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RESOLUTION NO. CUA-02-15

**RESOLUTION OF THE UTILITY AUTHORITY
OF THE CITY OF COLTON, CALIFORNIA,
AUTHORIZING THE RESTATEMENT OF THE
\$4,991,938 COLTON UTILITY AUTHORITY
LEASE PAYMENT.**

WHEREAS, the City entered into a lease agreement with the CUA in September 2000 for the operation of the Water and Wastewater systems; and

WHEREAS, in fiscal year 2013, the City Council approved a prepayment of the CUA annual lease in the amount of \$4,991,938 utilizing surplus revenues of the Wastewater fund; and

WHEREAS, based upon the value of the assets and infrastructure of the Water and Wastewater systems and discount rate as established in the CUA lease agreement, the CUA desires to restate the payment.

NOW, THEREFORE, THE CITY COUNCIL DOES HEREBY RESOLVE, DETERMINE AND ORDER AS FOLLOWS:

SECTION 1. The \$4,991,938 lease payment is to be reclassified as a catchup payment for interest accrued over the prior years of the lease, as detailed in this report.

SECTION 2. The reclassification is hereby approved, adopted and incorporated herein.

PASSED, APPROVED AND ADOPTED this 2nd day of June, 2015.


Richard A. DeLaRosa, Chairperson

ATTEST:


Carolina R. Padilla, Secretary

