

RESOLUTION NO. 2018-14
A RESOLUTION OF THE BOARD OF DIRECTORS
OF THE SCOTIA COMMUNITY SERVICES DISTRICT
PLEDGING REVENUES AND FUNDS FROM USER FEES FROM THE
WASTEWATER ENTERPRISE FUND FOR REPAYMENT OF FINANCING FOR THE
SCOTIA COMMUNITY SERVICES DISTRICT WASTEWATER TREATMENT
FACILITY REPLACEMENT PROJECT

WHEREAS, Scotia Community Services District (the “Entity”) owns and operates the Wastewater Treatment Facility (WWTF) and collections system within the subdivided and transferred phases of the subdivision; and

WHEREAS, the Wastewater Treatment Facility was constructed in 1954 and has not undergone any significant upgrades since start-up; and

WHEREAS, a Detailed Engineering Analysis of the WWTF was completed by SHN in 2016 that recommended significant improvements and upgrades to meet permitting requirements for the 20-year planning period; and

WHEREAS, Scotia Community Services District with the assistance of SHN Engineering has submitted an application for grant funding to complete project planning, design, and construction; and

WHEREAS, additional funding will be pursued in the form of loans and financing from the Clean Water State Revolving Fund and/or Water Recycling Funding Program financing that must be repaid,

THEREFORE, LET IT BE RESOLVED, the Scotia Community Services District (the “Entity”) hereby dedicates and pledges user fees from the Wastewater Enterprise Fund to payment of any and all Clean Water State Revolving Fund and/or Water Recycling Funding Program financing for the Scotia Community Services District Wastewater Treatment Facility Replacement (the “Project”). The Entity commits to collecting such revenues and maintaining such fund(s) throughout the term of such financing and until the Entity has satisfied its repayment obligation thereunder unless modification or change is approved in writing by the State Water Resources Control Board. So long as the financing agreement(s) are outstanding, the Entity’s pledge hereunder shall constitute a lien in favor of the State Water Resources Control Board on the foregoing fund(s) and revenue(s) without any further action necessary. So long as the financing agreement(s) are outstanding, the Entity commits to maintaining the fund(s) and revenue(s) at levels sufficient to meet its obligations under the financing agreement(s).

Section 1: This resolution shall be effective upon adoption.

Dated: July 19, 2018

APPROVED:



Rick Walsh, Board President, Scotia CSD

ATTEST:



General Manager, Scotia CSD

CLERK'S CERTIFICATE

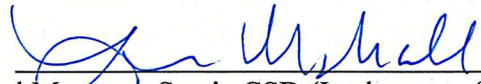
I hereby certify that the foregoing is a true and correct copy of Resolution No. 2018-14, passed and adopted at a regular meeting of the Board of Directors of the Scotia Community Services District, County of Humboldt, State of California, he July 19, 2018 by the following vote:

AYES: Bristol, Pitcairn, Newmaker, Pryor, Walsh

NOES: Ø

ABSENT: Ø

ABSTENTIONS: Ø



General Manager, Scotia CSD (In absence of Clerk)