

State Water Resources Control Board

JUL 18 2017

Mr. Thomas Esqueda, Public Utilities Director
City of Fresno
1910 E. University Avenue
Fresno, CA 93703

**FINANCING EVALUATION FOR THE CITY OF FRESNO'S (CITY) NORTHEAST SURFACE
WATER TREATMENT FACILITY 6 MG FINISHED WATER RESERVOIR PROJECT
(PROJECT); DRINKING WATER STATE REVOLVING FUND (DWSRF) PROJECT NUMBER
1010007-032C**

Dear Mr. Esqueda:

The State Water Resources Control Board's, Division of Financial Assistance (DFA) received the City's Project application and is currently evaluating it under the following financing terms:

Loan Amount: \$14,000,000

Interest Rate: 1.7%

Loan Repayment Term: 30 Years

As a condition of DWSRF eligibility, the City will need to demonstrate adequate water rates and an associated budget to handle the aforementioned financing terms, along with the operation and maintenance of the water system and new facility.

The terms outlined above do not represent an offer of funding, as the DFA still needs the following items to finalize the funding eligibility review:

- Pledged Revenues and Funds Resolution, adopted by the City Council
- Reimbursement Resolution, adopted by the City Council
- Circulated and approved California Environmental Quality Act (CEQA) document in accordance with DWSRF application

In addition, the DFA may still have unforeseen additional requests related to its credit approval review and federal cross-cutter review.

If you have any additional questions regarding your construction application please contact Marques Tamanaha at 916-449-5645 or via email at Marques.Tamanaha@waterboards.ca.gov.

Sincerely,



Leslie S. Laudon, Deputy Director
Division of Financial Assistance