

STATE WATER BOARD
RESOLUTION NO. 2005 – 0064

AUTHORIZATION TO COORDINATE WITH THE CALIFORNIA INFRASTRUCTURE
AND ECONOMIC DEVELOPMENT BANK (CIEDB) TO SELL REVENUE BONDS UP TO
\$300 MILLION FOR THE STATE REVOLVING FUND (SRF) LOAN PROGRAM

WHEREAS:

1. The State Water Resources Control Board (State Water Board) stopped making new SRF loan commitments in November 2003 because the cash balance showed that the program could not support additional loan commitments and available staff resources were needed to support Proposition 40 and 50 grant programs;
2. Loan contracts cannot be issued to new projects without sufficient cash flow to make projected disbursements;
3. The State Water Board desires to fund all “ready” projects up to the funding cap;
4. The California Infrastructure and Economic Development Bank (CIEDB) has the statutory authority to sell infrastructure revenue bonds pursuant to Government Code 63000 et. seq. on behalf of the SRF Program;
5. An authorization to sell up to \$300 million in revenue bonds would allow the State Water Board to make loan commitments to projects projected to start construction in State Fiscal Year 2005/06; and
6. The State Water Board established a funding cap of \$25 million per fiscal year per loan recipient in Resolution No. 99-040 on May 20, 1999, and the \$25 million cap has been in effect since May 20, 1999.

THEREFORE BE IT RESOLVED THAT:

The State Water Resources Control Board:

1. Authorizes the CIEDB to sell up to three-hundred million dollars (\$300,000,000) in revenue bonds as necessary to meet the cash flow needs of the SRF;
2. Authorizes Division of Financial Assistance (Division) to continue coordination with the “Financial Team” to sell revenue bonds to meet cash flow demands for the SRF Program;
3. Directs the Division staff to begin making loan commitments in advance of the revenue bond sale in order to have projects ready to receive bond sale proceeds;
4. Directs Division to monitor loan approvals and estimated disbursements and seek authorization from the State Water Board for additional revenue bond sales as needed;
5. Confirms continuation of the funding cap per fiscal year per loan recipient at \$25 million; and

6. Authorizes the Chief of the Division of Financial Assistance to accelerate project funding disbursements and exceed a loan recipient's funding cap in a particular year as long as the loan recipient ultimately receives the same funding amount if it had remained under the cap.

CERTIFICATION

The undersigned, Clerk to the Board, does hereby certify that the foregoing is a full, true, and correct copy of a resolution duly and regularly adopted at a meeting of the State Water Resources Control Board held on September 22, 2005.



Debbie Irvin
Clerk to the Board