



Boronda County Sanitation District

Board Order

168 West Alisal Street,
1st Floor
Salinas, CA 93901
831.755.5066

Upon motion of Director Phillips, seconded by Director Salinas and carried by those members present, the Board of Director hereby:

Adopted Resolution No. 18-001 to:

- a. Authorize the Auditor-Controller to amend the FY 2017-18 Boronda County Sanitation District - Zone 2 San Jerardo (BCSD - Zone 2 SJ) adopted budget, Fund 157, Appropriation Unit RMA046, to increase appropriations and operating transfers in by \$188,781, financed by an operating transfer out of \$188,781 from Other Financing Uses General Fund 001, Appropriation Unit CAO017, for immediate and critical repairs in response to winter storm damages (4/5th vote required); and
- b. Authorize the Auditor-Controller to transfer \$188,781 from the FY 2017-18 Other Financing Uses General Fund 001, Appropriation Unit CAO017, as a loan to be repaid with interest at the County Treasury Investment Pool interest rate, to BCSD - Zone 2 SJ Fund 157, Appropriation Unit RMA046, where the General Fund has sufficient storm damage repair appropriations available in the adopted budget to fund the transfer (4/5th vote required).

PASSED AND ADOPTED on this 9th day of January 2018, by the following vote, to wit:

AYES: Directors Alejo, Salinas, Phillips and Parker

NOES: None

ABSENT: Director Adams

I, Nicholas E. Chiulos, Acting Clerk of the Board of Supervisors of the County of Monterey, State of California, hereby certify that the foregoing is a true copy of an original order of said Board of Supervisors duly made and entered in the minutes thereof of Minute Book 80 for the meeting January 9, 2018.

Dated: January 9, 2018
File ID: RES 17-211

Nicholas E. Chiulos, Acting Clerk of the Board of Supervisors
County of Monterey, State of California

By Denise Hancock
Deputy

**Before Monterey County Supervisors Acting as the
Boronda County Sanitation District Board of Directors,
State of California**

Resolution No. 18-001

- a. Authorize the Auditor-Controller to amend the FY 2017-18)
 Boronda County Sanitation District – Zone 2 San Jerardo)
 (BCSD – Zone 2 SJ) adopted budget, Fund 157,)
 Appropriation Unit RMA046 to increase appropriations and)
 operating transfers in by \$188,781, financed by an operating)
 transfer out of \$188,871 from Other Financing Uses General)
 Fund 001, Appropriation Unit CAO017, for immediate and)
 critical repairs in response to winter storm damages (4/5th)
 vote required); and)
- b. Authorize the Auditor-Controller to transfer \$188,781 from)
 the FY 2017-18 Other Financing Uses General Fund 001,)
 Appropriation Unit CAO017, as a loan to be repaid)
 with interest at the County Treasury Investment Pool)
 interest rate, to BCSD – Zone 2 SJ Fund 157, Appropriation)
 Unit RMA046, where the General Fund has sufficient storm)
 damage repair appropriations available in the adopted)
 budget to fund the transfer (4/5th vote required).....)

WHEREAS, Monterey County experienced cyclone strength winds on February 17, 2017 as a storm hit unincorporated area of the County of Monterey;

WHEREAS, these winds caused a tree to fall on the control panel that operates the water system that services the San Jerardo Housing Cooperative, Inc., causing such damage to the control panel to render it inoperable;

WHEREAS, it will be necessary to install a temporary control panel and remove the damaged control panel so it can be rebuilt;

WHEREAS, the cost associated with this work is beyond the annual amount budgeted for standard operations and the Boronda County Sanitation District's reserves are inadequate to fund the cost of such repairs; and

WHEREAS, expenditures required to complete this Project meet County of Monterey Strategic Initiatives related to Health & Human Services, Infrastructure and Public Safety as emergency response during winter storms is critical to the safe and effective collection of wastewater, and protects the health and safety of property owners and residents living in the Boronda County Sanitation District.

NOW, THEREFORE, the Monterey County Board of Supervisors acting as the Board of Directors for the Boronda County Sanitation District hereby resolves to approve the following:

- a. Authorize the Auditor-Controller to amend the FY 2017-18 Boronda County Sanitation District – Zone 2 San Jerardo (BCSD – Zone 2 SJ) adopted budget, Fund 157, Appropriation Unit RMA046, to increase appropriations and operating transfers in by \$188,781, financed by an operating transfer out of \$188,781 from Other Financing Uses General Fund 001, Appropriation Unit CAO017, for immediate and critical repairs in response to winter storm damages (4/5th vote required); and
- b. Authorize the Auditor-Controller to transfer \$188,781 from the FY 2017-18 Other Financing Uses General Fund 001, Appropriation Unit CAO017, as a loan to be repaid with interest at the County Treasury Investment Pool interest rate, to BCSD – Zone 2 SJ Fund 157, Appropriation Unit RMA046, where the General Fund has sufficient storm damage repair appropriations available in the adopted budget to fund the transfer.

