

RESOLUTION NO. 2023-2305

**A RESOLUTION OF THE BOARD OF DIRECTORS
DESIGNATING \$3,000,000 TO THE CAPITAL RESERVES
FOR OPERATING CONTROL CENTER CONSTRUCTION COSTS AND
AUTHORIZING \$2,196,165 IN USE OF FUNDS FOR THE SECONDARY
TREATMENT PLANT UPGRADE AND RECYLED WATER EXPANSION PROJECT
AND ESTABLISHING A RECYCLED WATER CAPITAL
REPAIR AND REPLACEMENT FUND**

WHEREAS, Las Gallinas Valley Sanitary District (“District”) is authorized by the Sanitary District Act of 1923 (Health & Safety Code §6400 et seq.) to provide public services and facilities related to the acquisition, construction, replacement, maintenance and operation of wastewater collection facilities within the District’s service area; and

WHEREAS, the District is empowered to establish reserves for operational and capital needs in accordance with Board Policy F-50; and

WHEREAS, the Board of Directors is required to identify reserves to be utilized and for what purpose, and authorize the General Manager to transfer reserve funds to the respective operational or capital funds; and

WHEREAS, on June 16, 2022, the Board adopted the 2022-23 fiscal year budget by Resolution No. 2022-61, which included \$3,000,000 in undesignated funds to be used for the Operations and Control Center (“OCC”) building construction and soft costs; and

WHEREAS, it was the intent of the Board to hold these funds for use in the construction of the OCC building; and

WHEREAS, on June 14, 2018, the Board approved the 2018-19 budget by Resolution No. 2018-2128 which identified funding for the Secondary Treatment Plant Upgrade and Recycled Water Expansion (“STPURWE”) project, including the allocation of Marin Municipal Water District (“MMWD”) Buy-In and Debt Service payments to the Capital Reserves for use towards the project; and

WHEREAS, all MMWD funds held in Capital Reserves have been used for the STPURWE project; and

WHEREAS, the STPURWE project is nearing completion and there is no need to designate additional Capital Reserves for this project other than what has been received through March 31, 2023; and

WHEREAS, the District and MMWD entered into a Purchase and Sale of Recycled Water agreement dated March 23, 2017, requiring that a Recycled Water

Capital Repair and Replacement Fund (RWCRRF) be established and maintained by the District; and

WHEREAS, the District no longer needs to deposit MMWD Buy-In and Debt Service payments into the District's Bank of Marin ("BoM") Business Money Market Account #3983.

NOW, THEREFORE, the Board of Directors of the Las Gallinas Valley Sanitary District, Marin County, California, hereby designates \$3,000,000 to be transferred to the District's Capital Reserve fund for the purpose of constructing an Operating Control Center.

BE IT FURTHER RESOLVED, that the remaining \$1,116,575 in Capital Reserves designated for the STPURWE project be transferred to the general operating account to reimburse project payments not covered by the BoM MMWD reserves.

BE IT FURTHER RESOLVED, that the General Manager or designee is authorized to establish a Recycled Water Capital Repair and Replacement Fund utilizing the BoM Business Money Market Account #3983.

* * * * *

I hereby certify that the forgoing is a full, true, and correct copy of a resolution duly and regularly passed and adopted by the Sanitary Board of the Las Gallinas Valley Sanitary District, Marin County, California, at a meeting thereof held on the 18th day of May, 2023, by the following vote of the members thereof:

AYES, and in favor thereof, Members: *Clark, Ford, Yezman*

NOES, Members: *None*

ABSTAIN, Members: *None*

ABSENT, Members: *Murray and Roberts*

Teresa L. Lerch

Teresa L. Lerch, Board Secretary

Approved:

Megan Clark

Megan Clark, Board President

(seal)

