

Resolution No.
County Administration Building
Santa Rosa, California

Date

RESOLUTION OF THE BOARD OF DIRECTORS OF THE SONOMA VALLEY COUNTY SANITATION DISTRICT STATING THE INTENTION OF DISTRICT TO SEEK REIMBURSEMENT OF CERTAIN PROJECT COSTS FOR THE BIOSOLIDS MANAGEMENT UPGRADE PROJECT INCURRED PRIOR TO EXECUTION OF A STATE REVOLVING FUND (SRF) LOAN FROM PROCEEDS OF THE SRF LOAN FOR PROJECT COSTS THAT ARE PROPERLY CHARGEABLE TO A CAPITAL ACCOUNT UNDER GENERAL FEDERAL INCOME TAX PRINCIPLES.

WHEREAS, the Sonoma Valley County Sanitation District (District) desires to finance certain costs of constructing its Biosolids Management Upgrade Project (Project); and

WHEREAS, the District intends to finance the construction and/or reconstruction of 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 (Obligations); and

WHEREAS, prior to either the issuance of the Obligations or the approval by the State Water Board of the Project Funds the District desires to incur certain capital expenditures identified as eligible in the State Revolving Fund program policy (District Expenditures) with respect to the Project from available moneys of the District; and

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

NOW, THEREFORE, BE IT RESOLVED that the Board of Directors of the Sonoma Valley County Sanitation District hereby finds, determines, and declares as follows:

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

R1

2. The reasonably expected maximum principal amount of the Project Funds is \$3,100,000.
3. This Resolution is being adopted no later than 60 days after the date on which the District will expend moneys for the portion of the Project costs to be reimbursed with Project Funds.
4. Each District Expenditure will be of a type properly chargeable to a capital account under general federal income tax principles.
5. To the best of our knowledge, this District is not aware of the previous adoption of official intents by the District 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 official intent of the District 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 the recitals in this Resolution are true and correct and this District so finds, determines and represents.

DIRECTORS:

K. BROWN:	V. BROWN:	KELLEY:
Ayes	Noes	Absent
		Abstain

SO ORDERED.

R1-2

Resolution No.
County Administration Building
Santa Rosa, California

Date

RESOLUTION OF THE BOARD OF DIRECTORS OF THE SONOMA VALLEY COUNTY SANITATION DISTRICT STATING THE INTENTION OF DISTRICT TO SEEK REIMBURSEMENT OF CERTAIN PROJECT COSTS FOR THE MAIN SEWER TRUNK REPLACEMENT (WATMAUGH ROAD EAST TO TREATMENT PLANT) PROJECT INCURRED PRIOR TO EXECUTION OF A STATE REVOLVING FUND (SRF) LOAN FROM PROCEEDS OF THE SRF LOAN FOR PROJECT COSTS THAT ARE PROPERLY CHARGEABLE TO A CAPITAL ACCOUNT UNDER GENERAL FEDERAL INCOME TAX PRINCIPLES.

WHEREAS, the Sonoma Valley County Sanitation District (District) desires to finance certain costs of constructing its Main Sewer Trunk Replacement (Watmaugh Road East to Treatment Plant) Project (Project); and

WHEREAS, the District intends to finance the construction and/or reconstruction of 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 (Obligations); and

WHEREAS, prior to either the issuance of the Obligations or the approval by the State Water Board of the Project Funds, the District desires to incur certain capital expenditures identified as eligible in the State Revolving Fund program policy (District Expenditures) with respect to the Project from available moneys of the District; and

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

NOW, THEREFORE, BE IT RESOLVED that the Board of Directors of the Sonoma Valley County Sanitation District hereby finds, determines, and declares as follows:

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

R2

2. The reasonably expected maximum principal amount of the Project Funds is \$4,100,000.
3. This Resolution is being adopted no later than 60 days after the date on which the District will expend moneys for the portion of the Project costs to be reimbursed with Project Funds.
4. Each District Expenditure will be of a type properly chargeable to a capital account under general federal income tax principles.
5. To the best of our knowledge, this District is not aware of the previous adoption of official intents by the District 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 official intent of the District 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 the recitals in this Resolution are true and correct and this District so finds, determines and represents.

DIRECTORS:

K. BROWN:	V. BROWN:	KELLEY:
Ayes	Noes	Absent
		Abstain

SO ORDERED.

R2-1