

RESOLUTION 2017-366

A REIMBURSEMENT RESOLUTION OF THE BOARD OF SOUTH SAN LUIS OBISPO COUNTY SANITATION DISTRICT, STATING ITS INTENT TO REIMBURSE ITSELF FOR EXPENDITURES ADVANCED FOR THE WASTEWATER TREATMENT PLANT REDUNDANCY PROJECT, AND AUTHORIZING AND DIRECTING THE DISTRICT ADMINISTRATOR TO IMPLEMENT THE RESOLUTION

WHEREAS, South San Luis Obispo County Sanitation District (“Agency”) is a County Sanitation District organized and operating under Sections 4700-4858 of the California Health and Safety Code, and is authorized to seek funds from the California State Revolving Fund; and

WHEREAS, Agency desires to finance the costs of constructing and/or reconstructing certain public facilities and improvements relating to its wastewater system, including certain treatment facilities, pipelines and other infrastructure known as the Wastewater Treatment Plant Redundancy Project (the “Project”); and

WHEREAS, the Agency intends to finance the construction and/or reconstruction for the Project or portions of the Project with moneys (“Project Funds”) provided by the State of California, acting by and through the State Water Resources Control Board (“State Water Board”); and

WHEREAS, the State Water Board may fund the Project Funds with proceeds from the sale of obligations, the interest upon which is excluded from gross income for federal income tax purposes (the “Obligations”); and

WHEREAS, prior to either the issuance of the Obligations or the approval by the State Water Board of the Project Funds, the Agency desires to incur certain capital expenditures (the “Expenditures”) with respect to the Project from available moneys of the Agency; and

WHEREAS, the Agency has determined that those moneys to be advanced on and after the date of this resolution to pay the Expenditures are available only for a temporary period, and it is necessary to reimburse the Agency for the Expenditures from the proceeds of the Obligations;

NOW, THEREFORE, IT IS HEREBY RESOLVED by the Board of South San Luis Obispo County Sanitation District:

1. The Board hereby states its intention and reasonably expects to reimburse Expenditures paid prior to the issuance of the Obligations or the approval by the State Water Board of the Project Funds.

2. The reasonably expected maximum principal amount of the Project Funds is \$20,200,000.

3. This resolution is being adopted no later than 60 days after the date on which the Agency will expend moneys for the construction portion of the Project costs to be reimbursed with Project funds.

4. Each Agency expenditure will be of a type properly chargeable to a capital account under general federal income tax principles.

5. To the best of the Board's knowledge, this Agency is not aware of the previous adoption of official intents by the Agency that have been made as a matter of course for the purpose of reimbursing expenditures and for which tax-exempt obligations have not been issued.

6. This resolution is adopted as the official intent of the Agency in order to comply with Treasury Regulation §1.150-2 and any other regulations of the Internal Revenue Service relating to the qualification for reimbursement of Project costs.

7. All of the recitals in this Resolution are true and correct and this Agency so finds, determines and represents.

8. The District Administrator, or his/her designee, is hereby authorized and directed to take all steps necessary to implement this resolution.

PASSED AND ADOPTED at a regular meeting of the South San Luis Obispo County Sanitation District Board of Directors held this 19th day of April, 2017.

On the motion of Hill seconded by Austin, and after the following roll call vote:

AYES: Hill, Austin, Shoals
NOES:
ABSENT:
CONFLICTS:



John Shoals,
Chairman
Board of Directors
South San Luis Obispo County Sanitation District

APPROVED AS TO FORM:

BY: 
DISTRICT COUNSEL

CONTENTS:
BY: 
DISTRICT ADMINISTRATOR

CERTIFICATION

I do hereby certify that the foregoing is a full, true, and correct copy of a resolution duly and regularly adopted at a meeting of the Board of Directors of South San Luis Obispo County Sanitation District held April 19, 2017.


