

RESOLUTION NO. 2414

**A RESOLUTION OF THE BOARD OF DIRECTORS OF THE
OLIVEHURST PUBLIC UTILITY DISTRICT
APPROVING REIMBURSEMENT REQUIREMENTS BY THE STATE
WATER RESOURCES CONTROL BOARD FOR THE CITY OF WHEATLAND
AND THE OLIVEHURST PUBLIC UTILITY DISTRICT REGIONAL
WASTEWATER TRANSMISSION AND TREATMENT FACILITIES PROJECT**

WHEREAS the City of Wheatland (City) has been in negotiation(s) with the Olivehurst Public Utility District (OPUD), also known as "Agencies" for the planning, design and construction of regional wastewater transmission and treatment facilities (Project), and

WHEREAS the Project includes the planning, design, and construction of new wastewater interceptor(s), lift stations, wastewater treatment plant upgrades (OPUD), and other required appurtenances, and

WHEREAS the Agencies are in negotiation(s) on various agreements, including and not limited to: Operations Agreement, Capacity and Purchase Agreement, and Delegation Agreement, and

WHEREAS both Agencies will be requesting SWRCB financing in the amount of \$129,477,211, of which OPUD's portion being **\$17,476,610** and the City's being \$112,000,601, and

WHEREAS the OPUD (Agency) desires to finance the costs of constructing certain public facilities and improvements relating to its wastewater system, including certain pipelines, pump stations, treatment facilities, and other infrastructure appurtenances for 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 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.

WHEREAS the Agency is anticipating a 100% grant due to the 2020 census designation of being a disadvantaged community, and

WHEREAS the Agency will continue to pursue other sources of funding through local contributions from Agencies, including Yuba County and the Yuba County Water Agency, and

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 **\$17,476,610**, for the OPUD portion of the Regional Project.

SECTION 3. This resolution is being adopted no later than 60 days after the date on which the Agency will expend monies for the construction portion of the Project costs to be reimbursed with Project Funds.

SECTION 4. Each Agency expenditure(s) 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.

PASSED AND ADOPTED by the Board of Directors of Olivehurst Public Utility District, this 19th day of January 2023, by the following vote:

SO ORDERED.

OLIVEHURST PUBLIC UTILITY DISTRICT

President, Board of Directors

ATTEST:

APPROVED AS TO FORM AND LEGAL SUFFICIENCY:

District Clerk and Ex-Officio Secretary

Deirdre Joan Cox, Legal Counsel

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I hereby certify that the foregoing is a full, true, and correct copy of a Resolution duly adopted and passed by the Board of Directors of the Olivehurst Public Utility District, Yuba County, California, at a meeting thereof held on the 19th day of January 2023, by the following vote:

AYES, AND IN FAVOR THEREOF:

NOES:

ABSTAIN:

ABSENT:

District Clerk and ex-officio Secretary