

RESOLUTION 473
OF THE SUNNYSLOPE COUNTY WATER DISTRICT
APPROVING INSTALLMENT PURCHASE OF
WATER TREATMENT PLANT

WHEREAS, the Sunnyslope County Water District ("District") is authorized to do all acts necessary to carry out fully the provisions of the County Water District Law and to acquire and use any property necessary to carry out the business of the District, and to do any act necessary to furnish sufficient water in the District for any present or future beneficial use; and

WHEREAS, the District and the City of Hollister ("Hollister") have proposed to acquire and jointly own a water treatment plant; and

WHEREAS, the staff and legal counsel of the District and Hollister have prepared an agreement for the acquisition and financing of a water treatment plant, which agreement is attached hereto as Exhibit "A"; and

WHEREAS, The water treatment plant described in the attached Exhibit "A" ("the Property") is necessary to carry out the business of the District and furnish sufficient water in the District; and

WHEREAS, the District has complied with the requirements of the California Environmental Quality Act for the water treatment plant, with an Environmental Impact Report and a subsequent Negative Declaration, which have determined that there will be no significant, unmitigable environmental impacts from the construction and operation of the water treatment plant.

NOW, THEREFORE, BE IT RESOLVED as follows:

1. The Board adopts the above findings.
2. The Board approves the form of the Agreement with the City of Hollister, a true copy of which is attached as Exhibit "A" to this Resolution.
3. The Board directs and authorizes the Board's officers and the District's General Manager to execute such documents and take such actions as may be necessary and appropriate to give effect to this Resolution.

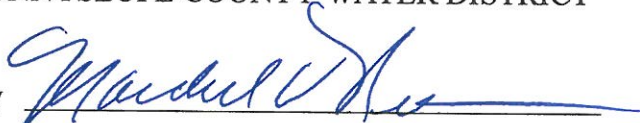
THE FOREGOING RESOLUTION was passed and adopted at a regular meeting of the Board of Directors of the Sunnyslope County Water District held on October 16, 2001, by the following vote:

AYES: DIRECTORS: Nelson, R. Anderson, D. Anderson, and Rosskamp

NOES: DIRECTORS: None

ABSENT: DIRECTORS: Hailstone

SUNNYSLOPE COUNTY WATER DISTRICT

By 
Marchel Nelson, President

(S E A L)

ATTEST:


Bryan M. Yamaoka, Secretary

**AGREEMENT BETWEEN
THE CITY OF HOLLISTER AND SUNNYSLOPE COUNTY WATER DISTRICT
FOR ACQUISITION AND FUNDING OF
LESSALT WATER TREATMENT PLANT**

The CITY OF HOLLISTER ("Hollister") and SUNNYSLOPE COUNTY WATER DISTRICT ("Sunnyslope"), the "Parties" to this Agreement, agree on October 17, 2001, as follows:

1. EXPLANATORY RECITALS

a. Hollister and Sunnyslope propose to jointly acquire, own and operate a water treatment plant, described in Exhibit A to this Agreement.

b. The Parties have determined it to be in their mutual interest, and the interest of the persons they serve, for Hollister to advance more than half of the funding for the treatment plant, with Sunnyslope to reimburse Hollister in installments over time for the acquisition of Sunnyslope's one-half (1/2) interest in the treatment plant.

c. The projected capital Cost Items to construct the water treatment plant and make it operational are set forth on Exhibit B to this Agreement.

2. PURPOSE OF AGREEMENT

Hollister and Sunnyslope intend by this Agreement to define their respective rights and obligations and memorialize their joint principles and objectives in acquiring, owning and operating the water treatment plant described in Exhibit A, with Hollister and Sunnyslope each owning an undivided fifty percent (50) interest in the water treatment plant.

