

**SUBMITTAL TO THE BOARD OF SUPERVISORS
COUNTY OF RIVERSIDE, STATE OF CALIFORNIA**



702

FROM: Department of Public Health

SUBMITTAL DATE:
December 22, 2014

SUBJECT: Resolution No. 2015-026, Reimbursement Resolution Relating to the Public Health Laboratory Expansion and Remodel Project.

RECOMMENDED MOTION: That the Board of Supervisors:

1. Approve and adopt Resolution No. 2015-026 declaring the County's intent to reimburse prior expenditures with proceeds of bond indebtedness.

BACKGROUND:

Summary

The Department of Public Health recommends that the Board of Supervisors adopt Resolution No. 2015-026 declaring its intent to reimburse itself from the proceeds of future bonds for capital project costs paid.

This declaration is made solely for purposes of establishing compliance with the requirements of Section 1.150-2 of the Treasury Regulations. This declaration does not bind the County to make any expenditure, incur any indebtedness, or proceed with the project.

Susan D. Harrington

Susan Harrington
Director of Public Health

FINANCIAL DATA	Current Fiscal Year:	Next Fiscal Year:	Total Cost:	Ongoing Cost:	POLICY/CONSENT (per Exec. Office)
COST	\$ 0	\$ 0	\$ 0	\$ 0	Consent <input type="checkbox"/> Policy <input checked="" type="checkbox"/>
NET COUNTY COST	\$ 0	\$ 0	\$ 0	\$ 0	
SOURCE OF FUNDS: Bond proceeds				Budget Adjustment: No	
				For Fiscal Year: 2014/15	

C.E.O. RECOMMENDATION:

APPROVE

BY:

County Executive Office Signature

Jennifer L. Sargent

Jennifer L. Sargent

MINUTES OF THE BOARD OF SUPERVISORS

- A-30
- Positions Added
- 4/5 Vote
- Change Order

Departmental Concurrence

**SUBMITTAL TO THE BOARD OF SUPERVISORS, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA
FORM 11: Resolution No. 2015-026, Reimbursement Resolution Relating to the Public Health**

Laboratory Expansion and Remodel Project.

DATE: December 22, 2014

PAGE: 2 of 2

BACKGROUND:

Summary (continued)

On November 24, 2014, item 3-15, the Board of Supervisors approved In-principle, the Public Health Laboratory Expansion as part of the Capital Improvement Program (CIP) 2014 Update. The expansion and remodel of the Department of Public Health Laboratory is a high priority. The current laboratory space does not meet the space need of the newer laboratory equipment and is not a safe environment for staff to work in. In December 2013 an architectural, engineering and cost study was completed by HKS and in the executive summary it stated that, "current net space per laboratory technician is approximately 60% of the normal range for public health laboratories." The flow and condensed space allows for possible cross contamination of specimens. Even with the recent remodel of the isolation room, the current use of BSL-2 facilities for *M. tuberculosis* is a continuing safety issue. The addition of a BSL-3 facility will allow for safe handling of *M. tuberculosis* as well as the capability of dealing with emerging infectious diseases.

The Department is ready to begin the project immediately and has included in the plans the operation of the laboratory as the construction is conducted. The department has sufficient revenue to pay the future debt service on a 30-year bond as well as fund the initial activities of the project until the bonds are sold. Estimated cost of the project is \$9.5M and estimated completion date of the project is April 2017.

Impact on Citizens and Businesses

California Health and Safety Code Division 101, Part 3, Chapter 2, Article 5 Sections 101150 – 101165 establishes the requirement for a county health department to have public health laboratory services available. The public health lab provides efficient, technologically advanced, and timely testing of human and animal specimens. Tests offered at the public health lab are often not available at commercial laboratories and are specialized for infectious diseases including, but not limited to, West Nile Virus, *E. coli* O157, and influenza.

SUPPLEMENTAL:

Additional Fiscal Information

There is no additional Net County Cost associated with this project and no budget adjustment is required.

2 **RESOLUTION NO. 2015-026**

3 **A RESOLUTION OF THE BOARD OF SUPERVISORS**
4 **OF THE COUNTY OF RIVERSIDE DECLARING ITS**
5 **INTENT TO ISSUE TAX-EXEMPT BONDS TO BE USED**
6 **TO REIMBURSE THE COUNTY FOR EXPENDITURES**
7 **PRIOR TO THE ISSUANCE OF SUCH BONDS**

8 WHEREAS, the County of Riverside (the "County") desires and intends to participate
9 in financing the acquisition, construction, improvement, and equipping of buildings to be used
10 as the Public Health Laboratory Expansion and Remodel project located within the County in
11 furtherance of its municipal purposes (the "Project"); and

12 WHEREAS, the County expects to cause the issuance, delivery and sale of tax exempt
13 obligations such as bonds, in one or more series, for the purpose of providing financing for a
14 portion of the Project (the "Obligations"); and

15 WHEREAS, the County expects to incur certain expenditures relating to the Project
16 and to pay for such expenditures from the County's moneys on hand prior to the execution of
17 the Obligations (the "Reimbursement Expenditures"); and

18 WHEREAS, the County reasonably expects to use a portion of the proceeds of the
19 Obligations to reimburse the County for expenditures made prior to the date the Obligations
20 are issued;

21 NOW, THEREFORE, BE IT RESOLVED, DETERMINED AND ORDERED by the
22 Board of Supervisors of the County of Riverside, in regular session assembled on January ,
23 2015, at 9:00 a.m., in its meeting room located on the 1st Floor of the County Administrative
24 Center, 4080 Lemon Street, Riverside, California, as follows:

25 Section 1. Declaration of Official Intent. The County hereby declares its
26 official intent, subject to the further approval of this Board, to use up to \$9,533,744 of the
27 proceeds of the Obligations to reimburse itself for the Reimbursement Expenditures. It is
28 intended that this Resolution shall constitute a declaration of "official intent" within the
meaning of Section 1.150-2 of the Treasury Regulations promulgated under Section 150 of
the Internal Revenue Code of 1986, as amended.

1 I, Kecia Harper-Ihem, Clerk of the Board of Supervisors of the County of Riverside, do
2 hereby certify that the foregoing Resolution No. 2015-026 was duly and regularly adopted by the
3 Board of Supervisors of the County of Riverside at a regular meeting thereof held on the
4 th day of January, 2015.

5
6 AYES:

7 NOES:

8 ABSENT:

9 ABSTAIN:

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11 Clerk of the Board of Supervisors
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