

Reso 6203
contains orig. agreement

**Construction Loan
Contract No. SRF01CX403
Amendment A-1**

STATE OF CALIFORNIA

RECEIVED
D.W.R.

**THE RESOURCES AGENCY
DEPARTMENT OF WATER RESOURCES**

MAY 10 2005
SAFE DRINKING
WATER

**AMENDMENT TO
FUNDING AGREEMENT
BETWEEN
THE STATE OF CALIFORNIA
DEPARTMENT OF WATER RESOURCES**

AND

CITY OF REDLANDS

**PROJECT NUMBER 3610037-02
PROJECT NUMBER 3610037-03**

**FOR A CONSTRUCTION LOAN UNDER THE
SAFE DRINKING WATER STATE REVOLVING FUND LAW OF 1997**

CITY OF REDLANDS
Project Number 3610037-02
Project Number 3610037-03

Contract Number: SRF01CX403
Amendment Number: A-1

In consideration of the covenants and conditions as set forth herein and in that certain agreement between the Parties referenced above the Parties agree to further amend said agreement as follows:

1. ARTICLE A-8, titled "TIMING OF PROJECT", is deleted and replaced with:

"ARTICLE A-8 TIMING OF PROJECT

The Supplier shall certify to the State Department of Health Services that the Project is complete and ready for final inspection. The State Department of Health Services will conduct a final inspection and certify that the Project is complete prior to the facility being placed into operation. The date of such certification shall be the Project Completion Date for purposes of this Contract.

Supplier agrees to proceed expeditiously, and shall meet a Project Completion Date of not later than **April 1, 2006**. Supplier's failure to meet said Project Completion Date may, at the option of the State, be considered a material breach of contract and may be treated as a default under Article 27."

2. Subpart (a) titled "Repayment Terms" of ARTICLE A-13, titled "REPAYMENT OF PRINCIPAL AMOUNT OF LOAN AND INTEREST", is deleted and replaced with:

"(a) Repayment Terms

The Supplier shall make semiannual payments to the State until the principal amount of the loan is repaid in full. The State will invoice the Supplier semiannually for principal and any interest payments. Such invoices will include a statement of the outstanding principal amount of the loan, the amount of the payment which constitutes principal to be paid, and the amount of the payment which constitutes interest if any, to be paid. Supplier shall make level semiannual payments based on a standard semiannual payment loan amortization method to be determined by the State. The standard amortization method shall incorporate the outstanding loan principal as determined by Article A-11, the loan repayment term specified herein, and the loan rate of interest, as specified in Section 8 of this Contract.

Loan principal and interest payments shall be due and payable within thirty (30) days from the date of the invoice. Principal and interest payments shall commence no later than one (1) year from the Project Completion Date. All such payments shall be made on a semiannual basis on January 1 and July 1 of each year. The first semiannual principal and interest payment for this loan is projected to be due **January 1, 2007**. The remaining payments shall be made semiannually thereafter until the principal amount of the loan is repaid in full. The final semiannual payment shall be in an amount equal to the then unpaid portion of the principal amount of the loan, plus any remaining unpaid accrued interest. Interest on the principal shall not be deferred.

Unless earlier payment is required by the terms of this Contract, the entire amount of the loan, principal, interest, delinquent interest, and any other charges or fees shall be due and payable **20** years from the Project Completion Date, as set forth in Article A-8."

3. Subpart 2, of ARTICLE C-2 titled "ADDITIONAL DHS REQUIREMENTS", is deleted and replaced with:

"2. Supplier shall submit a Revised Emergency Operations Manual to the Department of Health Services San Bernardino District Office no later than **May 1, 2005.**"

4. Subpart 3, of ARTICLE C-2 titled "ADDITIONAL DHS REQUIREMENTS", is deleted and replaced with:

"3. Supplier shall submit a revised Tate Surface Water Treatment Plant Operations Plan to the Department of Health Services San Bernardino District Office no later than **October 1, 2006.**"

These modifications, comprise "Amendment **A-1**", and are incorporated into and made part of that certain agreement between the State of California, Department of Water Resources, and the **City of Redlands**, contract number SRF01CX403 dated **January 30, 2004**. Except as modified, all other terms and conditions shall remain in full force and effect.

