

CHICO URBAN AREA JOINT POWERS FINANCING AUTHORITY



Meeting of May 1, 2019

3:15 p.m.



Conference Room 2, Chico Chamber Building, 421 Main Street, Chico, CA

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- 1.1. **SPECIAL MEETING OF CHICO URBAN AREA JOINT POWERS FINANCING AUTHORITY**
 - 1.2. Call to Order - 3:15 p.m. in Conference Room 2, Chico Chamber Building, 421 Main Street, Chico, CA.
 - 1.3. Roll Call
 2. **REGULAR AGENDA**
 - 2.1. **SELECTION OF CHAIR**
-

Pursuant to Section 2.2 of the Restated Joint Exercise of Powers Agreement, a unanimous vote of all Directors is required on Item 2.2.

- 2.2. **CONSIDERATION AND ADOPTION OF 2019-20 ANNUAL BUDGET FOR THE CHICO URBAN AREA JOINT POWERS FINANCING AUTHORITY**

Section 3.1 of the Amended and Restated Joint Exercise of Powers Agreement requires the Chico Urban Area Joint Powers Financing Authority (JPFA) to annually adopt a budget. *The Executive Director recommends adoption of the following resolution:*

RESOLUTION OF THE CHICO URBAN AREA JOINT POWERS FINANCING AUTHORITY ADOPTING THE 2019-20 FINAL BUDGET FOR THE CHICO URBAN AREA JOINT POWERS FINANCING AUTHORITY

3. **BUSINESS FROM THE FLOOR** – Members of the public may address the Authority at this time on any matter not already listed on the agenda, with comments being limited to three minutes. The Authority cannot take any action at this meeting on requests made under this section of the agenda.
4. **ADJOURNMENT**

Distribution available in the office of the City Clerk

Posted: 4/25/19 prior to 5:00 p.m. at 421 Main St. Chico, CA 95928 and www.ci.chico.ca.us

Copies of the agenda packet are available for review at:

City Clerk's Office, 411 Main St. Chico, CA 95928



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Agenda Report

Meeting Date: 05/01/19



TO: Chico Urban Area Joint Powers Financing Authority
FROM: Executive Director, 896-7201
RE: Chico Urban Area Joint Powers Financing Authority 2019-20 Annual Budget

RECOMMENDATION

The Executive Director recommends approval of 2018-19 budget modifications and adoption of the following resolution:

RESOLUTION OF THE CHICO URBAN AREA JOINT POWERS FINANCING AUTHORITY
ADOPTING THE 2019-20 FINAL BUDGET FOR THE CHICO URBAN AREA JOINT POWERS
FINANCING AUTHORITY

Pursuant to Section 2.2 of the Restated Joint Exercise of Powers Agreement, this action requires the unanimous vote of all Directors.

DISCUSSION

The Chico Urban Area Joint Powers Financing Authority (JPFA) was formed for the purpose of securing financing for the construction and installation of sewer facilities and improvements to implement the Chico Urban Area Nitrate Compliance Plan through a State Revolving Fund loan. Pursuant to Section 3.1 of the Amended and Restated Joint Exercise of Powers Agreement, the JPFA is required to adopt a budget for the ensuing fiscal year.

Modifications to the current fiscal year 2018-19 budget are illustrated in the Estimated Final column of the Fund Summary on page 1 of Exhibit A. Other State Revenue and Nitrate Project Reimbursements (capital project costs) have been increased to reflect anticipated activity for the current fiscal year.

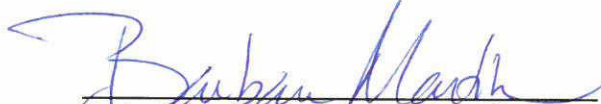
The Fiscal Year 2019-20 budget includes revenues from the City of Chico acting in its capacity as Successor Agency to the Chico Redevelopment Agency, the State Revolving Fund loan, and interest on investments. Operating Expenditures include \$4,502 for audit fees and \$33,593 for Indirect Cost Allocation expenses. Capital Expenditures include expenses for the remaining Nitrate Projects. There has been an increase in estimated costs of completing the projects due to recent bid activity coming in higher than previous bids.

Originally, the Nitrate Projects were estimated to be completed by December 31, 2018. Per Section 13 (B) of the loan agreement between the State Water Resources Control Board and the Chico Urban Area Joint Powers Financing Authority, an "extension of the Completion of Construction date by the Division shall not be unreasonable withheld." The new estimated date of completion of construction activities is December 31, 2019.


