

REPORT

To the Honorable Mayor and City Council
From the City Manager

EARLY TRANSMITTAL

For the Council Meeting of January 24, 2005

Staff is available to the Council and community to answer questions prior to the meeting

Subject

Recycled Water Project

Recommendations (Separate staff reports attached)

1. By Motion:

- a. Approve the Redwood City Water Financing Plan – 2004 Update, prepared by Bartle Wells Associates, Independent Public Finance Advisors for the purpose of financing the Recycled Water Project - Alternative 'TF', as recommended by the Community Task Force on Recycled Water;
- b. Conceptually approve a 12% water rate increase, and ask the City Council Utilities Committee to work with staff to recommend how rate increases could be implemented on July 1, 2005;
- c. Give direction to the Utilities Committee and staff on criteria for adjustments to water connection and facilities fees for new development and request that recommendations come back to Council for consideration within 90 days.

2. In connection with the sale of not more than \$36 million Public Financing Authority (PFA) Water Revenue Bonds to finance water recycling project expenditures projected to be made over the next 12 months and to reimburse the water fund for capital appropriations previously made in connection with this project, adopt a resolution approving, in substantially final form:

- An Installment Purchase Contract (City and PFA);
- An Indenture of Trust (PFA);
- A Continuing Disclosure Agreement with the trustee for the 2005 Bonds (City);
- A Preliminary Official Statement and its distribution (City and PFA);
- An Official Notice of Sale (City and PFA); and,

authorizing all actions specified in the resolution in connection with the issuance of the Water Revenue Bonds.

3. Approve a reimbursement resolution – authorizing the reimbursement of expenses incurred in connection with the installation of artificial play fields from future bond issues.

4. By Motion approve award of contract by the South Bayside System Authority (SBSA) Commission for the Redwood City Recycled Water Project, Phase 1, SBSA Facilities Project – Disinfection, Storage, and Pumping, pursuant to the recently-approved Agreement for Production and Delivery of Recycled Water (“Agreement”) between the South Bayside System Authority and the City of Redwood City.

Attachments

1. Staff report - Water Financing Plan
2. Staff report - Authorizing the sale of bonds
3. Staff report - Approving a reimbursement resolution
4. Staff report - Approving construction of facilities at the South Bayside System Authority