

Chester Public Utility District

Accessible text version of the signed resolution. Handwritten signatures are shown as /s/. The signed original is on file and available from the District office, (530) 258-2171.

Resolution No. 449

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE CHESTER PUBLIC UTILITY DISTRICT AUTHORIZING AND APPROVING THE CLEAN WATER STATE REVOLVING FUND CONSTRUCTION LOAN FUNDING AGREEMENT NO. D2501033 WITH THE STATE WATER RESOURCES CONTROL BOARD FOR THE NPDES PERMIT COMPLIANCE PROJECT (PROJECT NO. C-06-8587-210)

Recitals

WHEREAS, the Chester Public Utility District ("District") owns and operates a wastewater treatment plant (WWTP) subject to regulatory requirements imposed by the Central Valley Regional Water Quality Control Board (RWQCB) under National Pollutant Discharge Elimination System (NPDES) Permit No. CA0077747 and Waste Discharge Requirement Order No. R5-2021-0022;

WHEREAS, the District was issued Cease and Desist Order No. R5-2021-0038 on September 17, 2021, and received multiple Notices of Violation, requiring upgrades to the WWTP to achieve full compliance with water quality objectives;

WHEREAS, the California State Water Resources Control Board ("State Water Board"), through its Clean Water State Revolving Fund (CWSRF) Program, offers financial assistance for eligible wastewater infrastructure projects pursuant to Section 13475 et seq. of the California Water Code and Resolution Nos. 2025-0022 and 2025-0013;

WHEREAS, the District applied for and was approved to receive CWSRF construction funding for the NPDES Permit Compliance Project ("Project"), which includes upgrades to the WWTP headworks, installation of two Submerged Attached Growth Reactors (SAGRs), a new recycled water pump station, a new control/laboratory/blower building, a new chlorine contact basin with on-site sodium hypochlorite generation, a SCADA system, emergency standby generator, and related site improvements;

WHEREAS, the State Water Board transmitted Clean Water Construction Loan Agreement No. D2501033, Project No. C-06-8587-210 ("Agreement") to the District for execution, with a total Project Funding Amount of \$19,081,000, all of which constitutes a principal forgiveness component (effectively a grant with no repayment obligation);

WHEREAS, the Agreement requires the District to deliver to the State Water Board's Division of Financial Assistance a resolution authorizing the Agreement and identifying the District's authorized representative by title, and

WHEREAS, the Board of Directors has reviewed the Agreement and finds that entering into the Agreement is in the best interests of the District and the ratepayers it serves.

Now, Therefore, Be It Resolved

by the Board of Directors of the Chester Public Utility District as follows:

Section 1. Findings and Approval.

The Board of Directors hereby finds that the Clean Water State Revolving Fund Construction Loan Agreement No. D2501033 with the State Water Resources Control Board for the NPDES Permit Compliance Project (Project No. C-06-8587-210) is in the best interests of the District and is hereby approved. The material terms of the Agreement include the following:

Term	Value
Project Funding Amount	\$19,081,000
Principal Forgiveness	\$19,081,000 (no repayment required)
Eligible Work Start Date	August 1, 2023
Eligible Construction Start Date	March 13, 2026
Completion of Construction Date	June 30, 2030
Final Reimbursement Request Date	December 30, 2030
Records Retention End Date	June 30, 2066

Section 2. Authorization of Authorized Representative.

The General Manager is hereby designated as the District's Authorized Representative for all purposes of Agreement No. D2501033 and is authorized and directed to:

- (a) Execute the Agreement and any amendments thereto on behalf of the District;
- (b) Execute and submit all documents, certifications, reimbursement requests, reports, and other instruments required by the Agreement or the State Water Board;
- (c) Represent the District in all matters relating to the Agreement and the Project, including execution of the required assurances, certifications, and commitments; and
- (d) Take all other actions necessary and appropriate to fulfill the District's obligations under the Agreement.

Section 3. Ratification.

The Board of Directors hereby ratifies and confirms the execution of Agreement No. D2501033 by the General Manager on June 10, 2026, and all actions taken in connection therewith.

Section 4. Compliance Commitment.

The District hereby commits to comply with all terms, conditions, and requirements of Agreement No. D2501033, including all state and federal cross-cutting requirements, prevailing

wage obligations under the Davis-Bacon Act and California Labor Code, and all reporting and reimbursement requirements set forth therein.

Section 5. Effective Date.

This Resolution shall take effect immediately upon adoption.

PASSED AND ADOPTED by the Board of Directors of the Chester Public Utility District at a duly noticed regular meeting held on June 23rd, 2026, by the following vote:

AYES: Steve Graffweg, Rick Paulsen, Justin Bottini, Kim Green, Tami Tharpe

NOES: None

ABSENT: None

ABSTAINING: None

/s/ Board Chair, Stephen Graffweg, Board of Directors, Chester Public Utility District

ATTEST: /s/ Interim Board Clerk, Kelly Sanders, Staff, Chester Public Utility District

Certification

I hereby certify that the foregoing is a full, true, and correct copy of Resolution No. 449 duly adopted by the Board of Directors of the Chester Public Utility District at a meeting thereof held on the date stated above, and that said resolution has not been amended, modified, or rescinded and is in full force and effect.

/s/ Bonnie Mullaney, General Manager, Chester Public Utility District