



City of Biggs

Agenda Item Staff Report For the Regular City Council Meeting: July 14, 2015

TO: Honorable Mayor and Members of the City Council
FROM: City Administrator
SUBJECT: Authorizing Resolutions for Waste Water Project Phase 2

Council is asked to consider approval of resolutions authorizing funding for the Phase 2 waste water project.

Background

The identical resolutions were passed by Council in 2013, but needed to be revised for current project costs which were modified to include refinancing of prior waste water project debt.

Recommendation:

Approve the following resolutions:

**RESOLUTION No. 2015-14
RESOLUTION OF THE CITY COUNCIL OF THE CITY OF BIGGS EXPRESSING
EXPECTATION TO BE REIMBURSED FOR EXPENSES PAID
PRIOR TO LOAN APPROVAL**

**RESOLUTION NO. 2015-12
RESOLUTION OF THE CITY COUNCIL OF THE CITY OF BIGGS—AUTHORIZATION
TO NEGOTIATE AND EXECUTE FINANCIAL ASSISTANCE AGREEMENT FOR
WASTEWATER TREATMENT PLANT MODIFICATIONS – PHASE 2**

Mark Sorensen, City Administrator

RESOLUTION No. 2015-14

**RESOLUTION OF THE CITY COUNCIL OF THE CITY OF BIGGS EXPRESSING
EXPECTATION TO BE REIMBURSED FOR EXPENSES PAID
PRIOR TO LOAN APPROVAL**

WHEREAS, the City of Biggs (the "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 (the "Project"); and

WHEREAS, the Agency 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 (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 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 be reimbursed 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 \$5,800,000.

SECTION 3. This Resolution is being adopted no later than 7 months after the date on which the Agency will expend moneys for the 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.

I HEREBY CERTIFY that the foregoing **RESOLUTION** was duly introduced, passed and adopted at a regular meeting of the City Council of the City of Biggs, held on the 14th day of July, 2015, by the following vote:

AYES: Council Members: _____

NOES: Council Members: _____

ABSENT: Council Members: _____

ABSTAIN: Council Members: _____

ATTEST:

Roben Dewsnap, CITY CLERK

Roger Frith, MAYOR

RESOLUTION NO. 2015-12

**RESOLUTION OF THE CITY COUNCIL OF THE CITY OF BIGGS—AUTHORIZATION
TO NEGOTIATE AND EXECUTE FINANCIAL ASSISTANCE AGREEMENT FOR
WASTEWATER TREATMENT PLANT MODIFICATIONS – PHASE 2**

BE IT RESOLVED by the Biggs City Council that the City Administrator is hereby authorized and directed to sign and file, for and on behalf of the City of Biggs, a Financial Assistance Application for a financing agreement from the State Water Resources Control Board for the planning, design, and construction of City of Biggs Wastewater Treatment Plant Modifications—Phase 2; and

BE IT RESOLVED that the City of Biggs hereby agrees and further does authorize the aforementioned representative or his/her designee to certify that the Agency has and will comply with all applicable state and federal statutory and regulatory requirements related to any financing or financial assistance received from the State Water Resources Control Board; and

BE IT FURTHER RESOLVED that the City Administrator or his/her designee of the City of Biggs is hereby authorized to negotiate and execute a financial assistance agreement from the State Water Resources Control Board and any amendments or change orders thereto and certify financing agreement disbursements on behalf of the City of Biggs. Except for grant awards, such financial assistance shall not exceed \$5,800,000.

I HEREBY CERTIFY that the foregoing **RESOLUTION** was duly introduced, passed and adopted at a regular meeting of the City Council of the City of Biggs, held on the 14th day of July, 2015 by the following vote:

AYES: Council Members: _____

NOES: Council Members: _____

ABSENT: Council Members: _____

ABSTAIN: Council Members: _____

ATTEST:

Roben Dewsnup, CITY CLERK

Roger Frith, MAYOR