

RESOLUTION NO. 16-085

**A REIMBURSEMENT RESOLUTION OF THE BOARD OF DIRECTORS FOR FRESNO COUNTY WATERWORKS DISTRICT NO. 40, WITH RESPECT TO FINANCIAL ASSISTANCE FROM STATE WATER RESOURCES CONTROL BOARD DRINKING WATER STATE REVOLVING FUND, FOR IMPROVEMENTS TO THE WATER SUPPLY AND TREATMENT FACILITIES SERVING WATERWORKS DISTRICT NO. 40**

WHEREAS, the Fresno County Waterworks District No. 40 (Agency) desires to finance the costs of constructing and/or reconstructing certain public facilities and improvements relating to its water system, water supply system, pipelines, and other infrastructure (Project); and

WHEREAS, the Agency intends to finance the construction and/or reconstruction of the Project or portions of the Project with funds provided by the State of California, acting by and through the State Water Resources Control Board (SWRCB); and

WHEREAS, the SWRCB may finance the Project with proceeds from the sale of obligations the interest upon which is excluded from gross income for federal tax purposes (Obligations), and

WHEREAS, prior to either the issuance of the Obligations or the approval by the SWRCB of the Project Funds the Agency desires to incur certain capital expenditures (Expenditures) with respect to the Project from available moneys of the Agency; and

WHEREAS, the Agency has determined that those moneys to be advanced on and after the date hereof to pay the Expenditures are available only for a temporary period and it is necessary to reimburse the Agency for the Expenditures from the proceeds of the Obligations; and

NOW, THEREFORE, THE BOARD OF DIRECTORS FOR FRESNO COUNTY WATERWORKS DISTRICT NO. 40, DOES HEREBY FIND, DETERMINE AND RESOLVE AS FOLLOWS:

**Section 1.** The Agency hereby states its intention and reasonably expects to reimburse Expenditures paid prior to the issuance of the Obligations or the approval by the State Water Resource Control Board of the Project Funds.

**Section 2.** The reasonably expected maximum principal amount of the Project Funds is \$1,145,000.00.

**Section 3.** This resolution is being adopted no later than 60 days after the date on which the Agency will expend moneys for the Project costs to be reimbursed with Project Funds.

**Section 4.** Each Agency expenditure will be of a type properly chargeable to a capital account under general federal income tax principles.

**Section 5.** To the best of our knowledge, this Agency is not aware of the previous adoption of official intents by the Agency that have been made as a matter of course for the purpose of reimbursing expenditures and for which tax-exempt obligations have not been made.

**Section 6.** This resolution is adopted as official intent of the Agency in order to comply with Treasury Regulation 1.150-2 and any other regulations of the Internal Revenue Service relating to the qualifications for reimbursement of Project costs.

**Section 7.** All the recitals in this Resolution are true and correct and this Agency so finds, determines, and represents.

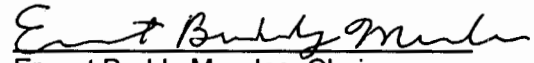
PASSED AND ADOPTED this 1st day of March, 2016, by the following vote of the Fresno County Board of Supervisors, sitting as the Board of Directors of Fresno County Waterworks District No. 40, to wit:

AYES: Supervisors Borgeas, Mendes, Pacheco, Perea, Poochigian

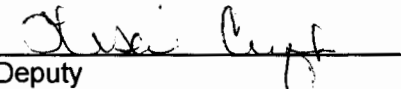
NOES: None

ABSENT: None

County of Fresno  
Board of Directors of Fresno County  
Waterworks District No. 40

  
Ernest Buddy Mendes, Chairman  
Board of Directors

ATTEST:  
Bernice E. Seidel, Clerk  
Board of Supervisors

By:   
Deputy