

City of Racine, Wisconsin
Declaration of Official Intent to Reimburse
Main-Goold Area Sanitary Sewer Improvements
Resolution No. _ _ _ _ _

WHEREAS, the City of Racine, Wisconsin, (City) owns and operates a wastewater treatment plant and conveyance sanitary sewer system through the Racine Wastewater Utility (Utility); and

WHEREAS, the City has delegated the operation, maintenance, and replacement of the sewer service facilities to the Utility as a quasi-independent agent of the City; and

WHEREAS, the Utility contracted AECOM to conduct a technical engineering review of the treatment plant and conveyance system in preparation of a 20-year Facilities Plan; and

WHEREAS, AECOM prepared a final 2020 Facilities Plan, which was approved by the Wisconsin Department of Natural Resources (DNR) on July 29, 2022; and

WHEREAS, Facilities Plan DNR comments acknowledge sanitary sewer overflow protection based upon a 5-year level of storm to eliminate excessive infiltration and inflow; and

WHEREAS, Safety site #2 overflow reduction will require Main St-Goold St corridor area interceptor sewer improvements (Project) to feasibly meet a 5-year level of protection, and to provide conveyance system redundancy to the area; and

WHEREAS, the Utility has applied to the DNR Clean Water Loan Program (CWLP) 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; and

WHEREAS, engineering planning and design of the Project is to proceed prior to the CWLP loan issuance; and

WHEREAS, the Racine Wastewater Utility wishes to declare its intent to use its internal funds to temporarily fund the engineering of the Project until the CWLP 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 Wastewater Utility, through its Commission, shall make expenditures as needed from Utility reserve funds to pay the cost of planning, engineering and construction of the Project until the DNR CWLP 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 CWLP loan, the aggregate principal amount of debt expected not to exceed \$34,500,000.