

**RESOLUTION NO. 2023 - 08**

**A RESOLUTION OF THE BOARD OF DIRECTORS OF THE  
TUOLUMNE CITY SANITARY DISTRICT  
REGARDING REIMBURSEMENT FROM THE STATE WATER RESOURCES CONTROL  
BOARD UNDER THE STATE REVOLVING FUND (SRF) PROGRAM**

**WHEREAS**, the Tuolumne City Sanitary District (the "Agency") desires to pay for the costs of constructing and/or reconstructing certain public facilities and improvements relating to its wastewater system, including certain treatment facilities, pipelines, collection system, pump stations, control systems and other infrastructure (the "*Treatment Plant Project - Phase 2*" and the "*Collection System Project – Phase 2*"); and

**WHEREAS**, the Agency intends to pay for the construction and/or reconstruction of the *Treatment Plant Project – Phase 2* and the *Collection System Project – Phase 2* or portions of these Projects 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 hereof 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, THE AGENCY DOES HEREBY RESOLVE, ORDER AND DETERMINE AS FOLLOWS:**

**SECTION 1.** The Agency 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.

**SECTION 2.** The reasonably expected maximum principal amount of the Project Funds is \$15,000,000.

**SECTION 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.

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

**SECTION 5.** To the best of our 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.

**SECTION 6.** This resolution is adopted as 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.

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

The foregoing resolution was duly introduced and adopted by the Board of Directors of the Tuolumne City Sanitary District at their regular meeting held on September 6<sup>th</sup>, 2023 by the following vote:

**AYES:**

**NOES:**

**ABSTAIN:**

**ABSENT:**

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**John Feriani, President**

**Attest:**

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**Brenda Bonillo, District Secretary / Clerk of the Board**

#### 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 Tuolumne City Sanitary District Board of Directors held on September 6<sup>th</sup>, 2023.

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Brenda Bonillo, District Secretary / Clerk of the Board

*(Name, Signature, and Seal of the Clerk or Authorized Record Keeper of the Governing Board of the Agency)*