For information only, Exhibit B is attached, which includes the City of Chico's Capital Improvement Program detail pages for the City projects (Projects 50138 and 50139) that will still be completed. This provides detailed expenditure information for each project that is combined in JPFA Project 50142.

RE: Chico Urban Area Joint Powers Financing Authority 2019-20 Annual Budget
Meeting Date: 5/1/19
Page 2

Prepared By:


Barbara Martin, Deputy Director - Finance

Reviewed By:


Scott Dowell, Treasurer

Approved and Recommended By:


Mark Orme, Executive Director

DISTRIBUTION

JPFA (4)
Deborah Presson, JPFA Secretary
Mark Orme, JPFA Executive Director
Shari McCracken, JPFA Deputy Director
Scott Dowell, JPFA Treasurer and Auditor
Chris Constantin, City of Chico Assistant City Manager
Heather Gould, Goldfarb and Lipman, JPFA Counsel

ATTACHMENTS Resolution
Exhibit A – Budget Information for Approval
Exhibit B – City of Chico Capital Project Detail Pages

FILE PS-15-66-1

1
2 **RESOLUTION NO. JPFA _____**

3 **RESOLUTION OF THE CHICO URBAN AREA JOINT POWERS**
4 **FINANCING AUTHORITY ADOPTING THE 2019-20 FINAL BUDGET**
5 **FOR THE CHICO URBAN AREA JOINT POWERS FINANCING**
6 **AUTHORITY**

7 WHEREAS, on April 27, 1990, the Regional Water Quality Control Board (“RWQCB”)
8 issued Order No. 90-126, which prohibited individual septic systems within the Chico Urban
9 Area from discharging waste into the groundwater; and

10 WHEREAS, the Greater Chico Urban Area Redevelopment Project Area (“GCUARPA”)
11 was formed in 1993 in part to finance the sewer improvements required to implement programs
12 addressing the RWQCB Order; and

13 WHEREAS, in May 2000, the County of Butte (“County”) adopted the Chico Urban
14 Area Nitrate Compliance Plan (“Nitrate Plan”) in order to implement the programs needed to
15 address the RWQCB Order; and

16 WHEREAS, on August 1, 2007, the Chico Redevelopment Agency (“Agency”) and the
17 County entered into that certain Amended and Restated Joint Exercise of Powers Agreement
18 (“JPA”) under which the Chico Urban Area Joint Powers Financing Authority (“JPFA”) was
19 created pursuant to the authority granted by the California Government Code for the sole purpose
20 of financing the construction and installation of sewer facilities and improvements, including
21 certain treatment facilities, pipelines, and other infrastructure, to implement the Nitrate Plan
22 (“Project”); and

23 WHEREAS, on February 1, 2012, the Agency was dissolved and the City of Chico was
24 designated as the Successor Agency to the Chico Redevelopment Agency; and

25 WHEREAS, the successor agency is a separate legal entity from the City of Chico or any
26 other public agency, and its actions are governed by the members of the Chico City Council
27 acting as the governing board of the successor agency, or by the oversight board created pursuant
28 to AB 26, depending on the nature of the action to be taken; and

1 WHEREAS, the JPA requires the JPFA to annually adopt a budget for the ensuing fiscal
2 year.

3 NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the Chico Urban
4 Area Joint Powers Financing Authority that the budget attached as Exhibit "A," and is hereby
5 adopted as the 2019-20 Final Budget of the Chico Urban Area Joint Powers Financing Authority.
6 The foregoing resolution was adopted by the Chico Urban Area Joint Powers Financing
7 Authority at its meeting held on May 1, 2019, by the following vote:

8 AYES:

9 NOES:

10 ABSENT:

11 ATTEST:

12

13

14 By: _____
 Deborah R. Presson

15 JPFA Secretary

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CERTIFICATION

18 I do hereby certify that the foregoing is a full, true, and correct copy of a resolution duly
19 and regularly adopted at a meeting of the Board of Directors of the Chico Urban Area Joint
20 Powers Financing Authority held on May 1, 2019.

