

**RESOLUTION NO. 09-30**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LA CAÑADA FLINTRIDGE, CALIFORNIA DECLARING ITS INTENTION TO REIMBURSE EXPENDITURES PAID PRIOR TO RECEIPT OF FINANCIAL ASSISTANCE FROM THE STATE WATER RESOURCES CONTROL BOARD FOR THE IMPROVEMENTS RELATING TO SANITARY SEWER PROJECT AREAS 5, 6E, AND 6J**

**WHEREAS**, the City of La Cañada Flintridge (the "City") desires to finance the costs of planning, designing, and constructing certain wastewater system public facilities and improvements relating to Sanitary Sewer Project Areas 5, 6E, and 6J, including certain treatment facilities, pipelines and other infrastructure (the "Project"); and

**WHEREAS**, the City intends to finance the construction of the Project or portions of the Project with monies ("Project Funds") provided by the State of California, acting by and through the State Water Resources Control Board ("State Water Board"); and

**WHEREAS**, the State Water Board may fund the Project Funds with proceeds from the sale of obligations, the interest upon which is excluded from gross income for federal income tax purposes (the "Obligations"), and

**WHEREAS**, prior to either the issuance of the Obligations or the approval by the State Water Board of the Project Funds, the City desires to incur certain capital expenditures (the "Expenditures") with respect to the Project from available monies of the City; and

**WHEREAS**, the City has determined that those monies 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 City for the Expenditures from the proceeds of the Obligations.

**NOW, THEREFORE, BE IT RESOLVED** by the City Council of the City of La Canada Flintridge:

1. **Incorporation of Recitals.** The City Council hereby finds and determines that the Recitals of this Resolution are true and correct and are hereby incorporated into this Resolution as though fully set forth herein.
2. **Intent to Reimburse.** The City 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 Board of the Project Funds.
3. **Maximum Principal Amount.** The reasonably expected maximum principal amount of the Project Funds is \$ 40,000,000.00.

4. **Date of Adoption.** The date of adoption of this Resolution is no later than 60 days after the date on which the City will expend monies for the portion of the Project costs to be reimbursed with Project Funds.

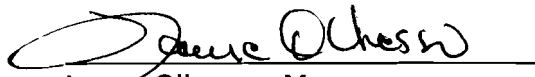
5. **Capital Account.** Each City expenditure will be of a type properly chargeable to a capital account under general federal income tax principles.

6. **Previous Adoptions.** To the best of its knowledge, the City Council is not aware of any previous adoptions of official intent by the City that have been made as a matter of course for the purpose of reimbursing expenditures and for which tax-exempt obligations have not been issued.


7. **Official Intent.** This resolution is a statement of official intent of the City in order to comply with Treasury Regulation §1.150-2 and any other regulations of the Internal Revenue Service relating to the qualification for reimbursement of Project costs.

8. **Effective Date.** This Resolution shall become effective as of the date of its adoption.

**PASSED, APPROVED AND ADOPTED** this 21st day of September, 2009.

  
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Laura Olhasso, Mayor

ATTEST:


  
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Sylvia Baca, City Clerk

State of California )  
County of Los Angeles ) ss.  
City of La Cañada Flintridge )

I, Sylvia Baca, City Clerk of the City of La Cañada Flintridge, California, do hereby certify that the foregoing **Resolution No. 09-30** was duly adopted by the City Council of the City of La Cañada Flintridge at a Regular Meeting held on the 21<sup>st</sup> day of September 2009, by the following vote:

AYES: COUNCILMEMBERS: Brown, Del Guercio, Spence, Voss, Olhasso  
NOES: COUNCILMEMBERS: None  
ABSENT: COUNCILMEMBERS: None  
ABSTAIN: COUNCILMEMBERS: None

Dated: September 22, 2009

  
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Sylvia Baca, City Clerk