

**DECLARATION OF THE OFFICIAL INTENT OF THE CITY OF MADISON  
WISCONSIN, TO REIMBURSE CERTAIN CAPITAL EXPENDITURES FROM THE  
PROCEEDS OF FUTURE DEBT ISSUES PURSUANT TO  
ENACTMENT NO. RES-07-01021**

BE IT DECLARED BY THE FINANCE MANAGER OF THE CITY OF MADISON,  
WISCONSIN, WATERWORKS SYSTEM, AS FOLLOWS:

**Section 1.** The purpose of this declaration combined with enactment No. RES-07-01021 is to satisfy the "official intent requirement" of Treasury Regulation Section 1.150-2.

**Section 2.** The City of Madison, Wisconsin Waterworks System (the "City") has determined to undertake the capital improvements described in Exhibit A attached thereto. The City anticipates that moneys, other than the proceeds of any outstanding debt of the City, will be expended by the City with respect to such capital improvements.

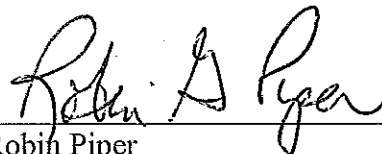
**Section 3.** The City reasonably expects to be reimbursed for such expenditures with proceeds of its debt. The maximum principal amount of debt expected to be issued for the reimbursement of such expenditures is \$10,000,000.

**Section 4.** No funds from sources other than the debt referred to in Section 3 are, or are expected to be, reserved, allocated on a long-term basis, or otherwise set aside by the City or any entity controlled by the City pursuant to their budget or financial policies with respect to the expenditures identified in Exhibit A. This declaration of official intent is consistent with the budgetary and financial circumstances of the City.

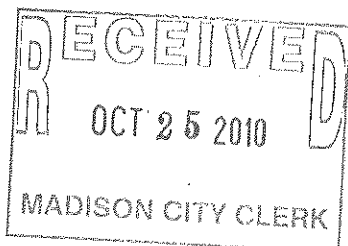
**Section 5.** A copy of this declaration shall be filed immediately in the office of the City Clerk with Enactment No. RES-07-01021 and shall be made available for public inspection in the manner required by law.

**Section 6.** This declaration shall be operative immediately upon its filing with the City Clerk.

This declaration of official intent to reimburse certain capital expenditures was made this 9th day of September, 2010.



Robin Piper  
Finance/Accounting Manager  
Waterworks System



Attachment A

2010 Capital Projects to be reimbursed:

Lead Service Replacements	\$200,000
Meter Program	\$339,000
Water Mains - New	\$750,000
Water Mains -- Replacement	\$6,773,000
Zone 4 Fire Flow Supply Augmentation	\$250,000
SCADA System -- Upgrade	\$300,000
Automated Metering System	\$250,000
East Side Water Supply Project	\$350,100
Booster Station #118 -- Todd Dr	\$1,001,000
Rebuild Booster Station #106	\$160,000
Zone 7&8 Supply -- Whitney Way	\$173,000
Miscellaneous Projects -- safety & security upgrades, unit well improvements, and modifications to operations center and main office	\$1,682,100