PASSED AND ADOPTED upon motion of Director Phillips, seconded by Director Salinas and carried this 9th day of January 2018, by the following vote, to wit:

AYES: Directors Alejo, Phillips, Salinas, and Parker

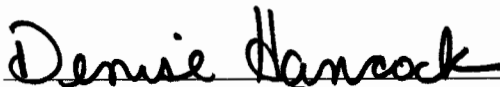
NOES: None

ABSENT: Director Adams

I, Nicholas E. Chiulos, Acting Clerk of the Board of Supervisors of the County of Monterey, State of California, hereby certify that the foregoing is a true copy of an original order of said Board of Supervisors duly made and entered in the minutes thereof of Minute Book 80 for the meeting on January 9, 2018.

Dated: January 9, 2018
File Number: RES 17-211

Nicholas E. Chiulos, Acting Clerk of the Board of Supervisors
County of Monterey, State of California

By 
Deputy

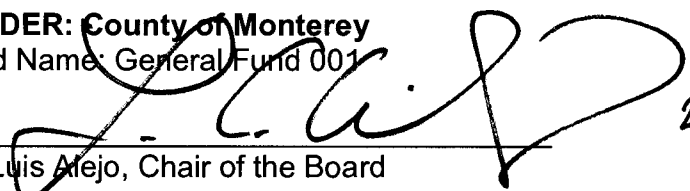
INTERFUND LOAN AGREEMENT BETWEEN THE COUNTY OF MONTEREY AND THE BORONDA COUNTY SANITATION DISTRICT – ZONE 2 SAN JERARDO

This Loan Agreement ("**Agreement**") is executed as of January 9, 2018, between the Boronda County Sanitation District – Zone 2 San Jerardo (BCSD-Zone 2 San Jerardo) ("**Borrower**") and the County of Monterey ("**Lender**"). Lender agrees to lend to Borrower, and Borrower agrees to repay to Lender an amount not to exceed the Principal Amount and interest accrued on the unpaid loan balance, in accordance with the following:

- 1. Purpose of the Loan:** To provide funds for use by Borrower, to fund Borrower's costs for response and repairs water system controls system, fire pump and related repairs from damaged caused during winter storm in February 2017. The loan shall account for borrowing between the Boronda County Sanitation District – Zone 2 San Jerardo Fund, Fund No. 157 and the General Fund, Fund No. 001.
- 2. Principal Loan Amount:** Not to exceed One hundred eighty-eight, four hundred seventy-one no/100 Dollars (\$188,471). The loan will be recorded as receivable to the Lender and payable to the Borrower.
- 3. Term of the Loan:** The term of this loan shall begin one year after a water rate increase has been established that includes provisions for loan payback into the rates and the outstanding loan balance is to be repaid by the payoff date established in the rate study.
- 4. Scheduled Payments:** Borrower shall make payments each fiscal year beginning one year after a sewer rate increase has been established and the District's cash balance is at least 10% of its operating expenditure budget. Such payments are due within thirty (30) days following the final closing of the Borrower's Financial Books for each fiscal year. At a minimum, annual Scheduled Payments shall equal the amount of any accrued interest though June 30 of that fiscal year plus a principal payment equal one-twentieth (1/20) of the original principal amount.
- 5. Repayment Source:** Borrower must maintain positive cash balance of at least 10% of its operating expenditure budget to be able to repay the loan; excess cash balance (over the 10%) should be used to make scheduled payments and catch-up payments. Missed scheduled payments shall be reported by the Pajaro County Sanitation District to the Monterey County Board of Supervisors and the District Board annually, no later than 90 days past June 30.
- 6. Rate of Interest:** Simple interest shall accrue annually on June 30 on the outstanding principal loan balance at the variable rates based on the County Treasury Pooled Interest Rate. Loan interest will be recorded as revenue to the Lender and expenditure to the Borrower.
- 7. General Provisions:** This Agreement constitutes the full Agreement by and between the parties and no other representations have been made regarding the contents of this

Agreement. This Agreement shall not be amended, modified, or altered in any respect unless such amendment, modification or alteration has been reduced to writing and executed by both parties.

LENDER: County of Monterey
Fund Name: General Fund 001

By: 
Luis Alejo, Chair of the Board

2/23/18

BORROWER: Pajaro County Sanitation District
Fund Name: Fund No. 157

By: 
Luis Alejo, Director of the Board

2/23/18