

**City of Racine, Wisconsin**  
**Declaration of Official Intent to Reimburse**  
**Filtration System Rehabilitation Project**  
**Resolution No. \_ \_ \_ \_ \_**

WHEREAS, the City of Racine, Wisconsin, (City) owns and operates a water treatment plant and distribution system through the Racine Water Utility (Utility) as directed by the Racine Waterworks Commission (Commission); and

WHEREAS, the Utility has need to undertake a project to rehabilitate the gravity filtration system, of which the eight small filter beds were originally constructed in 1927, the four medium filter beds constructed in 1936, and the four large filter beds constructed in 1958; and

WHEREAS, the Commission authorized a study to be prepared by CDM Smith to evaluate the condition of the filtration system and provide recommendations on improvements and compiled a project report October 2022; and

WHEREAS, the Utility has applied to the State Safe Drinking Water Loan Program (SDWLP) and expects to obtain a loan to provide long-term financing for the Project, of which a portion of the principal may be forgiven in the form of Principal Forgiveness, pursuant to the WDNR Financial Assistance Agreement (FAA), and

WHEREAS, engineering, planning and design of the Project and construction related services is expected to proceed prior to the SDWLP loan issuance; and

WHEREAS, the Racine Water Utility, through its Commission wishes to declare its intent to use its internal funds to temporarily fund the engineering of the Project until the SDWLP loan, or other long-term financing, can be obtained; and

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

1. Expenditures of Funds. The Racine Water Utility, through its Commission, shall make expenditures as needed from reserve funds to pay the cost of engineering and planning related services of the Project until the SDWLP loan proceeds become available for Utility reimbursement.
2. Declaration of Official Intent. The City hereby officially declares its intent under Treasury Regulations, 26 CFR 1.150-2 to reimburse said expenditures with proceeds of the SDWLP FAA, the aggregate principal amount of debt for the Project is expected not to exceed \$19,000,000.