

RESOLUTION NO. 101-2013

**CITY OF READING**  
Berks County, Pennsylvania

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**RESOLUTION**

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**A RESOLUTION**

**DECLARING THE OFFICIAL INTENT OF THE CITY OF READING TO REIMBURSE ITSELF FOR EXPENDITURES MADE FOR ONE OR MORE CERTAIN CAPITAL PROJECTS PRIOR TO AND AFTER THE DATE OF ADOPTION OF THIS RESOLUTION; REPRESENTING THAT REIMBURSEMENTS SHALL BE MADE FROM PROCEEDS OF CERTAIN TAXABLE AND/OR TAX-EXEMPT OBLIGATIONS ISSUED TO FINANCE THE COSTS OF THE CAPITAL PROJECTS; DECLARING THE INTENT OF THE CITY THAT THIS RESOLUTION COMPLY WITH THE PROVISIONS OF UNITED STATES TREASURY REGULATION SECTION 1.150-2.**

WHEREAS, The City of Reading, Berks County, Pennsylvania, (the "City") is a municipality and a political subdivision organized and existing under the laws of the Commonwealth of Pennsylvania (the "Commonwealth"); and

WHEREAS, The City is a local government unit as defined in the Local Government Unit Debt Act [53 Pa. C. S. §8001 et seq.] (the "Debt Act"), which Debt Act defines the classes of "projects" that may be financed by the City pursuant to the Debt Act; and

WHEREAS, The City owns and operates a sanitary sewer system consisting of collection and conveyance lines, and appurtenances thereto (collectively, the "Collection and Conveyance System"), and a wastewater treatment plant (the "Wastewater Treatment System" and together with the Collection and Conveyance System, collectively, the "Sewer System"); and

WHEREAS, The City, under applicable law and pursuant to a consent decree with the United States Department of Justice, is required to undertake capital improvements to the Wastewater Treatment System, and after studies thereof by City personnel and the City's Sewer System engineers, has determined to undertaken specific capital project upgrades, renovations and improvements to the wastewater treatment plant (the "Wastewater Treatment System Project") in order, at a minimum, to comply with the United States Department of Justice consent decree; and

WHEREAS, While undertaking the Wastewater Treatment System Capital Project, the City may consider undertaking further improvements to the Collection and Conveyance System, such improvements having been underway for the past 8 years (the "Collection and Conveyance

System Project" and together with the Wastewater Treatment System Project, the "Sewer System Projects")

WHEREAS, The City is in the planning phase for the issuance of one or more series of taxable and/or tax-exempt general obligations in calendar year 2014 and, possibly, 2015 and 2016 to finance on a long-term basis the Sewer System Projects (for convenience, the "Sewer System Bonds" and as a financing, the "Permanent Financing") for the purpose of providing funds to be applied for and toward one or both of the Sewer System Projects and, which Permanent Financing shall include the cost incurred for the issuance and, if applicable, the insurance of the Sewer System Bonds; and

WHEREAS, The City may have made prior to the date of adoption of this Resolution, and reasonably anticipates hereafter making expenditures for the Sewer System Projects, from one or more City funds and accounts, which it would otherwise pay from proceeds of the Sewer System Bonds if the proceeds of such issue were available at the time of the expenditures; and

WHEREAS, The City desires to reimburse itself for expenditures paid from any City fund or account on behalf of the Sewer System Projects from proceeds of the Permanent Financing; provided that such payments have been made by the City not more than sixty (60) days prior to the date of the adoption of this Resolution or hereafter, and to do so in accordance with regulations promulgated by the United States Treasury as 26 C.F.R. §1.150-2 (the "Reimbursement Regulations"), proposed under authority of the Internal Revenue Code of 1986, as amended (the "Code"); and

WHEREAS, This Resolution is being presented to the Council of the City ("Council") for its consideration and approval at a regularly scheduled public meeting, duly advertised and notice given in accordance with applicable law.

**NOW THEREFORE, BE IT RESOLVED** by the Council of the City of Reading after consideration of the City's budgetary and financial practices and circumstances:

1. This Resolution constitutes a declaration of official intent under the Reimbursement Regulations to reimburse the City for expenditures made on behalf of the Sewer System Projects. This official intent encompasses original expenditures made not more than sixty (60) days prior to the date of adoption of this Resolution or thereafter from proceeds of the Permanent Financing when issued.

2. The City expresses its reasonable expectation that City funds may be expended prior to issuance of the Permanent Financing for costs of the Sewer System Projects prior to issuance thereof, and the City reasonably expects to issue the Sewer System Bonds, and to reimburse itself therefrom.

3. The Recitals including the general, functional description of the Sewer System Projects are incorporated herein. The Sewer System Projects constitutes capital expenditures under the Debt Act, applicable accounting practices and the Code. The City funds to be used for the Sewer System Projects are reasonably expected to be made from any available City funds and accounts, including the General Fund and the Sewer Fund.

4. To the extent that hereafter a specific designation is to be made for each expenditure paid from City funds for which a reimbursement allocation will be made from proceeds of the Permanent Financing under authority of this Resolution, the Mayor, the Managing Director,

and the Director of Administrative Services, as applicable, are empowered to designate such expenditures and to specify the amount of each expenditure. The Managing Director and/or Director of Administrative Services shall provide to the Council at regularly scheduled meetings, not less often than monthly, a list of the expenditures so designated.

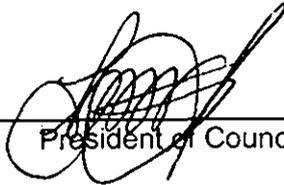
5. This Resolution will be made available after adoption to any member of the public upon request in any form made to the City Clerk at the earliest practical time, but in no event more than thirty (30) days after the latter of adoption hereof or request.

6. The reasonable expectations set forth in this Resolution are consistent with the budgetary and financial circumstances of the Sewer System Projects. .

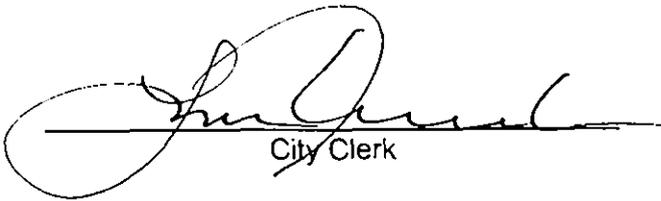
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Passed Council Dec 9, 2013..

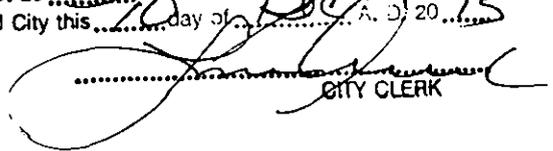
CITY OF READING  
BERKS COUNTY, PENNSYLVANIA

  
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President of Council

ATTEST:

  
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City Clerk

(SEAL)

I, LINDA A. KELLEHER, City Clerk of the City of Reading, Pa., do hereby certify, that the foregoing is a true and correct copy of the original Resolution passed by the Council of the City of Reading, on the 9 day of Dec A. D. 20 13. Witness my hand and seal of the said City this 10 day of Dec A. D. 20 13  
  
CITY CLERK