

RESOLUTION NO. 08-02-24

RESOLUTION OF THE BOARD OF DIRECTORS OF THE PAJARO/SUNNY MESA COMMUNITY SERVICES DISTRICT, AUTHORIZING THE SUBMISSION OF A LOAN APPLICATION, THE INCURRING OF AN INDEBTEDNESS, THE EXECUTION OF A LOAN AGREEMENT AND ANY AMENDMENT THERETO, A PROMISSORY NOTE AND ANY OTHER DOCUMENTS NECESSARY TO SECURE A LOAN FROM RURAL COMMUNITY ASSISTANCE CORPORATION

WHEREAS, Pajaro/Sunny Mesa Community Services District (“District”) is a Community Services District created pursuant to Government Code Section 61000;

WHEREAS, the District is an entity established under the laws of the State of California and empowered to own property, borrow money and give security for loans;

WHEREAS, the District wishes to develop the Springfield Water Consolidation Project (“Project”), which will provide a high-quality water source for long-term reliability and new distribution system for the Springfield Water System, Struve #2 Water System and approximately ten (10) residences on Springfield Road on the property located in Moss Landing, California;

WHEREAS, the District has been working with the California Department of Financial Assistance (“State”) for funding for development of the Project;

WHEREAS, pursuant to the State funding program, the District will be reimbursed on a quarterly basis for expenses it incurs for development of the Project;

WHEREAS, given the quarterly reimbursement schedule, the District has a need for “bridge” funding to cover monthly expenditures for the Project until such State reimbursements can be issued;

WHEREAS, Rural Community Assistance Corporation (“RCAC”) is authorized to make loans for housing, environmental infrastructure and community facilities for low-income people;

WHEREAS, the District wishes to apply for and obtain from RCAC a “bridge” loan to cover the District’s monthly Project expenditures that are incurred before the District receives its quarterly reimbursement from the State; and

WHEREAS, District Counsel advises that CEQA review is required for construction of the Project, which is separate from the application for the loan.

NOW, THEREFORE BE IT RESOLVED as follows:

1. The District Board of Directors hereby finds and determines that the foregoing recitals are severally ratified, confirmed, approved and adopted in all respects.

2. The District Board approves the submittal to RCAC an application for a bridge loan for the Project to be developed in the County of Monterey in the State of California.
3. If the loan is approved, the District is hereby authorized to incur indebtedness in an amount not to exceed the amount approved by RCAC and to enter into a loan agreement with RCAC for the purposes set forth in the loan application and approved by RCAC. The District also may give a promissory note and execute security, and other instruments required by RCAC to evidence and secure the indebtedness.
4. The District is further authorized to request amendments, including increases in the loan amount up to amounts approved by RCAC, and to execute any and all documents required by RCAC to evidence and secure these amendments.
5. The District authorizes the General Manager or designee to execute in the name of the District, the loan application and the loan agreement, promissory note, and security and other instruments required by RCAC to make and secure the loan and any amendments thereto.
6. The District authorizes the General Manager or designee to confirm District bank account information for loan disbursements and payments.
7. The District authorizes the General Manager or designee to take all steps necessary to implement this Resolution, including executing in the name of the District, any and all documentation required by RCAC for the disbursement of the funds during the term of the loan.
8. This Resolution does not and shall not be construed as irrevocably committing the District to an activity that may cause either a direct physical change in the environment, or a reasonably foreseeable indirect change in the environment, without environmental review that complies with CEQA.


PASSED AND ADOPTED at a regular meeting of the Board of Directors of the Pajaro/Sunny Mesa Community Services District duly held on the 22nd day of August 2024, by the following vote:

AYES: D. Olsen; P. Anderson; C. Miller, D. Chesterman

NOES: None

ABSENT: S. Coplin


ABSTAIN: None



Donald Olsen, President of the Board of Directors

CERTIFICATE OF SECRETARY

I, Judith Vazquez-Varela, as the duly elected Secretary of the Board of Directors of the Pajaro/Sunny Mesa Community Services District, Monterey County, California, do hereby certify that the above resolution is a full, true and correct copy of said Resolution passed and adopted by the Board of Directors at a meeting held on the 22nd of August 2024, and that said Resolution is now spread upon the minutes of said Board.



Judith Vazquez-Varela, Secretary of the Board of Directors