

City of Racine, Wisconsin
Safe Drinking Water Loan Program Comfort Resolution
Backwash Variable Frequency Drive Replacement
Resolution No. _____

WHEREAS, the City of Racine, Wisconsin, owns and operates regional water treatment and distribution facilities through the Racine Water Utility, and

WHEREAS, the Utility plans to construct improvements to its water treatment plant with a low interest Safe Drinking Water Loan Program (SDWLP) loan, and

WHEREAS, said improvements include the replacement of variable frequency drive equipment, and

WHEREAS, these improvements may need to proceed with construction prior to receipt of the actual SDWLP loan due to the need to expedite the project; and,

WHEREAS, the City wishes to document its intent to use the SDWLP loan as a refinancing tool for expenditures that may be made before SDWLP loan closing; and,

WHEREAS, this resolution documents this intent and meets the letter and spirit of Treasury Regulations, 26 CFR 1.150-2.

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

1. Expenditures of Funds. The City or the Racine Water Utility shall make expenditures as needed from funds on hand, located in the water fund, and possibly a "Bank Note" to pay the costs of planning, engineering and construction of these improvements until the SDWLP proceeds become available.
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 loan, the aggregate principal amount of debt expected not to exceed \$1,500,000.

PASSED AND ADOPTED this _____ day of _____, 200__.

BY: City of Racine, Wisconsin

Mayor

Clerk