3. ADDITIONAL DEFINITIONS.

As used in this Memorandum of Understanding:

a. "Agreement" means this Agreement

b. "Cost Items" means those elements of capital cost specified on Exhibit B to this Agreement.

c. "Hollister" means the City of Hollister, a California general law city.

d. "Net revenues" means revenues from rates and charges collected by Sunnyslope, inclusive of capital facilities charges to the extent permitted by law.

e. "Parties" means Hollister and Sunnyslope.

f. "Plant" means the Lessalt water treatment plant described in Exhibit A to this Agreement.

g. "Potable water" means water meeting all requirements of law for human consumption.

h. "Sunnyslope" means the Sunnyslope County Water District, a special district and political subdivision of the State of California organized and operating as a County Water District under Sections 30000 and following of the California Water Code.

i. "Year" means a calendar year.

4. INITIAL FUNDING

a. Hollister will advance the funds to pay all the capital Cost Items set forth on Exhibit B, to construct the Plant and make the Plant operational.

b. As of date of this Agreement, Sunnyslope paid Hollister \$278,263.

c. Upon receiving an invoice from Hollister, Sunnyslope will pay to Hollister additional Two-Hundred Thirty Thousand Dollars (\$230,000) for the capital Cost Items set forth on Exhibit B. This payment shall be credited to reduce the payments to be made by Sunnyslope to Hollister under paragraph 5b below.

d. Within thirty (30) days after execution of this Agreement by the Parties, Sunnyslope shall pay Hollister Twenty Thousand Dollars (\$20,000) for the capital Cost Items set forth on Exhibit B.

5. INSTALLMENT PAYMENTS BY SUNNYSLOPE

a. Beginning on the fifteenth day of the second month in the first calendar quarter following the certified completion of the Plant, Sunnyslope shall make forty-eight (48), equal, quarterly installment payments to Hollister sufficient to pay one-half ($\frac{1}{2}$) of the Cost Items, and thereby purchase a one-half ($\frac{1}{2}$) undivided interest in the Plant. A pro forma schedule of payments is set forth on Exhibit C to this Agreement for illustration. To the extent that actual Cost Items differ from projected Cost Items, Sunnyslope shall pay one-half ($\frac{1}{2}$) of actual Cost Items; provided that Sunnyslope will not pay more than Two Million Two Hundred Thousand

Dollars (\$2,200,000) to Hollister, exclusive of interest, except by further written agreement of the Parties.

b. Each installment payment by Sunnyslope shall include an additional amount for interest accrued on the unpaid balance from the date of the immediately preceding payment. Interest shall be calculated beginning from the date of the first payment. Interest shall accrue at the most recent average quarterly rate published or announced for funds invested with the Local Agency Investment Fund administered by the State of California. Sunnyslope shall make additional payment of Twenty Thousand Dollars (\$20,000) as provided in paragraph 4d for the capital Cost Items set forth on Exhibit B. This payment shall be in lieu of interest through June 30, 2002 and will not reduce the payments to be made by Sunnyslope to Hollister.

c. Hollister shall provide a written receipt to Sunnyslope for each installment payment.

d. Sunnyslope's payments to Hollister shall come only from the Net revenues of Sunnyslope, and the obligation to repay Hollister shall be a special obligation of Sunnyslope. To the extent permitted by law, late payments shall bear interest at the rate of twelve percent (12%) per annum, or, if lower, the maximum rate then permitted by law.

e. The obligation of Sunnyslope to make the payments from Net revenues shall be absolute and unconditional in all events and shall not be subject to any defense or any right of set-off, counterclaim or recoupment arising out of any obligation from Hollister to Sunnyslope.

f. Sunnyslope shall not voluntarily incur any obligation that will impair Sunnyslope's ability to make timely payments to Hollister as required by this Agreement.

g. Sunnyslope shall have the right to prepay any part of Sunnyslope's obligation to Hollister under this Agreement, at any time, without penalty. Subsequent installments shall be recalculated to account for any such prepayment.

6. TITLE TO PLANT AND LAND

Title to the plant and the land on which the Plant is constructed shall vest entirely with

Hollister until Sunnyslope has made payments sufficient to pay one-half (1/2) of the Cost Items.

Hollister shall then convey an undivided one-half (1/2) interest in the Plant and land to Sunnyslope. The Parties will record a Memorandum of this Agreement, in the form of Exhibit D to this Agreement, to give constructive notice of Sunnyslope's right under this Agreement.

