



CITY OF LODI

COUNCIL COMMUNICATION

AGENDA TITLE: Adopt Resolution Declaring the City of Lodi's Intent to Reimburse Certain Expenditures from Proceeds of Indebtedness for the City's White Slough Water Pollution Control Facility

MEETING DATE: August 15, 2001

PREPARED BY: Public Works Director

RECOMMENDED ACTION: Adopt resolution declaring the City of Lodi's intent to reimburse certain expenditures from proceeds of indebtedness for the City's White Slough Water Pollution Control Facility (WSWPCF).

BACKGROUND INFORMATION: The City of Lodi will soon enter into design phases for the expansion of the WSWPCF. The project will include improvements to meet State Regional Water Quality Control Board discharge requirements and other infrastructure improvements. In order to recapture what are deemed "reimbursable expenses" from future bond proceeds, it is necessary for the Council to adopt a resolution declaring this intent. Typical reimbursable expenses include design, property acquisition, and construction costs.

The resolution does not commit the City to make any expenditures, incur any indebtedness, or proceed with the projects. The resolution simply provides the City with the ability to seek reimbursements for already incurred and future costs should the City proceed with Certificates of Participation in the future. This declaration is made solely for the purpose of establishing compliance with the requirements of Section 1.150-2 of the Treasury Regulations.

FUNDING: Not applicable.

Richard C. Prima, Jr.
Public Works Director

Prepared by Sharon Blaufus, Management Analyst II

RCP/SB/lm

cc: Randy Hays, City Attorney
Fran Forkas, Water/Wastewater Superintendent
Del Kerlin, Assistant Wastewater Treatment Superintendent

APPROVED: _____

H. Dixon Flynn -- City Manager

RESOLUTION NO. 2001-207

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LODI
DECLARING ITS INTENT TO REIMBURSE CERTAIN EXPENDITURES
FROM PROCEEDS OF INDEBTEDNESS (WHITE SLOUGH WATER
POLLUTION CONTROL FACILITY)

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WHEREAS, the City of Lodi ("City") intends to expand the White Slough Water Pollution Control Facility (WSWPCF), including improvements to meet State Regional Water Quality Control Board discharge requirements and other infrastructure improvements to accommodate anticipated increases in the waste flows; and

WHEREAS, the City expects to pay certain expenditures ("Reimbursement Expenditures") in connection with the Project prior to the issuance of indebtedness for the purpose of financing costs associated with the Project on a long-term basis; and

WHEREAS, the City reasonably expects that debt obligations in an amount not expected to exceed \$34,000,000 will be issued and that certain of the proceeds of such debt obligations will be used to reimburse the Reimbursement Expenditures.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Lodi that:

Section 1. City finds and determines that the foregoing recitals are true and correct.

Section 2. This declaration is made solely for purposes of establishing compliance with the requirements of Section 1.150-2 of the Treasury Regulations. This declaration does not bind City to make any expenditure, incur any indebtedness, or proceed with the Project.

Section 3. City hereby declares its official intent to use proceeds of indebtedness to reimburse itself for Reimbursement Expenditures.

Section 4. This resolution shall take effect from and after its adoption.

Dated: August 15, 2001

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I hereby certify that Resolution No. 2001-207 was passed and adopted by the Lodi City Council in a regular meeting held August 15, 2001 by the following vote:

AYES: COUNCIL MEMBERS – Hitchcock, Howard, Land, Pennino and Mayor Nakanishi

NOES: COUNCIL MEMBERS – None

ABSENT: COUNCIL MEMBERS – None

ABSTAIN: COUNCIL MEMBERS – None



SUSAN J. BLACKSTON
City Clerk