Tab 4

Consider approval of Resolution 1948

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Background:

The Finance Committee, Johnathan Ward (Zions Public Finance), and staff reviewed upcoming bond needs for two key capital projects: the Little Cottonwood Conduit Resiliency Project (LCCr) and the Little Cottonwood Water Treatment Plant Rebuild.

Mr. Ward suggested preparing a reimbursement resolution because it would allow Metro Water to reimburse capital project costs with future bond proceeds. Metro's bond counsel would prepare this resolution for board approval. By definition, a reimbursement **resolution** is a formal legal action a governing body takes to **declare its intent to repay itself using tax-exempt bonds** for capital expenses it pays for upfront.

The resolution allows Metro Water to start these projects immediately using cash on hand without waiting for the actual bond issuance to close. The committee agreed that a reimbursement resolution would satisfy the current and future project costs. Furthermore, Metro Water has applied for a BRIC FEMA grant for the LCCr Project, with expected notice in Spring of 2027.

Committee Activity:

The Finance Committee discussed the reimbursement resolution during the August 4, 2026 committee meeting. Eric Hunter, bond counsel with Chapman & Cutler, prepared the reimbursement resolution.

Recommendation:

Recommend approval of Resolution 1948

Attachment:

- Resolution No. 1948. Resolution declaring the official intention of Metropolitan Water District of Salt Lake & Sandy to issue revenue bonds to finance certain capital expenditures

Last Update: September 14, 2026

RESOLUTION NO. 1948

RESOLUTION DECLARING THE OFFICIAL INTENTION OF METROPOLITAN WATER DISTRICT OF SALT LAKE & SANDY TO ISSUE REVENUE BONDS TO FINANCE CERTAIN CAPITAL EXPENDITURES

WHEREAS, Metropolitan Water District of Salt Lake & Sandy (the *"District"*) desires to acquire and construct improvements to its water system, including the reconstruction of, and improvements to, the Little Cottonwood Water Treatment Plant and other system facilities (the *"Project"*);

WHEREAS, the District expects to finance the costs of the Project by the issuance of one or more series of tax-exempt revenue bonds (the *"Bonds"*); and

WHEREAS, other than certain "preliminary expenditures" (within the meaning of U.S. Treas. Reg. §1.150-2(f)(2)), the expenditures relating to the Project to be financed with the proceeds of the Bonds (the *"Expenditures"*) (i) have been paid and incurred within the 60 days prior to the passage of this resolution (the *"Resolution"*) or (ii) will be paid and incurred on or after the passage of this Resolution;

NOW THEREFORE BE IT RESOLVED BY THE BOARD OF TRUSTEES OF THE DISTRICT, AS FOLLOWS:

Section 1. The District reasonably expects to reimburse the Expenditures with proceeds of the Bonds.

Section 2. The maximum principal amount of the Bonds expected to be issued for the Project is $63,000,000; *provided, however,* that none of such Bonds shall be issued without the prior approval of the Board of Trustees.

Section 3. This Resolution shall be in full force and effect immediately upon its adoption.

PASSED and APPROVED by the Board of Trustees of the Metropolitan Water District of Salt Lake & Sandy, this September 21, 2026.

METROPOLITAN WATER DISTRICT OF SALT LAKE & SANDY

By___________________________________
Chair, Board of Trustees

ATTEST:

By___________________________________
Clerk

BOARD MEMBER	VOTE
Tom Godfrey	__________
John Kirkham	__________
Patricia Comarell	__________
Florence Reynolds	__________
Daniel Salmon	__________
Ralph Becker	__________
Christopher Shope	__________