

City of Racine, Wisconsin
Declaration of Official Intent to Reimburse
Wastewater Utility Plant Upgrade Resolution
No. _ _ _ _ _

WHEREAS, the City of Racine, Wisconsin, (City) owns and operates a wastewater treatment plant and conveyance 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 on August 2020; and

WHEREAS, the Facilities Plan identifies the need for wastewater treatment plant equipment upgrades, and

WHEREAS, the Utility expects to obtain a loan to provide long-term financing for the Project from the DNR CWFP; and

WHEREAS, engineering planning and design of the Project, including the preparation of the bid specifications, and construction related services is expected to proceed prior to the CWFP loan being available; 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 CWFP loan, or other long-term financing, can be obtained; and

WHEREAS, this Resolution documents the City's intent to reimburse its internal funds, as required by Treasury Regulations 26 CFR 1.150-2, with tax-exempt bond proceeds.

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

- I. Expenditures of Funds. The City or the Racine Wastewater Utility shall make expenditures as needed from funds on hand, including funds in the Wastewater Fund, to pay the cost of planning, engineering and construction of the Project until the CWFP loan 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 CWFP loan, the aggregate principal amount of debt expected not to exceed \$25,000,000.

PASSED AND ADOPTED this _____ day of _____, 20 _____

BY: City of Racine, Wisconsin

Mayor

Clerk