

RESOLUTION NO. 2022-_____

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LA MESA
APPROVING THE REIMBURSEMENT OF PROJECT EXPENDITURES FOR
THE SEWER INFLOW AND INFILTRATION MITIGATION PROJECT PHASE 7
IN AN AMOUNT NOT-TO-EXCEED \$7,000,000

WHEREAS, this project will advance the City's goal of continuing to improve high quality municipal services;

WHEREAS, the City's wastewater capital improvement goals focus on replacement and/or rehabilitation of pipe with inadequate capacity, and/or in poor condition, and reduction of inflow and infiltration;

WHEREAS, the cost of this project is estimated at \$7,000,000;

WHEREAS, the City of La Mesa (Agency) desires to finance the costs of the project;

WHEREAS, the City of La Mesa intends to finance the planning, design, construction and construction management of the Project moneys ("Project Funds") provided by the State of California, acting by and through the State Water Resources Control Board (State Water Board);

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 tax purposes (the "Obligations");

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 expenses (the "Expenditures") with respect to the Project from available monies of the Agency; and

WHEREAS, the Agency has determined those monies to be advances 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, BE IT AND IT IS HEREBY RESOLVED, ORDERED, AND DETERMINED AS FOLLOWS:

SECTION 1: The City of La Mesa 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 \$7,000,000.

SECTION 3: The 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 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.

PASSED AND ADOPTED at a Regular meeting of the City Council of the City of La Mesa, California, held the 22nd day of November 2022, by the following vote, to wit:

AYES:

NOES:

ABSENT:

CERTIFICATE OF CITY CLERK

I, MEGAN WIEGELMAN, City Clerk of the City of La Mesa, California, do hereby certify the foregoing to be a true and exact copy of Resolution No. 2022-___, duly passed and adopted by the City Council of said City on the date and by the vote therein recited.

MEGAN WEIGELMAN, CMC, City Clerk

(SEAL OF CITY)