

RESOLUTION NUMBER R- 297722

ADOPTED ON MAR 17 2003

WHEREAS, the City of San Diego desires to finance the costs of constructing and/or reconstructing certain public facilities and improvements relating to its water and wastewater system, treatment facilities, pipelines and other infrastructure, including but not limited to, the Point Loma Fourth Sludge Pump Project, the Point Loma Digesters S1 and S2 Upgrade Project and the Point Loma Grit Processing Improvement Project [Project]; and

WHEREAS, the City intends to finance the construction and/or reconstruction 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 [Board]; and

WHEREAS, the 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 [Obligations]; and

WHEREAS, prior to either the issuance of the Obligations or the approval by the Board of the Project Funds the City desires to incur certain capital expenditures [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;

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NOW, THEREFORE, THE CITY DOES HEREBY RESOLVE, ORDER AND DETERMINE AS FOLLOWS:

Section 1. 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 Board of the Project Funds.

Section 2. The reasonably expected maximum principal amount of the Project Funds is \$41,000,000 for costs associated with the Project.

Section 3. This resolution is being adopted no later than 60 days after the date on which the City will expend monies for the portion of the Project costs, other than preliminary costs, to be reimbursed with Project Funds.

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

Section 5. To the best of its knowledge, this City is not aware of the previous adoption of official intents 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.

Section 6. This resolution is adopted as official intent of the City in order to comply with Treasury Regulation § 12.150-2 and any other regulations of the Internal Revenue Service relating to the qualification for reimbursement of Project costs.

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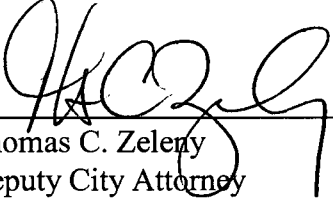
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Section 7. All the recitals in this resolution are true and correct and the City so finds,
determines and represents.

APPROVED: CASEY GWINN, City Attorney

By 
Thomas C. Zeleny
Deputy City Attorney

TCZ:ccm
3/4/03
Aud.Cert:N/A
Or.Dept:MWWD
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