7. GENERAL PROVISIONS

a. Further Actions. Each of the Parties agree to execute and deliver to the other such documents and instruments, and to take such actions, as may reasonably be required to give effect to the terms and conditions of this Agreement.

b. Binding Effect. This Agreement shall bind and benefit Sunnyslope and Hollister and their successors in interest.

c. Amendment or Modification. This Agreement may be amended, altered or modified only by a writing, specifying such amendment, alteration or modification, executed by authorized representatives of both of the Parties hereto.

d. Interpretation. This Agreement has been negotiated by and between the representatives of both Parties and their attorneys. Accordingly, any rule of law (including Civil Code § 1654) or legal decision that would require interpretation of any ambiguities in this Agreement against the party that has drafted it is not applicable and is waived. The provisions of this Agreement shall be interpreted in a reasonable manner to affect the purpose of the parties and this Agreement.

e. Captions. Titles or captions of articles and sections contained in this Agreement are inserted only as a matter of convenience and for reference, and in no way define, limit, extend or describe the scope of this Agreement or the intent of any provision of it.

f. Severability. If any of the provisions of this Agreement are determined to be invalid or unenforceable, those provisions shall be deemed severable from the remainder of this Agreement and shall not cause the invalidity or unenforceability of the remainder of this Agreement, unless this Agreement without the severed provision would frustrate a material purpose of either party in entering into this Agreement.

g. Dispute Resolution. The Parties agree that if any dispute arises over the interpretation or performance of this Agreement, the parties will first attempt to negotiate any such dispute informally. If such informal negotiation fails, the parties shall then submit the dispute for formal mediation to the Judicial Arbitration and Mediation Services (JAMS), or such other mediation service as the parties may mutually agree upon. Expenses of such mediation shall be shared equally between the parties.

h. Attorney's Fees and Costs. Should the dispute of the Parties not be resolved by negotiation or mediation, and in the event it should become necessary for either party to enforce any of the terms and conditions of this Agreement by means of court action or administrative enforcement, the prevailing party, in addition to any other remedy at law or in equity available to such party, shall be awarded all reasonable costs and reasonable attorney's fees in connection therewith, including the fees and costs of experts reasonably consulted by the attorneys for the prevailing party.

i. Waiver. No waiver of any right or obligation of either party hereto shall be effective unless in a writing, specifying such waiver, executed by the party against whom such waiver is sought to be enforced. A waiver by either party of any of its rights under this Agreement on any occasion shall not be a bar to the exercise of the same right on any subsequent occasion or of any other right at any time.

j. Counterparts. This Agreement may be executed in two counterparts, each of which shall be deemed an original, but both of which shall be deemed to constitute one and the same instrument.

k. Entire Agreement. This Agreement may be executed in two counterparts, each of which shall be deemed an original, but both of which shall be deemed to constitute one and the same instrument.

8. NOTICES

a. Any communication under this Agreement shall be deemed to have been given if delivered personally, or if enclosed in a properly addressed envelope and deposited in the United States Post Office for delivery by registered or certified mail, or if transmitted by

facsimile. Unless and until formally notified otherwise, all notices shall be addressed to the parties at their addresses as shown below:

CITY OF HOLLISTER:
City Manager
375 Fifth Street
Hollister, CA 95023
Phone: 636-4305 Fax: 636-4310

SUNNYSLOPE COUNTY WATER DISTRICT:
General Manager
3416 Airline Highway
Hollister, CA 95023-9702
Phone: 637-4670 Fax: 637-1399

The duly authorized representatives of Hollister and Sunnyslope sign this AGREEMENT on behalf of Hollister and Sunnyslope.

