

RESOLUTION NO. WA-2025-04

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE COACHELLA WATER AUTHORITY AUTHORIZING REIMBURSEMENT FOR DRINKING WATER STATE REVOLVING FUND APPLICATION FOR THE CHROMIUM-6 TREATMENT PROJECT

WHEREAS, the Coachella Water Authority (CWA) and the City of Coachella (the “City”) desires to finance the costs of constructing and/or reconstructing certain public facilities and improvements relating to its water system, including certain treatment facilities, pipelines and other infrastructure (the "Project"); and

WHEREAS, the CWA intends to finance the construction and/or reconstruction of the Project or portions of the Project with moneys ("Project Funds") provided by the State of California, acting by and through the State Water Resources Control Board (State Water Board); and

WHEREAS, the State Water 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 (the "Obligations"), and

WHEREAS, prior to either the issuance of the Obligations or the approval by the State Water Board of the Project Funds the CWA desires to incur certain capital expenditures (the "Expenditures") with respect to the Project from available moneys of the CWA; and

WHEREAS, the CWA has determined that those moneys 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 CWA for the Expenditures from the proceeds of the Obligations.

NOW, THEREFORE, BE IT RESOLVED, BY THE BOARD OF DIRECTORS OF THE COACHELLA WATER AUTHORITY, AS FOLLOWS:

SECTION 1. The CWA hereby states its intention and reasonably expects to reimburse Expenditures paid prior to the issuance of the Obligations or the approval by the State Water Board of the Project Funds.

SECTION 2. The reasonably expected maximum principal amount of the Project Funds is \$84,000,000.

SECTION 3. This resolution is being adopted no later than 60 days after the date on which the CWA will expend moneys for the construction portion of the Project costs to be reimbursed with Project Funds.

SECTION 4. Each CWA expenditure will be of a type properly chargeable to a capital account under general federal income tax principles.

SECTION 5. To the best of our knowledge, the CWA is not aware of the previous adoption of official intents by the CWA 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 CWA in order to comply with Treasury Regulation §1.150-2 and any other regulations of the Internal Revenue Service relating to the qualification for reimbursement of Project costs.

SECTION 7. All the recitals in this Resolution are true and correct and the CWA so finds, determines and represents.

PASSED, APPROVED and ADOPTED this 10th day of December, 2025.

Steven A. Hernandez
President

ATTEST:

Angela M. Zepeda
Secretary

APPROVED AS TO FORM:

BEST, BEST & KRIEGER

Authority Attorney

STATE OF CALIFORNIA)
COUNTY OF RIVERSIDE) ss.
CITY OF COACHELLA)

I HEREBY CERTIFY that the foregoing **Resolution No. WA-2025-04** was duly adopted by the Board of Directors of the Coachella Water Authority at a regular meeting thereof, held on this 10th day of December, 2025, by the following vote of the Board:

AYES:

NOES:

ABSENT:

ABSTAIN:

Delia Granados
Deputy City Clerk