

RESOLUTION NO. 2014-05-15-0016R

A RESOLUTION ESTABLISHING THE CITY'S INTENTION TO REIMBURSE ITSELF, IN AN AMOUNT NOT TO EXCEED \$75,955,000, FOR THE PRIOR LAWFUL EXPENDITURE OF FUNDS OF THE SAN ANTONIO WATER SYSTEM RELATING TO CONSTRUCTING VARIOUS CAPITAL INFRASTRUCTURE IMPROVEMENTS TO THE CITY'S COMBINED WATER AND WASTEWATER SYSTEM

WHEREAS, the City Council (the *Governing Body*) of the City of San Antonio, Texas (the *Issuer*) or the Board of Trustees of the San Antonio Water System (the *Board*), acting on behalf of the Issuer, has entered into or will enter into various contracts pertaining to the expenditure of lawfully available funds of the Issuer or the Board to finance the costs associated with (i) acquiring, purchasing, constructing, improving, extending, enlarging, and repairing the San Antonio Water System's water and wastewater system pursuant to the Texas Water Development Board's Drinking Water State Revolving Fund Program, being those projects described in an application to the Texas Water Development Board authorized by a resolution adopted by the Governing Body on May 15, 2014 (the *Construction Costs*), (ii) the payment of various engineering costs, including design testing, design engineering, and construction inspection related to the Construction Costs (the *Engineering Costs*), (iii) the payment of various architectural costs, including preparation of plans and specifications and various other plans and drawings related to the Construction Costs (the *Architectural Costs*), and (iv) the payment of various administrative costs, including the fees of bond counsel or co-bond counsel, as the case may be, co-financial advisors, project manager, project consultant, other professionals, and printer (the *Administrative Costs*) [the Construction Costs, Engineering Costs, the Architectural Costs, and Administrative Costs collectively constitute costs of the project (the *Project*)]; and

WHEREAS, the Governing Body has delegated, pursuant to the provisions of Chapter 1502, as amended, Texas Government Code, the management, operation, and maintenance of the water utility system to the Board;

WHEREAS, the Board has requested and recommended that the Governing Body take this action;

WHEREAS, the provisions of Section 1201.042, as amended, Texas Government Code (*Section 1201.042*) provide that the proceeds from the sale of obligations issued to finance the acquisition, construction, equipping, or furnishing of any project or facilities, such as the Project, may be used to reimburse the Issuer, or the Board, acting on behalf of the Issuer, for costs attributable to such project or facilities paid or incurred before the date of issuance of such obligations; and

WHEREAS, the United States Department of Treasury (the *Department*) released Regulation Section 1.150-2 (the *Regulations*) which establishes when the proceeds of obligations are spent and therefore are no longer subject to various federal income tax restrictions contained in the Internal Revenue Code of 1986, as amended (the *Code*); and

PASSED AND APPROVED, this the 15th day of May, 2014.

CITY OF SAN ANTONIO, TEXAS



Mayor

ATTEST:



City Clerk

(CITY SEAL)



I, the undersigned, City Attorney of the City of San Antonio, Texas, hereby certify that I read, passed upon, and approved as to form the foregoing Resolution prior to its adoption and passage as aforesaid.



Robert F. Greenblum, City Attorney,
City of San Antonio, Texas

Agenda Item:	28A (in consent vote: 4, 5, 7, 8, 9, 10, 12, 13, 14, 15, 16, 17, 18, 19, 20, 21, 22, 23, 24, 25, 26, 28, 28A, 28B, 29, 29A, 29B)						
Date:	05/15/2014						
Time:	09:40:29 AM						
Vote Type:	Motion to Approve						
Description:	A Resolution establishing the City's intention to reimburse itself for the prior lawful capital expenditures of funds from the proceeds of tax-exempt obligations not to exceed \$75,955,000.						
Result:	Passed						
Voter	Group	Not Present	Yea	Nay	Abstain	Motion	Second
Julián Castro	Mayor		x				
Diego Bernal	District 1		x				
Ivy R. Taylor	District 2		x				x
Rebecca Viagran	District 3		x				
Rey Saldaña	District 4	x					
Shirley Gonzales	District 5		x				
Ray Lopez	District 6		x			x	
Cris Medina	District 7		x				
Ron Nirenberg	District 8		x				
Joe Krier	District 9		x				
Michael Gallagher	District 10		x				