CITY OF HOLLISTER

Dated: 10/22/01

By: Peggy Corrales
Peggy Corrales, Mayor

Attest: Frank D. Felice
Frank D. Felice, Clerk

SUNNYSLOPE COUNTY WATER DISTRICT

Dated: 10/17/01

By: Marchel V. Nelson
Marchel V. Nelson, President

Attest: Bryan M. Yamaoka
Bryan M. Yamaoka, Secretary

APPROVED AS TO FORM:

Elaine Cass
Elaine Cass
City Attorney
City of Hollister

Lloyd W. Lowrey, Jr.
Lloyd W. Lowrey, Jr. for
Noland, Hamerly, Etienne & Hoss
District Counsel
Sunnyslope County Water District

EXHIBIT A PROJECT DESCRIPTION

The LESSALT project includes the construction of a membrane filtration water treatment facility to treat approximately 3,000-acre feet per year of surface water for municipal and industrial use. The proposed water source is Bureau of Reclamation (Bureau) water from the San Luis Reservoir. The San Benito County Water District, as a Bureau contract operator, already purchases and conveys to the area the proposed source water via the San Felipe and Hollister conduits. The LESSALT project proposes to treat 3 million gallons per day (MGD) which would be delivered as potable water to Sunnyslope County Water District and City of Hollister customers by connection to existing water distribution systems.

The LESSALT membrane filtration plant has the following features:

SITE:

Approximately one acre of existing agricultural/planned residential land.

PROCESS:

Micro filtration (M/F) as piloted and described in the 1999 Hollister UF/MF Pilot Study. Three 1.0 MGD skid mounted membrane treatment units manufactured by U.S. Filter will be included.

CHEMICAL STORAGE:

Cleansing for filters, disinfection, and corrosion control, all with proper containment. Space provided for possible future installation of TOC coagulant and PAC facilities.

BUILDING:

Approximately 5,400 square feet, pre-fab metal, single story at approximately 28 feet in height. Building contains a control room, laboratory, all process equipment, and chemical storage.

EXHIBIT "B"

CONCEPTUAL FUNDING SCENARIO OF LESSALT WATER TREATMENT PROJECT

SEPTEMBER 2001

Expenditure Category						Total
City Personnel Services	\$44,000	\$17,000	\$17,000	\$17,000	\$0	\$95,000
Professional Services	3,000	0	0	1,000	4,000	8,000
Engineering Services	96,000	38,000	38,000	57,000	229,000	458,000
Land Acquisition	18,000	8,000	8,000	8,000	42,000	84,000
Improvements & Permits	595,000	235,000	235,000	235,000	1,300,000	2,600,000
Equipment	525,000	0	0	0	525,000	1,050,000
Total Project Estimate	\$1,281,000	\$298,000	\$298,000	\$318,000	\$2,100,000	\$4,295,000
Expended to 8/31/01	(409,906)	(26,352)	(36,332)	(99,157)	0	(571,747)
Paid by SCWD	200,943	11,491	16,750	49,578	0	278,763
Anticipated Balance	\$1,072,037	\$283,139	\$278,418	\$268,422	\$2,100,000	\$4,002,016
Paid by SCWD					(278,763)	
Funding to SCWD					\$1,821,237	
SCWD Cash Payment					(230,000)	
Estimated Total Financed by SCWD					\$1,591,237	

Initial Interest Payment required by SCWD due 30 days after execution of Agreement: \$20,000

Total Cash Payment required by SCWD by June 30, 2002 would be: \$508,763
 $\$278,763 + \$230,000 = \$508,763$

Exhibit "C"

Illustration Purposes Only

Principal Amount: \$1,591,237.00	LAIF Interest Rate: 4.05% as of October 10, 2001
Quarterly Principal Amount: \$33,150.77	Total Payback: \$1,985,963.24
Number of Payments: 48 quarters	Total Interest: \$394,726.24

