

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

To: **BOARD OF SUPERVISORS**

Date: **JANUARY 8, 2008**

From: *J* **JAMES DURFEE / WILL DICKINSON** *W.D.*

Subject: **CSA REVOLVING FUND LOAN FOR CSA 28 ZONE 24-APPLEGATE SEWER**

ACTION REQUESTED/RECOMMENDATION: It is recommended that your Board:

1. Adopt a Resolution authorizing a loan of \$700,000 from the General Fund to the County Service Area (CSA) Revolving Fund for CSA No. 28, Zone No. 24 (Applegate Sewer).
2. Approve the attached Budget Revision appropriating loan proceeds in FY 2007/2008.

BACKGROUND: CSA 28, Zone 24, Applegate Sewer, provides the community of Applegate with sewer collection and treatment for approximately 32 connections. This is a very small and financially challenged district, which continues to incur additional costs as a result of regulatory restrictions on the use of the existing pond system. These additional operational costs will continue until a pipeline and lift station (part of a regionalization project) are constructed to convey Applegate wastewater to the SMD 1 system.

Environmental review for the regionalization project is underway. Staff intends to return to your Board with a contract for design of the project within three months. Design services are expected to cost approximately \$500,000. In the meantime, the district needs additional funding to pay for water monitoring services, wastewater hauling services, and staff time devoted to the regionalization project. Taking all these costs into consideration, it appears that the Applegate CSA will need an additional \$700,000 to continue operating through FY 07/08 and to complete environmental review and design of the regionalization project.

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

FISCAL IMPACT: The recommended loan from the CSA Revolving Fund totals \$700,000. The General Fund will provide funding by transferring monies to the CSA Revolving Fund.

The Fund has previously loaned the Applegate Sewer CSA a total of \$648,000; with the new loan, total outstanding loans will increase to \$1,348,000. Staff anticipates that additional loans will be needed for other this and other sewer districts in FY 2008-09.

JDWD

ATTACHMENTS: RESOLUTION
BUDGET REVISION

cc: COUNTY EXECUTIVE OFFICE

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**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 NO. 28, ZONE OF BENEFIT NO. 24
(APPLEGATE SEWER)**

Reso. No. _____

The following Resolution was duly passed by the Board of Supervisors of the County of Placer at a regular meeting held January 8, 2008, 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 of Benefit No. 24 (Applegate Sewer) provides sewer service to customers in a portion of unincorporated Placer County, and

WHEREAS, new State and Federal water quality requirements have resulted in extraordinary expenses related to compliance projects in this CSA zone, and

WHEREAS, funding is not available within the budget of said CSA zone to comply with these new requirements, and

WHEREAS, this CSA zone requires loans to continue providing valuable public services, and

WHEREAS, the CSA Revolving Loan Fund exists to provide loans to CSA zones of benefit with funding problems, and

WHEREAS, in accordance with Government Code section 25210.9c(a), the Board of Supervisors has established the method and terms whereby the CSA Revolving Loan Fund is to be reimbursed for loans made by it on behalf of CSA No. 28, Zone No. 24,

NOW, THEREFORE, BE IT RESOLVED: The Board of Supervisors of Placer County does hereby authorize a loan from the General Fund to the CSA Revolving Fund in the amount of \$700,000 for CSA No. 28, Zone of Benefit No. 24 for FY 2007/2008.

Fund = 100, OCA=107800 GL=1330 Sub GL =260700

PLACER COUNTY

BUDGET REVISION

PAS DOCUMENT NO.

POST DATE:

DEPT NO.	DOC TYPE	Total \$ Amount	TOTAL LINES
12	BR	700,000.00	3

Cash Transfer Required

Reserve Cancellation Required

Establish Reserve Required

[Signature]
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	014		502	24	996824	96824	2405				5,500.00
											12	014		502	24	996824	96824	2555				524,412.00
											12	014		502	24	996824	96824	2970				170,088.00
										TOTAL											0.00	
										TOTAL											700,000.00	

2007/DEC 24 AM 11:50
TO AUDITOR-CONTROLLER

REASON FOR REVISION: TO APPROPRIATE LOAN FROM CSA REVOLVING FUND TO APPLGATE SEWER PER BOARD MEMO DATED 1/8/08.

Prepared by *Valerie Bayne* Ext 6803

Department Head _____

Date: 1/8/08

Board of Supervisors _____

Page: _____

Budget Revision # _____ FOR INDIVIDUAL DEPT USE

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