

**MEMORANDUM**

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April 21, 2015

**TO:** Honorable Mayor and City Commissioners

**VIA:** Kenneth Fields, City Manager

**FROM:** Dorothy Ecklund, Finance Director

**RE:** Resolution 2015-06 Declaration of Office Intent – Utility System

**SYNOPSIS:** Resolution 2015-06 authorizes a declaration of official intent of the City to reimburse itself from the proceeds of debt for expenses to be incurred with respect to certain capital projects.

**STAFF RECOMMENDATION**

It is recommended that the City Commission adopt Resolution 2015-06 authorizing Declaration of Official Intent under U.S. Treasury Regulations with respect to reimbursement from note proceeds of temporary advances made for payment prior to issuance, and related matter.

**BACKGROUND**

In anticipation of debt issuance for various capital projects, staff recommends approval of the attached resolution to be executed. This resolution is necessary to comply with United State Treasury Regulations for funding infrastructure projects with tax exempt debt when the City intends to reimburse itself from debt proceeds.

Projects Identified within this issuance would include:

	<u>Estimated Costs</u>
Pole Barn	26,500
C Street - Phase I	133,500
Fence - Market Street	25,000
Ground Storage Tank	35,000
Market Street Upgrade	600,000
Lift Station Rehab	250,000
Lift Station Pump Replacement	100,000
Water/Sewer Lines - Vanguard	330,000
	<u>\$ 1,500,000.00</u>

**FISCAL IMPACT**

There is no fiscal impact associated with adoption of Resolution 2015-06

**ATTACHMENT**

Resolution 2015-06

**RESOLUTION 2015-06**

**A RESOLUTION OF THE CITY COMMISSION OF THE CITY OF LAKE WALES, FLORIDA DECLARING THE OFFICIAL INTENT OF THE CITY TO REIMBURSE ITSELF FROM THE PROCEEDS OF DEBT FOR EXPENSES TO BE INCURRED WITH RESPECT TO CERTAIN PROJECTS; AUTHORIZING CERTAIN INCIDENTAL ACTIONS; AND PROVIDING AN EFFECTIVE DATE.**

**WHEREAS**, in connection with the acquisition, construction and equipping of certain capital improvements to the utility system (the "Projects") of the City of Lake Wales, Florida (the "City"), the City expects to incur expenses for which the City will advance internal funds; and

**WHEREAS**, the City intends to reimburse itself for all or a portion of such expenses from the proceeds of debt to be incurred by the City.

**BE IT RESOLVED BY THE CITY COMMISSION OF THE CITY OF LAKE WALES, FLORIDA that:**

**AUTHORITY FOR THIS RESOLUTION.** This Resolution is adopted pursuant to the provisions of the Constitution of the State of Florida; Chapter 166, Florida Statutes; the Charter of the City; and other applicable provisions of law.

**FINDINGS.** The above stated recitals are hereby incorporated as part of this Resolution.

**DECLARATION OF OFFICIAL INTENT.** The City hereby declares its official intent to reimburse itself from the proceeds of debt to be incurred by the City for expenses incurred with respect to the Project within 60 days prior to the date of this Resolution and subsequent to the date of this Resolution. This Resolution is intended as a declaration of official intent under Treasury Regulation Section 1.150-2. The debt to be issued to finance the Project is expected not to exceed an aggregate principal amount of \$1,500,000.

**INCIDENTAL ACTION.** The Mayor, City Manager, Chief Financial Officer and Clerk of the City, and their designees are hereby authorized to take such actions as may be necessary to carry out the purposes of this Resolution.

**EFFECTIVE DATE.** This Resolution shall become immediately effective upon its adoption.

**DULY RESOLVED** this \_\_\_ day of April 2015

CITY COMMISSION OF THE  
CITY OF LAKE WALES, FLORIDA

\_\_\_\_\_  
Mayor/Deputy Mayor

ATTEST:

\_\_\_\_\_  
City Clerk Clara VanBlargan, MMC