

**MEMORANDUM
DEPARTMENT OF FACILITY SERVICES
COUNTY OF PLACER**

To: **BOARD OF SUPERVISORS**

Date: **MAY 9, 2006**

From: **JAMES DURFEE** 

Subject: **CSA REVOLVING FUND LOAN; CSA 28 ZONE 24 (APPLEGATE)**

ACTION REQUESTED: Adopt a Resolution authorizing a loan in the amount of \$250,000 from the CSA Revolving Fund to CSA No. 28, Zone No. 24 and approve a Budget Revision appropriating the loan proceeds to CSA Zone 24 as follows: Fiscal Year 05/06 - \$125,000; Fiscal Year 06/07 - \$125,000.

BACKGROUND CSA 28 Zone 24, Applegate Sewer (CSA 24), serves 32 sewer connections in the community of Applegate. The fees paid by sewer customers in Applegate generate annual revenues to the CSA of \$24,000 to cover operating expenses. The wastewater treatment ponds utilized by CSA 24 do not meet current regulatory standards. In 2000, the Regional Water Quality Control Board issued a Cleanup and Abatement Order, ordering CSA 24 to cease the historic practice of discharging treated effluent to Clipper Creek in heavy winters. In order to comply with that Order your Board has previously authorized loans from the CSA Revolving Fund to cover the cost of transporting wastewater in the winter from Applegate to SMD No. 1.

Due to the exceptional rainfall experienced over the past winter, costs for transporting the Applegate wastewater were unusually high. The CSA incurred additional costs related to installation of three monitoring wells around the treatment ponds. Water testing and reporting requirements for these state-mandated wells will be an ongoing annual expense.

The ultimate solution for CSA 24 is to connect to the Regional Wastewater Project via SMD No. 1 in North Auburn. When this occurs, treatment and operations costs will fall significantly, allowing long-term repayment of these funds. However, CSA 24 will continue to face the challenge of complying with regulatory orders until this final solution comes to fruition, and will need ongoing support from your Board.

ENVIRONMENTAL CLEARANCE: Approval of these actions is not a project as defined in the California Environmental Quality Act.

FISCAL IMPACT: Over the last three years, your Board has approved similar loans from the CSA Revolving Fund totaling \$190,000. The recommended loan to CSA 28, Zone 24 is \$250,000, with \$125,000 needed for Fiscal Year 05/06 and \$125,000 needed for Fiscal Year 06/07. The budget revision transfers appropriations from the General Fund Appropriation for Contingencies Budget to the General Fund Contribution to Infrastructure Budget to provide the funding for the loan to the CSA Revolving Fund.

JD:wd

ATTACHMENTS: RESOLUTION
BUDGET REVISION

cc: COUNTY EXECUTIVE OFFICE

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253

Before the Board of Supervisors County of Placer, State of California

In the matter of: A RESOLUTION AUTHORIZING
A LOAN FROM THE GENERAL FUND TO THE CSA
REVOLVING FUND FOR CSA 28 ZONE 24

Res. No. _____
Ord. No. _____
First Reading. _____

The following RESOLUTION was duly passed by the Board of Supervisors of the
County of Placer at a regular meeting held _____, by the following vote on roll call:

Ayes:

Noes:

Absent:

Signed and approved by me after its passage.

Attest:
Clerk of said Board

Chairman, Board of Supervisors

WHEREAS, CSA No. 28, Zone No. 24 (CSA 24) operates the sewer treatment ponds that serve the community of Applegate; and,

WHEREAS, the Regional Water Quality Control Board directed CSA 24 to cease the seasonal discharge of treated effluent from the sewer ponds to surface waters; and,

WHEREAS, until CSA 24 can develop alternative disposal systems for the community, it must continue to avoid seasonal discharges in order to avoid regulatory penalties, and

WHEREAS, CSA 24 does not have the funding necessary to cover the costs of stopping the surface water discharges, and it will continue to require loans to cover these costs, such loans to be accounted for in the CSA Revolving Fund, and,

WHEREAS, Government Code Section 25210.9C.(a) requires that the method and term of the loan not exceed 10 years and that interest be charged on the loan at the rate earned by the Treasury, and that CSA 28, Zone No. 24 will begin repayment as monies become available,

NOW, THEREFORE BE IT RESOLVED, The Placer County Board of Supervisors does hereby authorize a loan from the General Fund to the CSA Revolving Fund for CSA No. 28, Zone No. 24 in the amount of \$125,000 for Fiscal Year 05-06 and \$125,000 for Fiscal Year 06-07.

254

PLACER COUNTY

BUDGET REVISION

PAS DOCUMENT NO.

POST DATE:

DEPT NO.	DOC TYPE	Total \$ Amount	TOTAL LINES
12	BR	750,000.00	4

Cash Transfer Required *From Gen Fund*

Reserve Cancellation Required

Establish Reserve Required

Auditor-Controller

County Executive

Board of Supervisors

ESTIMATED REVENUE ADJUSTMENT										APPROPRIATION ADJUSTMENT											
DEPT NO.	T/C	Rev	Fund	Sub Fund	OCA	PCA	OBJ 3	PROJ.	PROJ. DTL	AMOUNT	DEPT NO.	T/C	Rev	Fund	Sub Fund	OCA	PCA	OBJ 3	PROJ.	PROJ. DTL	AMOUNT
12	006		502	24	996824	96824	8953			125,000.00	12	014		502	24	996824	96824	2970			125,000.00
											10	015		100		199900		5600			250,000.00
											10	014		↓		107800		2840			250,000.00
TOTAL										125,000.00	TOTAL										625,000.00

REASON FOR REVISION: TO APPROPRIATE GENERAL FUND TRANSFERTO THE CSA REVOLVING FUND FOR THE LOAN TO APPLGATE SEWER FOR FY2005/06.

Prepared by Valerie Bayne Ext 6803

Department Head _____

Board of Supervisors _____

Date: 5/9/06

Page: _____

Budget Revision # _____ FOR INDIVIDUAL DEPT USE

255

