

RESOLUTION NO. 46-12

A RESOLUTION OF THE BOARD OF COUNTY COMMISSIONERS OF CALVERT COUNTY, PROVIDING OFFICIAL INTENT PURSUANT TO TREASURY REGULATION SECTION 1.150-2 IN CONNECTION WITH THE ISSUANCE AND SALE BY COUNTY COMMISSIONERS OF CALVERT COUNTY (THE "COUNTY") OF ONE OR MORE SERIES OF ITS GENERAL OBLIGATION CONSOLIDATED PUBLIC IMPROVEMENT BONDS IN AN AMOUNT NOT TO EXCEED \$9,233,900 FOR THE PURPOSE OF FINANCING VARIOUS CAPITAL PROJECTS LOCATED OR TO BE LOCATED IN CALVERT COUNTY.

RECITALS

WHEREAS, the County Commissioners of Calvert County, Maryland, a body politic and corporate and a political subdivision of the State of Maryland (the "County") intends to issue bonds or other debt obligations to finance the Project Costs (hereinafter defined) of certain projects described herein (as hereinafter defined, the "Capital Projects;") and

WHEREAS, the U.S. Treasury Department issued Treasury Regulation §1.150-2 governing the use of the proceeds of tax-exempt bonds or other debt obligations for the purpose of reimbursing expenditures paid prior to the issuance of such bonds or obligations and requiring, among other things, the declaration of an official intent to reimburse; and

WHEREAS, U.S. Treasury Income Tax Regulation Section 1.150-2 requires that, in order to assure the eligibility of expenditures made with respect to the Capital Projects for reimbursement with the proceeds of tax-exempt obligations, the County generally must adopt a declaration of official intent in compliance with such regulation before or within 60 days after payment of the expenditure; and

WHEREAS, the County proposes to make certain capital expenditures in connection with the acquisition, design, construction, expansion and/or renovation and equipping of various capital projects, including the: expansion/renovation of Calvert High School; Calvert Marine Museum renovation; installation of the Stafford Road Waterline; construction related to the widening of Dowell Road and Skipjack Road / Route 231 intersection; the 800MHz system expansion planning; continued work on Prince Frederick Loop Road; planning for the Paris Oaks Pump Station rehabilitation & system capacity improvements and Solomons Wastewater Treatment Plant study & improvements; construction of the Cove Point Water capacity extension, Prince Frederick forcemain replacement, and other projects presently included in or later appended to the approved Calvert County, Maryland Capital Improvement Program and related issuance costs (collectively, the "Capital Projects");

WHEREAS, the County intends to issue general obligation consolidated public improvement bonds or other debt obligations to finance the acquisition construction, design, renovation, expansion, equipping and installation expenses of the Capital Projects and issuance costs of bonds or other debt obligations, all constituting capital expenditures (collectively referred to as the "Project Costs") pursuant to the authority granted by certain laws adopted from time to time by the Maryland General Assembly;

WHEREAS, the County reasonably expects that a portion of the Project Costs will be paid by the County prior to the issuance of the bonds or other debt obligations and that certain proceeds of the bonds or other debt obligations will be used to reimburse the County for the Project Costs paid by the County prior to the issuance of the bonds or other debt obligations; and

WHEREAS, the County desires to declare its official intent to reimburse the costs of the Capital Projects with the proceeds of the County's bonds or other debt obligations in order to comply with the requirements of U.S. Treasury Income Tax Regulation Section 1.150-2 and thereby to assure the eligibility of expenditures made with respect to the Capital Projects for reimbursement from the proceeds of tax-exempt obligations of the County.

NOW, THEREFORE, THE COUNTY MAKES THE FOLLOWING DECLARATION OF OFFICIAL INTENT:

SECTION 1. BE IT RESOLVED BY THE BOARD OF COUNTY COMMISSIONERS OF CALVERT COUNTY, That the County reasonably expects that: (i) it will issue bonds or other debt obligations to finance all or a portion of the Project Costs; (ii) capital expenditures may be paid or incurred for the Capital Projects prior to the issuance of such bonds or other debt obligations; and (iii) such expenditures will be reimbursed from the proceeds of such bonds or other debt obligations.

SECTION 2. BE IT FURTHER RESOLVED BY THE BOARD OF COUNTY COMMISSIONERS OF CALVERT COUNTY, That the maximum principal amount of bonds or other debt obligations that the County expects to issue is \$9,233,900.

SECTION 3. BE IT FURTHER RESOLVED BY THE BOARD OF COUNTY COMMISSIONERS OF CALVERT COUNTY, That the County intends that the adoption of this Resolution shall be and constitute an "official intent resolution" within the meaning of Section 1.150-2 of the Income Tax Regulations prescribed by the U.S. Treasury Department.

SECTION 4. AND BE IT FURTHER RESOLVED BY THE BOARD OF COUNTY COMMISSIONERS OF CALVERT COUNTY, That the provisions of this Resolution are severable, and if any provision, sentence, clause, section or part hereof is held to be illegal, invalid or unconstitutional or inapplicable to any person or circumstances, such illegality, invalidity or unconstitutionality, or inapplicability shall not affect or impair any of the remaining provisions, sentences, clauses, sections, or parts of this Resolution or their application to other persons or circumstances. It is hereby declared to be the legislative intent that this Resolution would have been passed if such illegal, invalid or unconstitutional provision, sentence, clause, section or part had not been included herein, and if the person or circumstances to which this Resolution or any part hereof is inapplicable had been specifically exempted therefrom.

SECTION 5. AND BE IT FURTHER RESOLVED BY THE BOARD OF COUNTY COMMISSIONERS OF CALVERT COUNTY, That the foregoing recitals are hereby incorporated by reference.

SUBJECT: Declaration of Intent of the County to reimburse from bonds or other debt obligations

SECTION 6. AND BE IT FURTHER RESOLVED BY THE BOARD OF COUNTY COMMISSIONERS OF CALVERT COUNTY, That this Resolution shall not discharge, impair or release any contract, obligation, duty, liability or penalty, whatever existing on the date of its enactment.

SECTION 7. AND BE IT FURTHER RESOLVED BY THE BOARD OF COUNTY COMMISSIONERS OF CALVERT COUNTY, That this Resolution shall be effective upon its adoption in accordance with applicable law.

DONE, this 17 day of July, 2012 by the Board of County Commissioners of Calvert County, Maryland.

Aye: 4

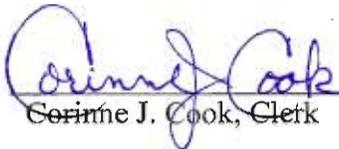
Nay: 1 - Slaughenhaupt

Absent/Abstain: \_\_\_\_\_

Date of Adoption: July 17, 2012

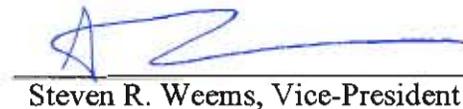
ATTEST:

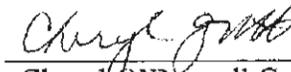
BOARD OF COUNTY COMMISSIONERS OF CALVERT COUNTY, MARYLAND

  
Corinne J. Cook, Clerk

  
Gerald W. Clark, President

Approved for form and legal sufficiency on July 12, 2012.

  
Steven R. Weems, Vice-President

  
Cheryl O'Donnell Guth, McGuire Woods LLP

  
Pat Nutter

Received for Record July 23 2012 at 12:50 o'clock p.m. 40  
407 COUNTY COMMISSIONERS  
RESOLUTION

  
Susan Shaw

  
Evan K. Slaughenhaupt Jr.

