



Legislation Details (With Text)

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Title: RESOLUTION AUTHORIZING EXECUTION OF DECLARATION OF OFFICIAL INTENT TO REIMBURSE CITY FOR COSTS OF LEAD SERVICE REPLACEMENT PROJECT FROM BOND PROCEEDS.

Sponsors:

Indexes:

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Attachments: 1. Exhibit A

Date	Ver.	Action By	Action	Result
11/14/2022	1	City Council	adopted	

RESOLUTION AUTHORIZING EXECUTION OF DECLARATION OF OFFICIAL INTENT TO REIMBURSE CITY FOR COSTS OF LEAD SERVICE REPLACEMENT PROJECT FROM BOND PROCEEDS.

CITY PROPOSAL:

RESOLVED, that pursuant to Treasury Regulations Section 1.150-2 under the Internal Revenue Code of 1986, as amended, the proper city officials are hereby authorized to execute the declaration of official intent attached hereto as Exhibit A, authorizing the city to reimburse itself for up to \$5,100,000 in capital expenses incurred by the city to implement the lead water service replacement project.

STATEMENT OF PURPOSE: The purpose of this resolution is to authorize the city to reimburse itself from bond proceeds for costs incurred prior to the sale of bonds to the public facilities authority (the "PFA") in implementing the lead water service replacement project (the "Project").

The city anticipates that the Project will be an approximately \$10 Million project over its term that will be funded by a PFA grant of about \$4.9 Million and the purchase of city bonds in the amount of \$5.1 Million. However, the city anticipates incurring expenses for the Project prior to bond proceeds being available for which the city would need reimbursement. And in order to be eligible for such reimbursement under IRA rules, the attached declaration must be authorized and executed.