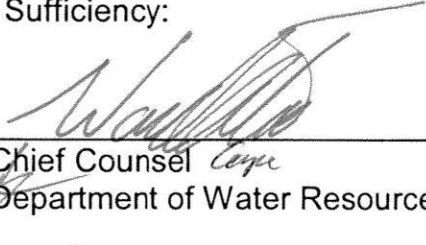
DATE OF EXECUTION

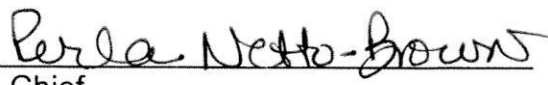
Date of execution of this Amendment **A-1** shall be the date of the latest in time execution by a party hereto.

IN WITNESS WHEREOF, the parties hereto have executed this Amendment A-1:

Approved as to Legal Form
and Sufficiency:

STATE OF CALIFORNIA
DEPARTMENT OF WATER RESOURCES

By 
Chief Counsel
Department of Water Resources

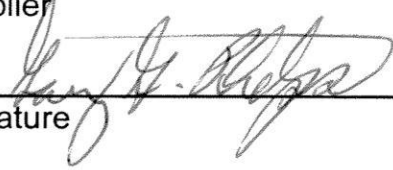
By 
Chief
Division of Fiscal Services
Sacramento, California

Date May 25, 2005

Date 5/26/05

City of Redlands

Supplier

By 
Signature

Gary G. Phelps
Print Name

Municipal Utilities Director
Title

35 Cajon Street, Suite 15A
Address

Redlands, California 92373

Date May 4, 2005

DEPARTMENT OF WATER RESOURCES

1416 NINTH STREET, P.O. BOX 942836
SACRAMENTO, CA 94236-0001
(916) 653-5791



Original in City Clerk's files

ccxc: Councilmembers, City Manager, Press

MAY 26 2005

Honorable Susan Peppler
Mayor of the City of Redlands
35 Cajon Street, Suite 15A
Post Office Box 3005
Redlands, California 92373



SDWSRF Contract No. SRF01CX403 Amendment A-1 - City of Redlands, Project No.'s 3610037-02 and 3610037-03

Honorable Susan Peppler:

Enclosed is an executed original Safe Drinking Water State Revolving Fund loan contract, No. SRF01CX403 Amendment A-1, between City of Redlands and the State of California. This Amendment extends your project completion date to April 1, 2006. Funds provided under this agreement are to assist your community in meeting safe drinking water standards for your domestic water supply.

If for any unforeseen reason you are unable to comply with any of the above requirements, it is the sole responsibility of City of Redlands to notify your District Office of the Department of Health Services as soon as possible.

The State commends the City of Redlands for taking steps to correct the deficiencies that will be remedied by this project, in order to provide safe drinking water to your consumers. If you have any questions, please contact Dennis Woods, DWR Associate Analyst, at (916) 653-9724.

Sincerely,

A handwritten signature in black ink that reads 'Perla Netto-Brown'.

Perla Netto-Brown, Chief
Division of Fiscal Services

Enclosure

cc: (See attached list.)

Mr. Gary G. Phelps
Municipal Utilities Director
City of Redlands
Municipal Utilities Department
35 Cajon Street, Suite 15A
Post Office Box 3005
Redlands, California 92373

Ms. Heather Collins, Regional Engineer
San Bernardino District Office
Division of Drinking Water and
Environmental Management
Department of Health Services
464 West 4th Street, Room 437
San Bernardino, California 92401

Mr. Steve Woods, SDWSRF Program Manager
Division of Drinking Water and
Environmental Management
Department of Health Services
Post Office Box 942732
Sacramento, California 94234-7320

Ms. Sylvia O. Hunter, Chief
Safe Drinking Water Office, Room 804
Department of Water Resources
Post Office Box 942836
Sacramento, California 94236-0001

Ms. Lorri Silva
State Revolving Fund Program
Division of Drinking Water and
Environmental Management
Department of Health Services

