

## MEMORANDUM

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**TO:** Board of Directors LGVSD

**FROM:** David J. Byers, Esq. District Counsel *DJB*

**DATE:** December 13, 2018

**SUBJECT:** Supplemental Report regarding evidence to support findings for Government Code § 63041 Resolution

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At this December 13, 2018 Board meeting you have before you a number of Resolutions regarding obtaining a loan from the California Infrastructure and Development Bank. In order to secure such a loan the Board must make certain findings under Government Code § 63041. Under California law such findings must be supported by evidence. The Agenda Summary Report authored by Administrative Services Manager Susan McGuire contains such evidence. This Supplemental Report contains additional evidence and explanations.

Under Government Code § 63041(a)(1) the Board must find that the proposed project is consistent with the general plans of the city and county. The LGVSD facility is unique in that the plant is primarily within the jurisdiction of the City of San Rafael while the Reclamation Area is mostly in unincorporated County of Marin. Under the general plan of the City the plant is designated as P/QP or Public/Quasi Public District and in the County's sphere of influence it is designated as Public Facility. The Reclamation Area is designated as A2 Agricultural under the County's plan. Therefore, the upgrade of the sewage treatment facility of the LGVSD is consistent with the "public" designations in both the City's general plan and the County's sphere of influence. Likewise, the passive reclamation area is consistent with the agricultural designation of the County's plan.

Under Government Code § 63041(a)(2) the Board must find that loan financing is appropriate for the project. The Agency Summary Report discusses why the proposed loan together with the bond proceeds will be sufficient to finance the construction cost for the treatment plant upgrade.

Under Government Code § 63041(a)(3) the Board must find that the project facilitates the efficient and effective use of public resources. The Agency Summary Report details how the treatment plant upgrade will promote an environmentally effective method of sewage treatment and produce recycled water to benefit the community.

Under Government Code § 63041(a)(4) the Board must find that the project is consistent with certain statewide goals. This project was approved consistent with the long-term capital improvement plan of LGVSD and is consistent with the terms and goals of the NPDES permit issued by the Regional Water Quality Control Board in its jurisdiction over LGVSD. It is therefore appropriate for selection under the State Environmental Goals and Policy Report.