



**MAYOR:** LUPE ALVAREZ  
**MAYOR PRO TEM:** VIRGINIA PONCE  
**COUNCIL MEMBER:** JOHN SABEDRA  
**COUNCIL MEMBER:** JOHN LIZALDE  
**COUNCIL MEMBER:** ARISTON JULIAN

**CITY ADMINISTRATOR:** REGAN M. CANDELARIO  
**CITY ATTORNEY:** DAVID FLEISHMAN  
**CITY CLERK:** ROSA NAREZ  
**CITY TREASURER:** PETRONA AMIDO

## AGENDA

### GUADALUPE CITY COUNCIL

**Special Meeting**  
**Tuesday, January 10, 2012**

**(Immediately Following Regular City Council Meeting)**

**City Hall, Council Chambers**  
**918 Obispo Street, Guadalupe, California 93434**

*In compliance with the Americans with Disabilities Act, if you need special assistance to participate in a City meeting or other services offered by this City, please contact the City Clerk's office, (805) 356-3891. Notification of at least 72 hours prior to the meeting or time when services are needed will assist the City staff in assuring that reasonable arrangements can be made to provide accessibility to the meeting or service.*


*If you wish to speak concerning any item on the agenda, please complete the Request to Speak form that is provided at the rear of the Council Chambers prior to the completion of the staff report and hand the form to the City Clerk. **Note:** Staff Reports for this agenda, as well as any materials related to items on this agenda submitted after distribution of the agenda packet, are available for inspection at the office of the City Administrator, City Hall, 918 Obispo Street, Guadalupe, California during regular business hours, 8:30 a.m. to 12:00 pm. and 1:00 p.m. to 5:00 p.m., Monday through Friday; telephone (805) 356-3891.*

1. **CALL TO ORDER.** Mayor Lupe Alvarez
2. **ROLL CALL.** Council Members John Sabedra, Virginia Ponce, John Lizalde, Ariston Julian and Mayor Lupe Alvarez.
3. **PLEDGE OF ALLEGIANCE.**

4. **PROP 50 LINE OF CREDIT AMOUNT CONFIRMATION.** That the City Council approves the amount of the Prop 50 WWTP Upgrade Project Line of Credit application at \$2.5 million with Community Bank of Santa Maria and adopt the associated Resolution No. 2012-03.
- a. Written Staff Report (Regan M. Candelario)
  - b. City Council discussion and consideration.
  - c. It is recommended that the City Council approves the amount of the Prop 50 WWTP Upgrade Project Line of Credit application at \$2.5 million with Community Bank of Santa Maria and adopt the associated Resolution No. 2012-03.

5. **ADJOURNMENT.**

*I hereby certify under penalty of perjury under the laws of the State of California that the foregoing Agenda was posted at the City Hall display case, the Water Department, the City Clerk's office and Rabobank, not less than 24 hours prior to the meeting. Dated this 9<sup>th</sup> day of January 2012.*

By:  for Regan M. Candelario  
Regan M. Candelario  
City Administrator

**REPORT TO THE GUADALUPE CITY COUNCIL**  
**City Council Agenda of January 10, 2012**

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**Prepared by:**  
**Regan M. Candelario**

**SUBJECT:**

**PROP 50 LINE OF CREDIT AMOUNT CONFIRMATION**

**RECOMMENDATION:**

That the City Council approves the amount of the Prop 50 WWTP Upgrade Project Line of Credit application at \$2.5 million with Community Bank of Santa Maria and adopt the associated Resolution No. 2012-03.

**BACKGROUND:**

The Prop 50 Grant project for the Waste Water Treatment Plant is approximately \$4.7 million. As the Council is well aware, the grant program is set-up on a reimbursement basis. Reimbursement payments are only processed by the State on a quarterly basis, however project invoices must be paid on a monthly basis. In an effort to ensure that our monthly bills are paid on time and the work continues as planned and scheduled, a short term "loan" or "line of credit" is needed. The project has a strict time line for completion, April of 2012. The deadline has prompted a strict 240-day project construction schedule. The project schedule is currently on pace and moving forward quite nicely.

A short term "loan" or "line of credit" from Community Bank of Santa Maria was approved by the City Council on November 8, 2011. Staff has been coordinating the application and approvals process with the bank and legal representation and has since developed a "sources and uses" spreadsheet to help plan the financial activities associated with the remainder of the WWTP Upgrade Project. The sources and uses spreadsheet and new information from the State regarding a 10% retention of the entire Prop 50 grant has lead to **an increase of the line of credit request from \$1.8 million to \$2.5 million** and a longer term for the financing schedule. The increased line of credit provides a greater sense of security for the project with no additional fees associated with the project. Staff hopes to finalize the application process this week.

**RESOLUTION CC. NO. 2012-03**

**RESOLUTION OF THE CITY COUNCIL OF THE CITY OF GUADALUPE APPROVING A SHORT TERM LINE OF CREDIT WITH THE COMMUNITY BANK OF SANTA MARIA FOR INTERIM FINANCING OF IMPROVEMENTS TO THE WASTEWATER TREATMENT PLANT**

**WHEREAS**, Government Code Section 53852 authorizes the City to enter into short-term borrowing for any purpose for which the City is authorized to use and expend moneys, including but not limited to current expenses, capital expenditures, investment and reinvestment, and the discharge of any obligation or indebtedness of the City;

**WHEREAS**, the City is currently in the process of constructing significant improvements to its wastewater treatment facilities that will ultimately be paid for through the use of State grant funds;

**WHEREAS**, the fact that such grant funds are paid only on a reimbursement basis requires the City to enter into short-term borrowing arrangements with the Community Bank of Santa Maria to fund interim construction payments;

**WHEREAS**, Government Code Section 53853 requires any such short-term borrowing be evidenced by resolution of the City Council.

**NOW, THEREFORE, BE IT RESOLVED** by the City Council of the City of Guadalupe as follows:

**SECTION 1.** The City Council authorizes the execution of a note in favor of the Community Bank of Santa Maria in the principal amount of up to \$2.5 million for short-term financing of the construction payments for improvements to the wastewater treatment plant.

PASSED AND ADOPTED at a regular meeting on the 10<sup>th</sup> day of January 2012 by the following vote:

**Motion:**

**AYES:**

**NOES:**

**ABSENT:**

**ABSTAIN:**

I, **Rosa Narez**, City Clerk of the City of Guadalupe, **DO HEREBY CERTIFY** that the foregoing Resolution, being **CC. Resolution No. 2012-03**, has been duly signed by the Mayor and attested by the City Clerk, all at a regular meeting of the City Council, held January 10, 2012, and that same was approved and adopted.

**ATTEST:**

\_\_\_\_\_  
Rosa Narez  
City Clerk

\_\_\_\_\_  
Lupe Alvarez  
Mayor

APPROVED AS TO FORM:

\_\_\_\_\_  
DAVID M. FLEISHMAN, City Attorney