

RESOLUTION NO. 2024-03

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE DONNER SUMMIT PUBLIC UTILITIES DISTRICT OF INTENTION TO INCUR BONDED INDEBTEDNESS TO FINANCE THE ACQUISITION AND CONSTRUCTION OF CERTAIN PUBLIC FACILITIES IN AND FOR THE DONNER SUMMIT PUBLIC UTILITIES DISTRICT COMMUNITY FACILITIES DISTRICT NO. 2024-1 (SEWER EXTENSION)

WHEREAS, the Board of Directors of the Donner Summit Public Utilities District (the "Board") has this date adopted its Resolution of Intention of the Board of the Donner Summit Public Utilities District to Form a Community Facilities District, and Levy a Special Tax in the Donner Summit Public Utilities District Community Facilities District No. 2024-1 (Sewer Extension) to Finance the Acquisition and Construction of Certain Public Facilities in and for Such Community Facilities District (the "Resolution of Intention"), stating its intention to form the Donner Summit Public Utilities District Community Facilities District No. 2024-1 (Sewer Extension) (the "CFD") pursuant to the Mello-Roos Community Facilities Act of 1982, as amended, Chapter 2.5 of Part 1 of Division 2 of Title 5, commencing at Section 53311, of the California Government Code (the "Act"), for the purpose of financing costs associated with the Sugar Bowl West and East Villages sewer facilities acquisition and public improvements thereto (the "Authorized Facilities"), all as further described and provided in that Resolution of Intention; and

WHEREAS, under the Act the Board is authorized to call for an election on a measure to incur bonded indebtedness to fund the Authorized Facilities; and

WHEREAS, the Board estimates the amount required for the financing of the costs of the Authorized Facilities to be the sum of not to exceed \$11,100,000 and in order to finance the costs of the Authorized Facilities it is necessary to incur bonded indebtedness on behalf of the CFD in not to exceed such amount; and

WHEREAS, United States Income Tax Regulations section 1.150-2 provides generally that proceeds of tax-exempt debt are not deemed to be expended when such proceeds are used for reimbursement of expenditures made prior to the date of issuance of such debt unless certain procedures are followed, one of which is a requirement that (with certain exceptions), prior to the payment of any such expenditure, the issuer declares an intention to reimburse such expenditure; and

WHEREAS, it is in the public interest and for the public benefit that the Board declares its official intent to reimburse itself and/or other local agencies constructing and/or acquiring the Facilities on whose behalf the Board will issue debt the expenditures related to the Facilities with the proceeds of bonded indebtedness and other debt issued by the Board for the CFD.

NOW, THEREFORE, BE IT RESOLVED AS FOLLOWS:

1. The Board declares and finds that in order to finance the cost of the Authorized Facilities, as described in the Resolution of Intention, it is necessary to incur a bonded indebtedness.
2. The purpose for which the proposed bonded indebtedness is to be incurred is to provide the funds necessary to pay for the cost of said Authorized Facilities.

3. The maximum amount of proposed bonded indebtedness for the CFD is \$11,100,000. Indebtedness subject to this limit shall only include indebtedness evidenced by bonds secured by the special tax levied in the CFD.

4. It is the intention of the Board that any such bonds issued may be issued in multiple series and shall be made callable in accordance with the terms of the Act and as more specifically to be set forth in any resolution authorizing issuance of the bonds, and shall be issued in such series and bear interest payable semi-annually or in such other manner as the Board shall determine, at a rate not to exceed the maximum rate of interest as may be authorized by applicable law at the time of sale of such bonds, and shall mature not to exceed 40 years from the date of the issuance thereof.

5. The financing the cost of Authorized Facilities with bonded indebtedness shall be subject to the approval of the qualified electors within the CFD at a special election. The qualified electors shall be the registered voters within the proposed CFD.

6. In the event any series of bonds issued under the authorization is refunded to produce savings meeting the requirement of Section 53362.5 of the Act, all or a portion of the savings achieved through the issuance of refunding bonds may be used to finance Authorized Facilities insofar as the savings component provides capacity for bonded indebtedness in excess of that being refunded, and such additional bonded indebtedness shall not reduce and may exceed the amount of bonded indebtedness authorized herein.

7. The Board hereby sets Tuesday, March 26, 2024, at 6:00 p.m., in the Board Room at 53823 Sherritt Lane, Soda Springs, CA 95728, as the time and place for a hearing by the Board on the proposed bond issue. At that time and place any persons interested, including any persons owning property in the CFD, will be heard.

8. The Board Secretary is hereby directed to cause notice of said public hearing to be given by one-time publication in a newspaper of general circulation circulated within the CFD. The publication of said notice shall be completed at least 7 days before the date herein set for said public hearing. Such notice shall be substantially in the form specified in Section 53346 of the Act, with the form summarizing the provisions hereof hereby specifically approved.

9. The Board hereby declares its intention to reimburse itself and/or other local agencies constructing and/or acquiring the Facilities certain expenditures for the Facilities from the proceeds of the bonded indebtedness and other debt described in this Resolution, including costs of the Facilities paid by the Board and/or other local agencies on whose behalf the Board will issue debt for the CFD prior to the date of issuance of such bonded indebtedness and other debt not in excess of the amount described in Section 3 above.

10. This Resolution shall take effect from and after its adoption.

PASSED AND ADOPTED by the Board of Directors of Donner Summit Public Utility District, this 20th day of February 2024, by the following vote:

AYES:
NOES:
ABSENT:
ABSTAIN:

DONNER SUMMIT PUBLIC UTILITY DISTRICT

By: 
Cathy Preis
President, Board of Directors

ATTEST:
By: 
Dawn Parkhurst
Secretary of the Board