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By: _____
 Deborah R. Presson
 JPFA Secretary

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Chico Urban Area Joint Powers Financing Authority
2019-20 Annual Budget

Fund Summary
CHICO URBAN AREA JPFA FUND

FUND 399 CHICO URBAN AREA JPFA	FY16-17	FY17-18	FY2018-19		FY2019-20	
	Actual	Actual	JPFA Adopted	Estimated Final	Requested	JPFA Adopted
Revenues						
41274 Nitrate Compliance	1,900,000	1,900,000	1,900,000	1,900,000	1,900,000	0
41299 Other State Revenue	0	0	9,182,953	10,904,538	1,545,847	0
44101 Interest on Investments	73,249	141,300	70,000	140,000	140,000	0
Total Revenues	1,973,249	2,041,300	11,152,953	12,944,538	3,585,847	0
Expenditures						
Operating Expenditures						
150 Finance	4,120	4,244	4,371	4,371	4,502	0
995 Indirect Cost Allocation	22,173	22,173	33,875	33,875	33,593	0
Total Operating Expenditures	26,293	26,417	38,246	38,246	38,095	0
Capital Expenditures						
50142 Nitrate Project Reimbursement	1,125,449	2,630,527	11,831,859	13,137,997	2,966,946	0
Total Capital Expenditures	1,125,449	2,630,527	11,831,859	13,137,997	2,966,946	0
Total Expenditures	1,151,742	2,656,944	11,870,105	13,176,243	3,005,041	0
Other Financing Sources/Uses						
From:						
To:						
Total Other Sources/Uses	0	0	0	0	0	0
Excess (Deficiency) of Revenues And Other Sources	821,507	(615,644)	(717,152)	(231,705)	580,806	0
Fund Balance, July 1	10,340,766	11,162,273	12,436,623	10,546,629	10,314,924	0
Fund Balance, June 30	11,162,273	10,546,629	11,719,471	10,314,924	10,895,730	0

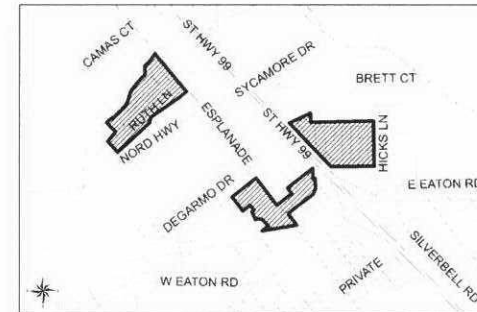
Fund Name: Fund 399 - Chico Urban Area JPFA
 Authority: Agency Resolution
 Use: Restricted
 Authorized Capital Uses: Sanitary sewer facilities and related improvements
 Authorized Other Uses: Debt Service
 Description: To account for the payment of sanitary sewer facilities, related improvements and repayment of the State Revolving Fund loan.

Remarks: This fund is established solely for the purpose of financing the installation and construction of public sanitary sewer facilities and improvements as required by the "Joint Exercise of Powers Agreement for the Chico Urban Area Joint Powers Financing Authority by and Between the County of Butte and the Chico Redevelopment Agency," dated August 30, 2005.

**City of Chico
2019-20 Annual Budget
Operating Budget**

Fund: CHICO URB AR JPA (399) Dept: FINANCE (150)	FY 16-17	FY 17-18	FISCAL YEAR 2018-2019			FISCAL YEAR 2019-20	
	Actual	Actual	Council Adopted	Estimated Final	Actual thru 3/2019	Requested	JPFA Adopted
Purchased Services	4,120	4,244	4,371	4,371	4,371	4,502	0
Total CHICO URBAN AREA JPA	4,120	4,244	4,371	4,371	4,371	4,502	0
Salaries & Employee Benefits							
Total Salaries & Employee Benefits	0	0	0	0	0	0	0
Purchased Services							
5401 Audit Services	4,120	4,244	4,371	4,371	4,371	4,502	0
Total Purchased Services	4,120	4,244	4,371	4,371	4,371	4,502	0
Allocations							
Total Allocations	0	0	0	0	0	0	0
Total CHICO URBAN AREA JPA	4,120	4,244	4,371	4,371	4,371	4,502	0

**City of Chico - Capital Improvement Program
2019-20 Annual Budget**



Project Number: 50138	Included in Nexus? No
Title: Nitrate Area 3N (Phase 5)	
Department: 610 - Capital Project Services	
Project Manager: Matt Thompson, Senior Civil Engineer	

Related Projects:

Project Description: Installation of sanitary sewer mains, trunks, laterals, lift stations, and forcemains in Area 3N as identified in the Chico Urban Area Nitrate Compliance Program Project Report. Roadway resurfacing beyond the trench is not included in this project. Sewer laterals installed from the sewer main to the property lines. Environmental review has been completed by the County of Butte.

