



## CITY COUNCIL MEMORANDUM

**FROM:** The Office of the City Manager **DATE:** June 26, 2023  
**SUBJECT:** Consider Reimbursement Resolution No. 2023-057, authorizing reimbursement of capital expenditures with respect to proceeds of debt hereafter to be incurred, in an amount not to exceed \$5,488,000.

**PRESENTER:** Mark C. Mills, Director of Finance

### **SUMMARY:**

In preparation for work to begin on the replacement of NRH<sub>2</sub>O's Green Extreme, funded through the future issuance of Certificates of Obligation ("COs"), staff requests that City Council consider the passage of a reimbursement resolution.

### **GENERAL DESCRIPTION:**

After the amendment of the fiscal year 2022/2023 ("FY23") Capital Projects Budget, staff requests that Council consider the adoption of a reimbursement resolution. This resolution will allow the City to begin work on the replacement of NRH<sub>2</sub>O's Green Extreme by providing a mechanism through which project expenditures incurred can be reimbursed through the future issuance of debt.

The reimbursement resolution itself does not authorize the issuance of debt; it only allows expenses made before the debt issuance is complete to be reimbursed with the issuance proceeds. Any interim funding required will be appropriated from existing reserves and will be repaid upon receipt of the CO proceeds. The process of issuing the associated COs is expected to occur in calendar year 2024, along with any additional debt required for the funding of the fiscal year 2023/2024 ("FY24") capital program. The timing of this process may be accelerated, dependent on market conditions.

### **RECOMMENDATION:**

Approve Reimbursement Resolution No. 2023-057, authorizing reimbursement of capital expenditures with respect to proceeds of debt hereafter to be incurred, in an amount not to exceed \$5,488,000.