

RESOLUTION 2022-XXX

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SANTA ANA APPROVING A CONSTRUCTION INSTALLMENT SALE AGREEMENT WITH THE CALIFORNIA STATE WATER RESOURCES CONTROL BOARD IN CONNECTION WITH THE FINANCING OF THE WELL NO. 32 NITRATE TREATMENT AND REHABILITATION PROJECT AND AUTHORIZING CERTAIN OTHER RELATED ACTIONS

WHEREAS, the City of Santa Ana wishes to finance the costs of certain design and construction improvements to its water delivery infrastructure, specifically the Well No. 32 Nitrate Treatment Rehabilitation Project ("Project"); and

WHEREAS, the City intends to finance the Project or portions of the Project with funds ("Project Funds") provided by the State of California, acting by and through the State Water Resources Control Board ("State Water Board"); and

WHEREAS, the City previously adopted Resolution No. 2019-026 authorizing an application for financial assistance to the State Water Board for the Project and Resolution No. 2019-027 declaring its intention to use a portion of the Project Funds to reimburse certain capital expenditures made prior to the receipt of Project Funds from available moneys of the City in connection with the Project; and

WHEREAS, the City and State Water Board now desire to approve a Construction Installment Sale Agreement ("2022 Installment Sale Agreement") for the purpose of providing the terms relating to the distribution and repayment by the City of the Project Funds and relating to the City's payment of certain installment payments; and

WHEREAS, under the 2022 Installment Sale Agreement, the installment payments payable by the City will be secured by a pledge of and payable from Net Revenues (as defined in the 2022 Installment Sale Agreement) of the City's Water Enterprise, as described in Exhibit B to the 2022 Installment Sale Agreement.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Santa Ana as follows:

Section 1. The recitals set forth above are true and correct and adopted as findings in support of this Resolution.

Section 2. The City approves the Project Funds in an amount not to exceed \$6,249,105 with an interest rate not to exceed 1.10%.

Section 3. The 2022 Installment Sale Agreement, a copy of which is attached as Exhibit A, is hereby approved in substantially the form thereof with changes as may be approved by the City Manager or his or her designee (each an "Authorized

Representative"). Execution by an Authorized Representative of the 2022 Installment Sale Agreement shall constitute conclusive evidence of such Authorized Representative's approval of such changes. Each of the Authorized Representatives is hereby authorized, together or alone, to execute and deliver the 2022 Installment Sale Agreement.

Section 4. The covenants set forth in the 2022 Installment Sale Agreement to be executed in accordance with Section 3 above are hereby approved, shall be deemed to be covenants of the legislative body of the City, and shall be complied with by the City.

Section 5. Each Authorized Representative and the other officers and staff of the City responsible for the fiscal affairs of the City are hereby authorized and directed to take any actions and execute and deliver any and all documents and certificates as are necessary to complete the transactions contemplated by the 2022 Installment Sale Agreement.

Section 6. This Resolution shall take effect immediately upon its adoption by the City Council, and the Clerk of the Council shall attest to and certify the vote adopting this Resolution

ADOPTED this ____ day of _____, 2022.

Vicente Sarmiento
Mayor

APPROVED AS TO FORM:
Sonia R. Carvalho, City Attorney

By: John M. Funk
John M. Funk
Chief Assistant City Attorney

AYES: Councilmembers _____

NOES: Councilmembers _____

ABSTAIN: Councilmembers _____

NOT PRESENT: Councilmembers _____

CERTIFICATE OF ATTESTATION AND ORIGINALITY

I, _____, Clerk of the Council, do hereby attest to and certify the attached Resolution No. 2022-____ to be the original Resolution adopted by the City Council of the City of Santa Ana on _____, 2022.

Date: _____

Clerk of the Council
City of Santa Ana