Starting Principle
\$ 1,591,237.00

Year	Month	Payment Number	Interest	Principal	Total Payment	Balance	APR	Quarterly Interest Rate
2002	SEP	1	\$ 16,111.27	\$ 33,150.77	\$ 49,262.04	\$ 1,558,086.23	4.05%	0.010125
	DEC	2	\$ 15,775.62	\$ 33,150.77	\$ 48,926.39	\$ 1,524,935.46	4.05%	0.010125
2003	MAR	3	\$ 15,439.97	\$ 33,150.77	\$ 48,590.74	\$ 1,491,784.69	4.05%	0.010125
	JUN	4	\$ 15,104.32	\$ 33,150.77	\$ 48,255.09	\$ 1,458,633.92	4.05%	0.010125
	SEP	5	\$ 14,768.67	\$ 33,150.77	\$ 47,919.44	\$ 1,425,483.15	4.05%	0.010125
	DEC	6	\$ 14,433.02	\$ 33,150.77	\$ 47,583.79	\$ 1,392,332.38	4.05%	0.010125
2004	MAR	7	\$ 14,097.37	\$ 33,150.77	\$ 47,248.14	\$ 1,359,181.61	4.05%	0.010125
	JUN	8	\$ 13,761.71	\$ 33,150.77	\$ 46,912.48	\$ 1,326,030.84	4.05%	0.010125
	SEP	9	\$ 13,426.06	\$ 33,150.77	\$ 46,576.83	\$ 1,292,880.07	4.05%	0.010125
	DEC	10	\$ 13,090.41	\$ 33,150.77	\$ 46,241.18	\$ 1,259,729.30	4.05%	0.010125
2005	MAR	11	\$ 12,754.76	\$ 33,150.77	\$ 45,905.53	\$ 1,226,578.53	4.05%	0.010125
	JUN	12	\$ 12,419.11	\$ 33,150.77	\$ 45,569.88	\$ 1,193,427.76	4.05%	0.010125
	SEP	13	\$ 12,083.46	\$ 33,150.77	\$ 45,234.23	\$ 1,160,276.99	4.05%	0.010125
	DEC	14	\$ 11,747.80	\$ 33,150.77	\$ 44,898.57	\$ 1,127,126.22	4.05%	0.010125
2006	MAR	15	\$ 11,412.15	\$ 33,150.77	\$ 44,562.92	\$ 1,093,975.45	4.05%	0.010125
	JUN	16	\$ 11,076.50	\$ 33,150.77	\$ 44,227.27	\$ 1,060,824.68	4.05%	0.010125
	SEP	17	\$ 10,740.85	\$ 33,150.77	\$ 43,891.62	\$ 1,027,673.91	4.05%	0.010125
	DEC	18	\$ 10,405.20	\$ 33,150.77	\$ 43,555.97	\$ 994,523.14	4.05%	0.010125
2007	MAR	19	\$ 10,069.55	\$ 33,150.77	\$ 43,220.32	\$ 961,372.37	4.05%	0.010125
	JUN	20	\$ 9,733.90	\$ 33,150.77	\$ 42,884.67	\$ 928,221.60	4.05%	0.010125
	SEP	21	\$ 9,398.24	\$ 33,150.77	\$ 42,549.01	\$ 895,070.83	4.05%	0.010125
	DEC	22	\$ 9,062.59	\$ 33,150.77	\$ 42,213.36	\$ 861,920.06	4.05%	0.010125
2008	MAR	23	\$ 8,726.94	\$ 33,150.77	\$ 41,877.71	\$ 828,769.29	4.05%	0.010125
