

RESOLUTION NO 1097

RESOLUTION OF THE BOARD OF PUBLIC UTILITIES APPROVING THE DAIRY LOAN SUBORDINATION AGREEMENT IN FAVOR OF RABOBANK WITH JOHN AND TERESA BALLETO AS CO-TRUSTEES OF THE BALLETO 2001 FAMILY TRUST

WHEREAS, in June, 2000, John and Teresa Balletto were entered into a Dairy Waste loan Agreement with the City in the amount of \$200,000 to construct a dairy waste control facility on their ranch as part of the City's Dairy Waste Loan Program; and

WHEREAS, pursuant to Section 12 of the Dairy Waste Loan Agreement, John and Teresa Balletto have requested that the City of Santa Rosa subordinate the Dairy Waste Loan position to Rabobank so that they may secure an additional commercial loan against the ranch property to be expended to improve the farming enterprise; and

WHEREAS, the above mentioned Dairy Waste Loan Agreement has a remaining balance of \$49,932.80, the Ballettos' lender has confirmed appraisals were done in February of 2014 on the ranch property showing the loan to value ratio of the ranch will remain sufficient to cover the City's remaining loan balance.

NOW, THEREFORE, BE IT RESOLVED that the Board of Public Utilities approves the requested subordination agreement in favor of Rabobank with John and Teresa Balletto as Co-Trustees of the Balletto 2001 Family Trust.

BE IT FURTHER RESOLVED that the Board authorizes the Director of Santa Rosa Water to sign the subordination agreement and all other documents necessary to accomplish the requested subordination.

DULY AND REGULARLY ADOPTED by the City of Santa Rosa Board of Public Utilities this 17th day of September, 2015

AYES: (7) Galvin, Kaun, Arnone, Dowd, Holt, Steffensen and Tibbette

NOES: (0)

ABSENT: (0)

ABSTAIN: (0)

APPROVED:



Daniel J. Galvin III
Chair

ATTEST:



Gina Perez
Recording Secretary

APPROVED AS TO FORM:



City Attorney