

RESOLUTION NO. _____

A RESOLUTION of the Board of County Commissioners of Kittitas County approving certain expenditures for reimbursement to the County from the proceeds of bonds to be issued in the future.

WHEREAS, the United States Department of the Treasury has promulgated Regulations limiting the ability of the County to use the proceeds of tax-exempt obligations for reimbursement of prior expenditures; and

WHEREAS, the County intends to make mechanical repairs and upgrades (“repairs and upgrades”) to the Kittitas County Corrections Center (“Corrections Center”) and also to undertake an expansion (the “expansion”) to the Corrections Center (which repairs and upgrades and the expansion are herein collectively referred to as the “Corrections Center Project”); and

WHEREAS, the estimated cost of the repairs and upgrades to the Corrections Center is \$1,300,000, and the estimated cost of the expansion to the Corrections Center is \$6,100,000; and

WHEREAS, the County expects to pay the costs of the repairs and upgrades prior to the issuance of indebtedness for the purpose of financing these costs on a long-term basis; and

WHEREAS, the County also expects that it may be required to pay a portion of the costs of the expansion (\$422,500 for architectural services) prior to the issuance of indebtedness for the purpose of financing the expansion costs on a long-term basis; and

WHEREAS, the County also intends to purchase or construct a building for Upper District Court (the “District Court Project” and together with the Corrections Center Project, the “Project”); and

WHEREAS, the estimated cost of the District Court Project is \$1,500,000.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF COUNTY COMMISSIONERS OF KITTITAS COUNTY, WASHINGTON, as follows:

Section 1. Kittitas County, Washington is adopting this resolution in compliance with Treasury Regulation Section 1.150-2. The County reasonably expects to reimburse the expenditures described herein with the proceeds of debt to be incurred by the County (the “Reimbursement Bonds”).

Section 2. The expenditures with respect to which the County reasonably expects to be reimbursed from the proceeds of Reimbursement Bonds are for repairs and upgrades to (up to \$1,300,000) and the expansion of (up to \$422,500 in architectural services) the Kittitas County Corrections Center and for the purchase or construction of a building for the Upper District Court (up to \$1,500,000). The expenditures with respect to which the County reasonably expects

to be reimbursed from the proceeds of Reimbursement Bonds will be made from the County's general fund.

Section 3. The maximum principal amount of Reimbursement Bonds expected to be issued for the Project described in Section 2 is \$3,222,500.

Section 4. This resolution shall be effective from and after its adoption as provided by law.

Done this 4th day of May, 2010.

Mark McClain, Chairman

Attest: _____

Paul Jewell, Vice Chairman

Clerk of the Board

Alan A. Crankovich, Commissioner
*Constituting the Board of County Commissioners for
Kittitas County, Washington*