	JUN	24	\$ 8,391.29	\$ 33,150.77	\$ 41,542.06	\$ 795,618.52	4.05%	0.010125
	SEP	25	\$ 8,055.64	\$ 33,150.77	\$ 41,206.41	\$ 762,467.75	4.05%	0.010125
	DEC	26	\$ 7,719.99	\$ 33,150.77	\$ 40,870.76	\$ 729,316.98	4.05%	0.010125
2009	MAR	27	\$ 7,384.33	\$ 33,150.77	\$ 40,535.10	\$ 696,166.21	4.05%	0.010125
	JUN	28	\$ 7,048.68	\$ 33,150.77	\$ 40,199.45	\$ 663,015.44	4.05%	0.010125
	SEP	29	\$ 6,713.03	\$ 33,150.77	\$ 39,863.80	\$ 629,864.67	4.05%	0.010125
	DEC	30	\$ 6,377.38	\$ 33,150.77	\$ 39,528.15	\$ 596,713.90	4.05%	0.010125
2010	MAR	31	\$ 6,041.73	\$ 33,150.77	\$ 39,192.50	\$ 563,563.13	4.05%	0.010125
	JUN	32	\$ 5,706.08	\$ 33,150.77	\$ 38,856.85	\$ 530,412.36	4.05%	0.010125
	SEP	33	\$ 5,370.43	\$ 33,150.77	\$ 38,521.20	\$ 497,261.59	4.05%	0.010125
	DEC	34	\$ 5,034.77	\$ 33,150.77	\$ 38,185.54	\$ 464,110.82	4.05%	0.010125
2011	MAR	35	\$ 4,699.12	\$ 33,150.77	\$ 37,849.89	\$ 430,960.05	4.05%	0.010125
	JUN	36	\$ 4,363.47	\$ 33,150.77	\$ 37,514.24	\$ 397,809.28	4.05%	0.010125
	SEP	37	\$ 4,027.82	\$ 33,150.77	\$ 37,178.59	\$ 364,658.51	4.05%	0.010125
	DEC	38	\$ 3,692.17	\$ 33,150.77	\$ 36,842.94	\$ 331,507.74	4.05%	0.010125
2012	MAR	39	\$ 3,356.52	\$ 33,150.77	\$ 36,507.29	\$ 298,356.97	4.05%	0.010125
	JUN	40	\$ 3,020.86	\$ 33,150.77	\$ 36,171.63	\$ 265,206.20	4.05%	0.010125
	SEP	41	\$ 2,685.21	\$ 33,150.77	\$ 35,835.98	\$ 232,055.43	4.05%	0.010125
	DEC	42	\$ 2,349.56	\$ 33,150.77	\$ 35,500.33	\$ 198,904.66	4.05%	0.010125
2013	MAR	43	\$ 2,013.91	\$ 33,150.77	\$ 35,164.68	\$ 165,753.89	4.05%	0.010125
	JUN	44	\$ 1,678.26	\$ 33,150.77	\$ 34,829.03	\$ 132,603.12	4.05%	0.010125
	SEP	45	\$ 1,342.61	\$ 33,150.77	\$ 34,493.38	\$ 99,452.35	4.05%	0.010125
	DEC	46	\$ 1,006.96	\$ 33,150.77	\$ 34,157.73	\$ 66,301.58	4.05%	0.010125
2014	MAR	47	\$ 671.30	\$ 33,150.77	\$ 33,822.07	\$ 33,150.81	4.05%	0.010125
	JUN	48	\$ 335.65	\$ 33,150.81	\$ 33,486.46	\$ (0.00)	4.05%	0.010125