Ms. Veronica Ramirez
Environmental Unit
Division of Drinking Water and
Environmental Management
Department of Health Services

Ms. Nadine Feletto
Technical Support Unit
Division of Drinking Water and
Environmental Management
Department of Health Services

DEPARTMENT OF WATER RESOURCES

1416 NINTH STREET, P.O. BOX 942836
SACRAMENTO, CA 94236-0001
(916) 653-5791

CCXC: Councilmembers,
City Manager
City Attorney
MUD Dir.
Water Resources Chief
Press



APR 29 2005

Honorable Susan Peppler
Mayor of the City of Redlands
35 Cajon Street, Suite 15A
Post Office Box 3005
Redlands, California 92373

Attached resolution explains our action in 2003. Agreement Amendment stored in City Clerk's Office. Please advise if this should go back to Council or if Council has authorized G. Phelps to sign.

SDWSRF Contract #SRF01CX403 Amendment A-1 - City of Redlands, Project
No. 3610037-02 and 3610037-03

Honorable Susan Peppler:

Under the Safe Drinking Water State Revolving Fund Law of 1997, the Department of Water Resources executed a funding agreement on January 30, 2004 with the City of Redlands for a \$7,355,000 construction loan. DWR has received authorization from DHS to amend this funding agreement. This amendment extends the Project Completion Date from April 1, 2005 to April 1, 2006, as well as, the dates for the revised Emergency Operations Manual from January 1, 2004 to May 1, 2005 and Tate Surface Water Treatment Plant Operations Plan from October 1, 2005 to October 1, 2006.

Enclosed are five copies of Safe Drinking Water State Revolving Fund Contract No. SRF01CX403, Amendment A-1. Please sign the enclosed amendment **within 30 days of receipt** and return to:

Department of Water Resources
Safe Drinking Water Office
Attention: Dennis Woods, Room 804
Post Office Box 942836
Sacramento, California 94236-0001

One fully executed copy of this amendment will be returned to you.

The State commends the City of Redlands, for taking steps to correct the deficiencies that will be remedied by this project in order to provide safe drinking water to your consumers. Please contact Dennis Woods, Associate Analyst, at (916) 653-9724 if you have any questions concerning this amendment.

Sincerely,

Perla Netto-Brown

Perla Netto-Brown, Chief
Division of Fiscal Services

Enclosures

cc: (See attached list.)

*5-4-05 City Attorney
approved M.U.D. Director
to sign*

Mr. Gary G. Phelps, Municipal Utilities Director
City of Redlands
Municipal Utilities Department
35 Cajon Street, Suite 15A
Post Office Box 3005
Redlands, California 92373

Ms. Heather Collins, Regional Engineer
San Bernardino District Office
Division of Drinking Water and
Environmental Management
Department of Health Services
464 West 4th Street, Room 437
San Bernardino, California 92401

Mr. Steve Woods, SDWSRF Program Manager
Division of Drinking Water and
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Post Office Box 942732
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Safe Drinking Water Office, Room 804
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Division of Drinking Water and
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Ms. Veronica Ramirez
Environmental Unit
Division of Drinking Water and
Environmental Management
Department of Health Services

Ms. Nadine Feletto
Technical Support Unit
Division of Drinking Water and
Environmental Management
Department of Health Services

RESOLUTION NO. 6203

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF REDLANDS TO DESIGNATE AN AUTHORIZED REPRESENTATIVE FOR THE SAFE DRINKING WATER STATE REVOLVING FUND LOAN, TO AUTHORIZE EXECUTION OF THE NOTICE OF APPLICATION ACCEPTANCE, AND ASSOCIATED ACTIONS, AND TO AUTHORIZE THE MAYOR TO EXECUTE THE FINAL LOAN AGREEMENT

WHEREAS, the City of Redlands has previously filed an application with the California Department of Health Services for a Safe Drinking Water State Revolving Fund Loan, and

WHEREAS, the City of Redlands has completed planning and design processes for improvements to the Henry Tate Water Treatment Plant in order to meet the requirements of the United States Environmental Protection Agency Interim Enhanced Surface Water Treatment Rule, and