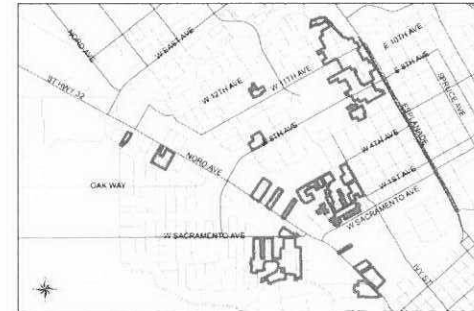
Project is required to comply with Clean-Up Abatement Prohibition Order No. 90-126 adopted by the Central Valley Regional Water Quality Control Board on April 27, 1990.

	Fund	Actuals	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29
4110 Prelim Design/Study	300	9,140	0	10,000	0	0	0	0	0	0	0	0	0
4120 Environmental Review	300	0	0	15,000	0	0	0	0	0	0	0	0	0
4130 Acquisition	300	0	5,000	7,500	0	0	0	0	0	0	0	0	0
4140 Design	300	130,234	164,381	179,841	0	0	0	0	0	0	0	0	0
4150 Construction	300	95	3,570,421	2,130,236	0	0	0	0	0	0	0	0	0
4155 Plant Capacity	300	0	1,003,104	0	0	0	0	0	0	0	0	0	0
4160 Construction Insp.	300	190	178,750	176,334	0	0	0	0	0	0	0	0	0
4190 Contingency	300	0	250,000	45,000	0	0	0	0	0	0	0	0	0
4800 Other Expenses	300	51	29,949	28,178	0	0	0	0	0	0	0	0	0
4806 Maintenance	300	40	0	0	0	0	0	0	0	0	0	0	0
4810 Labor	300	160	0	0	0	0	0	0	0	0	0	0	0
4999 Overhead	300	12,097	419,850	259,209	0	0	0	0	0	0	0	0	0
Project Total:		152,007	5,621,455	2,851,298	0	0	0	0	0	0	0	0	0

Total by Fund

Capital Grants/ Reimbursements	300	152,007	5,621,455	2,851,298	0	0	0	0	0	0	0	0	0
Project Total:		152,007	5,621,455	2,851,298	0	0	0	0	0	0	0	0	0

**City of Chico - Capital Improvement Program
2019-20 Annual Budget**



Project Number: 50139	Included in Nexus? No
Title: Nitrate Area 3S (Phase 6)	
Department: 610 - Capital Project Services	
Project Manager: Matt Thompson, Senior Civil Engineer	

Related Projects:

Project Description: Installation of sanitary sewer mains, trunks, laterals, lift stations, and forcemains in Area 3S as identified in the Chico Urban Area Nitrate Compliance Program Project Report. Roadway resurfacing beyond the trench is not included in this project. Sewer laterals installed from the sewer main to the property lines. Environmental review has been completed by the County of Butte.

Project is required to comply with Clean-Up Abatement Prohibition Order No. 90-126 adopted by the Central Valley Regional Water Quality Control Board on April 27, 1990.

	Fund	Actuals	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29
4110 Prelim Design/Study	300	15,355	-3,187	8,187	0	0	0	0	0	0	0	0	0
4120 Environmental Review	300	11,705	-594	10,594	0	0	0	0	0	0	0	0	0
4130 Acquisition	300	1,975	5,000	2,500	0	0	0	0	0	0	0	0	0
4140 Design	300	593,968	50,182	47,501	0	0	0	0	0	0	0	0	0
4150 Construction	300	3,058,657	3,493,056	7,682	0	0	0	0	0	0	0	0	0
4155 Plant Capacity	300	0	2,431,080	0	0	0	0	0	0	0	0	0	0
4160 Construction Insp.	300	43,907	195,538	27,671	0	0	0	0	0	0	0	0	0
4190 Contingency	300	0	500,000	0	0	0	0	0	0	0	0	0	0
4800 Other Expenses	300	254	19,970	1,000	0	0	0	0	0	0	0	0	0
4810 Labor	300	209	0	0	0	0	0	0	0	0	0	0	0
4998 Project Budget	300	0	363,183	0	0	0	0	0	0	0	0	0	0
4999 Overhead	300	371,018	462,314	10,513	0	0	0	0	0	0	0	0	0
Project Total:		4,097,048	7,516,542	115,648	0	0	0	0	0	0	0	0	0

Total by Fund

Capital Grants/ Reimbursements	300	4,097,048	7,516,542	115,648	0	0	0	0	0	0	0	0	0
Project Total:		4,097,048	7,516,542	115,648	0	0	0	0	0	0	0	0	0