



Monterey County

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Board Report

Legistar File Number: RES 15-053

Consent

June 09, 2015

Introduced: 5/13/2015

Version: 1

Current Status: Agenda Ready

Matter Type: BoS Resolution

Adopt a Resolution:

Declaring the official intent of the County of Monterey to reimburse certain expenditures related to preliminary preparations of the East and West Wing Renovation Project from proceeds of indebtedness.

RECOMMENDATION:

It is recommended that the Board of Supervisors adopt a Resolution to:

Declare the official intent of the County of Monterey to reimburse certain expenditures related to preliminary preparations of the East and West Wing Renovation Project from proceeds of indebtedness.

SUMMARY/DISCUSSION:

On April 29, 2015 the Board of Supervisors received a Debt Service Analysis and recommendation for Capital Improvement Projects which included the East and West Wing Renovation Project. The rehabilitation for the East and West Wing Renovation Project is estimated at \$36 million and the Debt Service Manager obtained debt service scenarios for issuance of Certificates of Participation for the project. Subsequently, on May 5, 2015 the Board of Supervisors supported the East and West Wing Renovation Project to move forward and granted the Debt Service Manager the authority to execute documents to facilitate the issuance of Certificates of Participation to finance the rehabilitation of the East West and Wing Building in an amount not to exceed \$36,000,000.

Section 1.150-2 of the Treasury Regulations (26 CFR 1.150 2) requires an Issuer to declare its reasonable official intent to reimburse prior expenditures for a project from proceeds of a subsequent borrowing. The County has, and is, incurring significant expenses for environmental reports, special inspections, and abatement and demolition of existing conditions. Monterey County will be issuing tax exempt indebtedness to pay for the rehabilitation of the East and West Wing Building, as well as another capital project, within the next six months. This resolution assures compliance with Treasury Regulations. Should no rehabilitation of the facility occur, or if no indebtedness is issued, no reimbursement is possible.

OTHER AGENCY INVOLVEMENT:

Bond Counsel and the Managing Underwriter have reviewed this action and concur with the recommendation. County Counsel has reviewed this action as to form and legality.

FINANCING:

Adoption of this Resolution has no initial fiscal impact to the County. Should the rehabilitation and issuance transpire, the County will be made whole for expenditures incurred after March 1,

2015 related to the preliminary preparation process.

Prepared by: John Guertin, Acting RMA Deputy Director

Approved by: Carl P. Holm, AICP, Acting Director, Resource Management Agency

Attachment: Resolution (On file with the Clerk of the Board)