

**Reimbursement Resolution
of the
Chittenden Solid Waste District**

WHEREAS, the Chittenden Solid Waste District (the “District”) is in process of developing its future capital plan in order to enhance the ability to maintain and invest in the public infrastructure serving the District and its businesses and residents;

WHEREAS, such capital plan is expected to include acquisition, construction and improvements for the District’s materials recovery facility, as well as capital improvements for its food and organic materials compost facility (collectively, the “Projects”); and

WHEREAS, the District expects to incur obligations and indebtedness to finance such capital projects in a principal amount expected to be up to Twenty-two Million Dollars (\$22,000,000), and to be borrowed in increments for the purpose of funding such capital improvement Projects;¹

WHEREAS, the District intends to utilize the proceeds of tax-exempt bonds or other tax-exempt obligations to pay the costs of such capital improvement Projects, and may incur some capital costs prior to the issuance of bonds to finance the capital improvements;

NOW THEREFORE, BE IT RESOLVED that it is the official intent of the District’s Board of Commissioners to reimburse some capital expenditures for the Projects in an amount not to exceed \$500,000² in the aggregate, with the proceeds of tax exempt bonds, or other tax-exempt obligations, in accordance with the requirements of Section 1.150-2 of the Treasury Regulations adopted under the Internal Revenue Code of 1986, as amended. The District reasonably expects on the date hereof that it will reimburse such expenditures with the proceeds of tax exempt bonds or similar tax exempt obligations.

BE IT FURTHER RESOLVED that it is expected that the District will make a reimbursement allocation to evidence the use of proceeds of tax exempt bonds or other debt to reimburse a capital expenditure no later than 18 months after the later of the date on which the expenditure is paid or the capital infrastructure improvement project is placed in service or abandoned, but in no event more than three years after the date on which the expenditure is paid, recognizing that

¹ Need to establish an expected dollar amount at time of adoption of the Official Intent.

² Set a value on the amount expected to be incurred prior to issuance of the bonds.

exceptions are available for certain “preliminary expenditures,” costs of issuance, certain *de minimis* amounts and expenditures for construction projects of at least 5 years.

BE IT FURTHER RESOLVED, that the District’s Executive Director and Finance Director are each further authorized to declare additional Notices of Official Intent under Section 1.150-2 of the Treasury Regulations adopted under the Internal Revenue Code of 1986, as amended, to update the expected amount of tax exempt bonds to be issued or the expected amount to be reimbursed to the District from tax exempt bonds or similar obligations.

BE IT FURTHER RESOLVED that this resolution shall take effect immediately upon its passage.