

RESOLUTION NO. 23-9209

**A RESOLUTION OF THE CITY OF SANTA CLARA, CALIFORNIA,
DECLARING INTENTION TO REIMBURSE EXPENDITURES FROM
THE PROCEEDS OF TAX-EXEMPT FINANCING FOR CAPITAL
IMPROVEMENTS AT THE SAN JOSE-SANTA CLARA REGIONAL
WASTEWATER FACILITY**

BE IT RESOLVED BY THE CITY OF SANTA CLARA AS FOLLOWS:

WHEREAS, the City of Santa Clara (the "City") has determined to contribute the City's share of the costs to improve the San Jose/Santa Clara Regional Wastewater Facility (the "Project"); and

WHEREAS, the City intends to execute and deliver an installment sale agreement to support certificates of participation or other indebtedness (the "Financing") to finance a portion of the Project in the estimated principal amount of \$50 million, and to use all or a portion of the proceeds of the Financing to reimburse expenditures made for the Project prior to the execution and delivery of the Financing; and

WHEREAS, United States Income Tax Regulations section 1.150-2 provides generally that proceeds of tax-exempt debt are not deemed to be expended when such proceeds are used for reimbursement of expenditures made prior to the date of issuance of such debt unless certain procedures are followed, one of which is a requirement that (with certain exceptions), prior to the payment of any such expenditure, the issuer declares an intention to reimburse such expenditure; and

WHEREAS, the City Council wishes at this time to take the necessary actions to declare its official intent to reimburse expenditures on the Project from the proceeds of the Financing;

NOW, THEREFORE, BE IT FURTHER RESOLVED BY THE CITY OF SANTA CLARA AS FOLLOWS:

1. Recitals Correct. The foregoing recitals are true and correct.
2. Execution and Delivery of Certificates. The City Council hereby confirms its intention to execute and deliver the Financing to finance all or a portion of the Project.

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3. Reimbursement. The City Council hereby declares that it may (i) pay certain costs of the Project prior to the date of execution and delivery of the Financing and, in such case, (ii) intends to use all or a portion of the proceeds of the Financing for reimbursement of expenditures for the Project that are paid before the date of execution and delivery of the Financing.

4. Effective Date. This resolution shall take effect upon its adoption.

I HEREBY CERTIFY THE FOREGOING TO BE A TRUE COPY OF A RESOLUTION PASSED AND ADOPTED BY THE CITY OF SANTA CLARA, CALIFORNIA, AT A REGULAR MEETING THEREOF HELD ON THE 21ST DAY OF MARCH, 2023, BY THE FOLLOWING VOTE:


AYES:	COUNCILORS:	Becker, Chahal, Hardy, Jain, Park, and Watanabe, and Mayor Gillmor
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NOES:	COUNCILORS:	None
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ABSENT:	COUNCILORS:	None
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ABSTAINED:	COUNCILORS:	None
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ATTEST:



NORA PIMENTEL, MMC
ASSISTANT CITY CLERK
CITY OF SANTA CLARA

Attachments incorporated by reference: None