WHEREAS, it is in the best interests of Redlands' citizens to ensure that the highest quality of water is reasonably available for domestic use, and

WHEREAS, the City is required to undertake certain actions in order to secure a loan agreement for the Safe Drinking Water State Revolving Fund Program;

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF REDLANDS AS FOLLOWS:

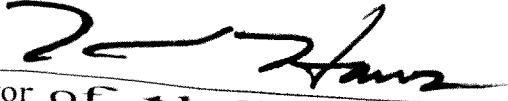
Section 1: The City Council authorizes the City of Redlands to enter into a final loan agreement for the Safe Drinking Water State Revolving Fund in the amount of \$7,355,000 at an interest rate of 2.340%, and authorizes the Mayor to execute the final loan agreement upon receipt from the State.

Section 2: The City Council designates Gary G. Phelps, Municipal Utilities Director, as the authorized representative of the City to sign the documents pertaining to the loan application and administration of the loan, including the Notice of Application Acceptance, reimbursement claims, budget and expenditure summaries, contractor's release forms, and project certifications.

Section 3: The City Council designates the City's Water Fund as the source of repayment for the Safe Drinking Water State Revolving Fund Loan, and agrees to increase rates if necessary to satisfy debt service over the term of the loan.

Section 4: The City Council authorizes the City Treasurer to serve as Fiscal Agent for the Safe Drinking Water State Revolving Fund Loan in accordance with the requirements of the Fiscal Services Agreement.

ADOPTED, SIGNED AND APPROVED this 21st day of October, 2003



Mayor of the City of Redlands

Attest:



Deputy City Clerk, City of Redlands

Street Landfill in the amount of \$45,000.00 and authorized the Mayor and Deputy City Clerk to execute the contract on behalf of the City, and authorized up to 25 percent over the bid amount to allow for actual quantities and additional costs.

Agreement - Digester Mixing and Plant Water Pump Station - On motion of Councilmember George, seconded by Councilmember Gilbreath, the City Council unanimously authorized the Mayor and Deputy City Clerk to execute an agreement in the amount of \$47,240.00 with Carollo Engineers to furnish engineering services for the design of a digester mixing system and plant water pump station for the City's Wastewater Treatment Plant.

Agreement - California Street Landfill - On motion of Councilmember George, seconded by Councilmember Gilbreath, the City Council unanimously authorized the Mayor and Deputy City Clerk to execute an agreement in the amount of \$30,400.00 with Tom Dodson and Associates to furnish environmental review services for the acquisition of land adjacent to the California Street Landfill and authorized staff to approve contingent costs of up to 10 percent over the initial amount.

Resolution No. 6203 - Safe Drinking Water State Revolving Fund Loan - Councilmember George moved to approve Resolution No. 6203, a resolution of the City Council designating an authorized representative for the Safe Drinking Water State Revolving Fund Loan, to authorize execution of the Notice of Application Acceptance and associated actions, and to authorize the Mayor and Deputy City Clerk to execute the final loan agreement. Motion seconded by Councilmember Gilbreath and carried unanimously.

Contract "B" Water Agreement - On motion of Councilmember George, seconded by Councilmember Gilbreath, Council unanimously approved the transfer of a City of Redlands Contract "B" Water Agreement in the amount of 100 day inches of water from the City of Redlands to Gene Belk Fruit Packers.

1300 and 1520 Zone Non-Potable Water Main Project - On motion of Councilmember George, seconded by Councilmember Gilbreath, Council unanimously authorized staff to approve contingent costs up to 25 percent over the total bid amount, based on actual project quantities for the 1300 and 1520 Zone Non-Potable Water Main Project.

Resolution No. 6205 - Fire Management Assistance Subgrant - On motion of Councilmember George, seconded by Councilmember Gilbreath, Council unanimously approved Resolution No. 6205, a resolution of the City Council designating an authorized agent for the execution of applications on behalf of the City of Redlands for federal financial assistance under the Fire Management Assistance Subgrant through the State Office of Emergency Services.

2005 -
Council Action
Not required.
See Res. 6203