

RESOLUTION NO. \_\_\_\_\_

A RESOLUTION OF THE COUNCIL OF THE CITY OF SANTA BARBARA AUTHORIZING THE CITY ADMINISTRATOR TO EXECUTE AND DELIVER AN APPLICATION TO THE STATE WATER RESOURCES CONTROL BOARD FOR A CLEAN WATER STATE REVOLVING FUND FINANCING AGREEMENT

WHEREAS, the City of Santa Barbara (the "City") desires to finance the planning, design, and construction costs of EEWTP Air Process Improvements Project at the El Estero Wastewater Treatment Plant;

WHEREAS, the City intends to finance the Project with moneys (Project Funds) provided to the City through a Clean Water State Revolving Fund financing agreement from the State of California, acting by and through the State Water Resources Control Board ("Clean Water Financing Agreement");

WHEREAS, the State Water Board may fund the Clean Water Financing Agreement with proceeds from the sale of obligations, the interest upon which is excluded from gross income for federal income tax purposes (the "Obligations");

WHEREAS, prior to either the issuance of the Obligations or the approval by the State Water Boards 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.

NOW, THEREFORE, BE IT RESOLVED BY THE COUNCIL OF THE CITY OF SANTA BARBARA AS FOLLOWS:

SECTION 1. The City Administrator, or his designee, is hereby authorized and directed to sign and file, for and on behalf of the City of Santa Barbara, a Financial Assistance Application for a State Revolving Fund Clean Water Financing Agreement from the State Water Resources Control Board for the planning of the Project;

SECTION 2. The City Administrator, or his designee, is authorized to certify that the City 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 Boards;

SECTION 3. The City Administrator, or his designee, is hereby authorized to negotiate and execute a Financing 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;

SECTION 4. Each Agency expenditure will be of a type properly chargeable to a capital account under general federal income tax principles.

SECTION 5. 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 6. All the recitals in this Resolution are true and correct and the City so finds, determines and represents.

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