM PROJECT BUDGETS IN ORDER TO FUND HIGH PRIORITY CAPITAL PROJECTS AND LARGE CAPITAL EQUIPMENT NEEDS.

WHEREAS, City staff has identified an approximately \$148 million funding need for high priority capital projects and large capital equipment including (i) approximately \$41.3 million for fire engines, (ii) approximately \$50.3 million for related SB1383 implementation capital components, and (iii) approximately \$56.4 million for the Public Safety Radio Modernization Project (collectively, the Capital Needs); and

WHEREAS, a detailed breakdown of the Capital Needs is presented in Report to City Council dated July 12, 2021 (including Exhibits A, B, C and Attachment 1 thereto, the Report); and

WHEREAS, funding for the capital projects and equipment composing the Capital Needs is expected to be generated from the issuance and sale of lease revenue commercial paper notes (Notes) of the City's Commercial Paper Program and lease revenue bonds (Bonds), both of which are issued by the Public Facilities Financing Authority of the City of San Diego; and

WHEREAS, City staff seeks Council of the City of San Diego (Council) authorization to identify existing or to-be-issued financing proceeds from Note and/or Bond offerings (Financing Proceeds) to facilitate the preliminary steps of funding the Capital Needs, including but not

limited to, the release of purchase orders to ensure the timely delivery of certain equipment included in the Capital Needs; and

WHEREAS, City staff's proposal to finance the Capital Needs with Financing Proceeds is based on sound guidance and advice from bond counsel, and is also supported by the reporting standards for capital assets in the City's financial statements; and

WHEREAS, on June 21, 2021, the Mayor approved Resolution No. R-313586, approving the City of San Diego's Fiscal Year 2022 Budget (2022 Budget); and

WHEREAS, on June 29, 2021, the Council adopted Ordinance No. O-21348, entitled "An Ordinance Adopting the Annual Budget for Fiscal Year 2022 and Appropriating the Necessary Money to Operate the City of San Diego for Fiscal Year 2022" (Appropriation Ordinance); and

WHEREAS, the 2022 Budget includes the annual budget for the Capital Improvement Program (CIP Budget); and

WHEREAS, Section 17 of the Appropriation Ordinance authorizes the Chief Financial Officer (CFO) to modify appropriations upon adopted Council resolution, provided funding is available for such action and in accordance with funding source guidelines; and

WHEREAS, Section 73 of the San Diego City Charter allows the Council, upon the recommendation of the Mayor, to transfer all or part of an unencumbered balance of an appropriation to a purpose or object for which the appropriation for the current year has proved insufficient; and

WHEREAS, the Council desires to approve the proposed budget amendments, appropriation changes and other actions as described below; NOW, THEREFORE,

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

1. City staff is authorized to pursue completion of the capital projects and equipment composing the Capital Needs including (i) approximately \$41.3 for fire engines, (ii) approximately \$50.3 million for related SB1383 Implementation capital components, and (iii) approximately \$56.4 million for the Public Safety Radio Modernization Project; and
2. The CFO is authorized to utilize Note and Bond issuances to generate a combined amount of up to \$148 million in Financing Proceeds to finance the Capital Needs; and
3. The Debt Management Department is authorized to prepare for Council consideration Bond financing authorizations and necessary legal documents to timely conduct Bond issuances to generate permanent Financing Proceeds to help finance the proposed \$148 million total in Capital Needs; and
4. The expenditure of Note and/or Bond proceeds of up to \$132.5 million for the Capital Needs identified in Attachment 1 to the Report from Financing Proceeds is authorized, contingent upon the CFO furnishing one or more certificates certifying that funds necessary for expenditure are, or will be, on deposit with the City Treasurer; and
5. The appropriation of funds of up to \$132.5 million from Financing Proceeds for the Capital Needs identified in Attachment 1 to the Report is authorized.

BE IT FURTHER RESOLVED, that the following revisions to the 2022 Budget are approved and the CFO is directed to adjust the Fiscal Year 2022 Capital Improvement Program budget appropriations as follows:

1. Increase the CIP Budget, appropriate, and expend, an amount not to exceed \$5,071,600 in Fund 400881, Debt Funded General Fund CIP, Project AFA00001, Landfill Improvements, contingent upon the CFO furnishing one or more certificates certifying that funds necessary for expenditure are, or will be, on deposit with the City Treasurer for the purpose of funding Compressed Natural Gas System upgrades in order to comply with SB1383; and
2. Increase the CIP Budget, appropriate and expend, an amount not to exceed \$350,000 in Fund 400881, Debt Funded General Fund CIP, Project ABT00001, City Facilities Improvements, contingent upon the CFO furnishing one or more certificates certifying that funds necessary for expenditure are, or will be, on deposit with the City Treasurer for the purpose of funding improvements to the Miramar Landfill Staffing Facilities in order to comply with SB1383; and
3. Increase the CIP Budget, appropriate and expend, an amount not to exceed \$10,000,000 in Fund 400881, Debt Funded General Fund CIP, Project P22001, Complete Streets for All of Us, contingent upon the CFO furnishing one or more certificates certifying that funds necessary for expenditure are, or will be, on deposit with the City Treasurer for the purpose of funding improvements to streets and public right-of-way infrastructure improvements citywide; and
4. Transfer appropriations in an amount not to exceed \$5,071,600 in Fund 400265, General Fund Contributions to CIP, from Project AFA00001, Landfill Improvements to Project S20009, Kearny Mesa Facility Improvements, for the purpose of funding improvements to the Heavy-Duty Fleet repair facility in order to comply with SB1383, contingent upon the CFO furnishing one or more

certificates certifying that funds necessary for expenditure are, or will be, on deposit with the City Treasurer; and

5. Transfer appropriations in an amount not to exceed \$350,000 in Fund 400265, General Fund Contributions to CIP, from Project ABT00001, City Facilities Improvements, to Project S20009, Kearny Mesa Facility Improvements, for the purpose of funding improvements to the Heavy-Duty Fleet repair facility in order to comply with SB1383, contingent upon the CFO furnishing one or more certificates certifying that funds necessary for expenditure are, or will be, on deposit with the City Treasurer; and
6. Transfer appropriations in an amount not to exceed \$10,000,000 in Fund 100012, Infrastructure Fund, from Project P22001, Complete Streets for All of Us, to Project S20009, Kearny Mesa Facility Improvements, for the purpose of funding improvements to the Heavy-Duty Fleet repair facility in order to comply with SB1383, contingent upon the CFO furnishing one or more certificates certifying that funds necessary for expenditure are, or will be, on deposit with the City Treasurer.

APPROVED: MARA W. ELLIOTT, City Attorney

By /s/ Bret A. Bartolotta
Bret A. Bartolotta
Deputy City Attorney

BAB:jdf
07/21/2021
Or.Dept: Public Works
Doc. No.: 2714927

I hereby certify that the foregoing Resolution was passed by the Council of the City of San Diego,
at its meeting of 08/02/2021.

ELIZABETH S. MALAND
City Clerk

By Stacy D. Ready
Deputy City Clerk

Approved: 8/12/21
(date)


TODD GLORIA, Mayor

Vetoed: _____
(date)

TODD GLORIA, Mayor

Passed by the Council of The City of San Diego on AUG 02 2021, 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 checked="" type="checkbox"/>	<input type="checkbox"/>	<input 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 type="checkbox"/>	<input checked="" 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 AUG 12 2021.

(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 Cornie Patterson, Deputy
for Stacy Ready

Office of the City Clerk, San Diego, California
Resolution Number R- 313672