

**RESOLUTION NO. 2021-05
CITY OF STANWOOD, WASHINGTON**

**A RESOLUTION AUTHORIZING THE CITY ADMINISTRATOR TO
MAKE DECLARATIONS OF OFFICIAL INTENT ON BEHALF OF THE
CITY TO REIMBURSE CAPITAL EXPENDITURES FROM FUTURE
BORROWINGS.**

**BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF STANWOOD,
WASHINGTON, as follows:**

Section 1. Findings and Determinations. The City Council (the “City Council”) of the City of Stanwood, Washington (the “City”), takes note of the following facts and makes the following findings and determinations:

(a) The City issues tax-exempt, tax-advantaged and other obligations (“bonds”) from time to time for the purpose of financing its governmental activities. The City makes capital expenditures from time to time from money that is available but that is not (and is not reasonably expected to be) reserved, allocated on a long-term basis or otherwise set aside for those expenditures, and the City reasonably expects to be reimbursed for those expenditures from proceeds of bonds issued or incurred to finance those expenditures.

(b) United States Treasury Regulations Section 1.150-2 relating to the reimbursement of prior expenditures from proceeds of bonds requires, among other things, that not later than 60 days after payment of the original expenditure the City (or any person designated by the City to do so on its behalf) declare a reasonable official intent to reimburse those original expenditures from proceeds of bonds (“official intent”).

(c) The City desires to appoint the City Administrator (the “City Administrator”) of the City as a person authorized and designated to declare official intent on behalf of the City.

Section 2. Appointment of City Administrator. The City Council designates and appoints the City Administrator as a responsible official for the purpose of issuing statements of official intent in compliance with United States Treasury Regulations Section 1.150-2.

Section 3. Statements of Official Intent. Upon a determination by the City Administrator that the costs of a particular governmental project, property or program may be reimbursed from the proceeds of bonds, the City Administrator is authorized and directed to execute a certificate of official intent, substantially in the form attached as Exhibit A with a copy to bond counsel and the Mayor. Each certificate so executed is a part of the official records of the City available for public inspection and review.

Section 4. Ratification and Confirmation. All actions of the City or its officers taken prior to the effective date and consistent with the terms of this resolution are ratified and confirmed.

Section 5. Effective Date. This resolution is effective immediately upon its approval and adoption.

APPROVED AND ADOPTED at a regular meeting of the City Council of the City of Stanwood, Washington, and executed by its Mayor this 8th day of July, 2021.

Elizabeth Callaghan
BY [Elizabeth Callaghan \(Jul 13, 2021 12:59 PDT\)](#)
Elizabeth Callaghan, Mayor

ATTEST:

Sara Robinson
BY _____
Sara Robinson, City Clerk

APPROVED AS TO FORM:

Brett Vinson
BY [Brett Vinson \(Jul 21, 2021 08:22 PDT\)](#)

Special Bond Counsel

EXHIBIT A

FORM OF OFFICIAL INTENT CERTIFICATE

Under Resolution No. 2021-05 of the City Council of the City of Stanwood, Washington (the "City"), I, the undersigned, make the following declaration on behalf of the City.

Section 1. Responsible Official. I am the duly appointed, qualified and appointed City Administrator of the City and, as such, have been designated by the City to make declarations of official intent on behalf of the City when necessary or appropriate for any purpose under, and in compliance with, the requirements of United States Treasury Regulations Section 1.150-2 relating to the use of proceeds of tax-exempt, tax-advantaged and other obligations ("bonds") to reimburse the City for capital expenditures (and certain extraordinary working capital expenditures) made by the City before the issue date of the bonds.

Section 2. Description of Project for Which Expenditures are to be Made. The City intends to make (and/or, not more than 60 days before the date of this declaration, has made) expenditures, and reasonably expects to reimburse itself for those expenditures from proceeds of bonds, for the following project, property or program ("project"):

Sewer Infrastructure improvement projects -
Pioneer Highway Mainline Replacement
Main Lift Station Upgrades
Cedarhome Collection System connection at Church Creek Estates

Section 3. Maximum Principal Amount of Bonds Expected to be Issued for the Project. The City expects that the maximum principal amount of bonds that will be issued to finance the project is \$ 4,500,000.00.

Section 4. Declaration Reasonable. I have reviewed the existing and reasonably foreseeable budgetary and financial circumstances of the City and have determined that the City reasonably expects to reimburse itself for expenditures for the project from proceeds of bonds because the City has no funds available that already are, or are reasonably expected to be, reserved, allocated on a long-term basis or otherwise set aside by the City for those expenditures on the project.

Section 5. Limitations on Uses of Reimbursement Amounts. The City will not, within one year after the expected reimbursement, use amounts corresponding to proceeds received from bonds issued in the future to reimburse the City for previously paid expenditures for the project in any manner that results in those amounts being treated as replacement proceeds of any tax-exempt bonds, i.e., as a result of being deposited in a reserve fund, pledged fund, sinking fund, or similar fund (other than a bona fide debt service fund) that is expected to be used to pay principal of or interest on tax-exempt bonds. The City will not use those amounts in any manner that employs an abusive arbitrage device to avoid arbitrage restrictions.

Dated: July 08, 2021

CITY OF STANWOOD, WASHINGTON

Jennifer Ferguson

Jennifer Ferguson (Jul 26, 2021 12:39 PDT)

Jennifer Ferguson, City Administrator