

RESOLUTION NO. 2673

**A RESOLUTION ADOPTING A STATEMENT OF OFFICIAL
INTENT TO REIMBURSE CAPITAL EXPENDITURES FROM THE
PROCEEDS OF A BORROWING REASONABLY EXPECTED TO BE
ENTERED INTO BY THE CITY OF WARRENTON**

WHEREAS, the City of Warrenton, (the “City”) intends to develop, acquire, and construct capital improvements to and expansion of the City’s wastewater treatment plant and system, related capital projects and costs of issuance (collectively, the “Project”), and

WHEREAS, the City has already incurred, or intends to incur expenditures relating to the Project, all within the meaning of Treasury Regulations §1.50-2(f)(2), and the Commission of the City desires to declare its intent to finance the Project with the proceeds of tax-exempt obligations (the “Obligations”), the interest on which shall be excluded from gross income under Section 103 of the Internal Revenue Code of 1986, as amended (the “Code”), and to reimburse the City for any expenditures relating to the Project incurred by the City prior to the issuance of the Obligations.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COMMISSION OF THE CITY AS FOLLOWS:

Section 1. Reimbursement Resolution. The City Commission adopts this Resolution as its official intent to allocate from the proceeds of a proposed borrowing reasonably expected to be entered into by the City, capital expenditures made not more than sixty (60) days prior to and following the adoption of this Resolution, to and including the date of the proposed borrowing. Preliminary expenditures in an amount not exceeding 20% of the Obligation proceeds or expenditures which do not exceed the lesser of \$100,000 or 5% of the Obligation proceeds are not subject to the 60 day limitation stated above. Preliminary expenditures include architectural, engineering, surveying, soil testing and similar costs incurred prior to commencement of acquisition, construction or rehabilitation of the Project, other than land acquisition, site preparation and similar costs incident to commencement of construction.

Section 2. Reimbursement Period. The City shall make the reimbursement allocation from the proceeds of the borrowing to the sewer/general fund or respective accounts of the City from which the capital expenditures have been made no later than eighteen (18) months after the later of the date of the expenditure or the date that the Project is placed in service, but in no event more than three (3) years after the date of the expenditure. The City acknowledges that such reimbursement from the proceeds of the borrowing may be made only to the extent that all other applicable requirements of Treasury Regulations Section 1.150-2 are met with respect to the tax-exempt borrowing, and hereby directs all City officials and personnel to take such lawful actions as may be necessary or appropriate in order to ensure that such expenditures may be reimbursed from the proceeds of the borrowing to the fullest extent permitted by law.

Section 3. Description of Project. The Project includes develop, acquire, and construct capital improvements to and expansion of the City’s wastewater treatment plant and system, related capital projects and costs of issuance (collectively, the “Project”)

Section 4. Project Cost. It is anticipated the cost of the Project, including costs incidental thereto, will not exceed \$36,000,000.

Section 5. Further Action. The City Manager, or the Finance Director, or any of their designees, acting individually, is hereby authorized to take such further action as is necessary to carry out the intent and purposes hereof in compliance with the applicable provisions of law.

DATED this 14th day of May 2024.

CITY OF WARRENTON

By 
Henry A. Balensifer III, Mayor

ATTEST:

By 
Dawne Shaw, CMC, City Recorder