Total	\$ 394,726.24
Total	\$ 1,591,237.00

**RECORDING REQUESTED BY, AND
WHEN RECORDED RETURN TO:**

Sunnyslope County Water District
3416 Airline Highway
Hollister, CA 95023-9702

MEMORANDUM OF AGREEMENT

The CITY OF HOLLISTER (“Hollister”) and SUNNYSLOPE COUNTY WATER DISTRICT (“Sunnyslope”) entered into an Agreement dated _____, 2001 (“Agreement”). The Agreement defines the respective rights and obligations of Hollister and Sunnyslope in acquiring and owning a water treatment plant to be located on the real property in San Benito County described as follows:

The Agreement provides that Hollister will pay the costs to acquire the water treatment plant, that Sunnyslope will purchase an undivided fifty percent (50%) interest in the water treatment plant from Hollister on terms set forth in the Agreement, and that Hollister will convey the undivided interest to Sunnyslope. The Agreement binds all successors and assigns of Hollister and Sunnyslope.

Dated: _____

CITY OF HOLLISTER

By _____
Peggy Corrales, Mayor

Dated: _____

SUNNYSLOPE COUNTY WATER DISTRICT

By _____
Marchel V. Nelson, President

RESOLUTION NO. 2001- 192

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF HOLLISTER
APPROVING AN AGREEMENT BETWEEN THE CITY OF HOLLISTER AND
SUNNYSLOPE COUNTY WATER DISTRICT FOR ACQUISITION AND
FUNDING OF THE LESSALT WATER TREATMENT PLANT**

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF HOLLISTER, that the Agreement between the City of Hollister and Sunnyslope County Water District for acquisition and funding of the Lessalt Water Treatment Plant is approved, and;

BE IT FURTHER RESOLVED, that the Mayor of the City of Hollister be and is hereby authorized and directed, for and on behalf of the City of Hollister, and as its act and deed, to execute the Agreement and a Memorandum of Agreement for recordation.

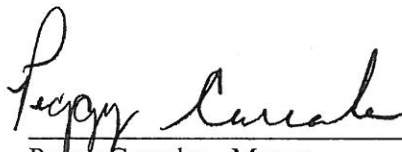
PASSED AND ADOPTED THIS 22nd day of October, 2001, by the following votes:

AYES: Councilmembers Bruscia, Conroy, LoBue, Valdivia and Mayor Corrales

NOES: None

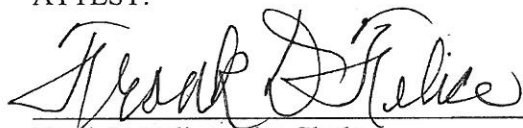
ABSENT: None

ABSTAIN: None



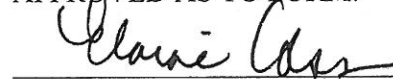
Peggy Corrales, Mayor

ATTEST:



Frank D. Felice, City Clerk

APPROVED AS TO FORM:



Elaine M. Cass, City Attorney

**DUPLICATE OF ORIGINAL
ON FILE IN THE
OFFICE OF THE CITY CLERK
CITY OF HOLLISTER**

RESOLUTION NO. 2001 - 193

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF HOLLISTER
ADOPTING SUPPLEMENTAL APPROPRIATION FOR THE LESSALT WATER
TREATMENT PLANT PROJECT, CIP 2010

WHEREAS, the Public Works Director has determined that costs will be incurred for completion of the Lessalt Water Treatment Plant, and

WHEREAS, the Public Works Director has determined it is appropriate to use General Fund 101, Water Enterprise Fund 620, Water Expansion Fund 621, Sewer Enterprise Fund 660 and Sewer Expansion Fund 661, and

WHEREAS, the Public Works Director estimates that work on this project will incur the following types of expenditures:

	Fund # 101	Fund # 620	Fund # 621	Fund # 660	Fund #661
Professional services 730-000		\$3,000	\$2,500		
Engineering 730-003	\$88,000	\$52,000	\$28,000	\$22,000	\$10,000
Land Acquisition 750-010	\$46,000	\$20,000	\$10,000	\$8,000	\$8,000
Improvements 750-050	\$1,300,000	\$595,000	\$235,000	\$235,000	\$235,000
Equipment 750-070	\$395,000	\$395,000			
Total	\$1,829,000	\$1,065,000	\$275,500	\$265,000	\$253,000

Total expected expenditure \$ 3,687,500

WHEREAS, the Finance Director has determined that there are sufficient resources in uncommitted fund balances and estimated revenue in the subject funds to satisfy this appropriation. _____

DUPLICATE OF ORIGINAL
ON FILE IN THE
OFFICE OF THE CITY CLERK
CITY OF HOLLISTER

NOW THEREFORE BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF HOLLISTER, that it approves the appropriation in the amount of \$3,687,500 from the subject funds for the Lessalt Water Treatment Plant.

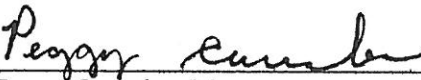
PASSED AND ADOPTED THIS 22nd day of October, 2001, by the following votes:

AYES: Councilmembers Bruscia, Conroy, LoBue, Valdivia and Mayor Corrales

NOES: None


ABSENT: None

ABSTAIN: None



Peggy Corrales, Mayor

ATTEST:



Frank D. Felice, City Clerk

APPROVED AS TO FORM:



Elaine M. Cass, City Attorney