

RESOLUTION NO. 34-20

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 OR OTHER DEBT OBLIGATIONS IN AN AGGREGATE AMOUNT NOT TO EXCEED \$46,639,465 FOR THE PURPOSE OF FINANCING VARIOUS CAPITAL PROJECTS LOCATED OR TO BE LOCATED IN CALVERT COUNTY.

RECITALS

WHEREAS, the County Commissioners of Calvert County, 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 either before, or within 60 days after, payment of the expenditure; and

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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: construction of the Northern High School, Northern Middle School and Beach Elementary School replacement facilities; renovations relating to the Mt. Harmony Elementary School and Southern Middle School HVAC systems; design relating to the new County office building; design of the new Twin Beaches Library; design and construction relating to the Ward Farm Recreation and Nature Center; design of the new clubhouse at Chesapeake Hills Golf Course; acquisition and design of improvements to Little Cove Point Road; design and construction relating to the Prince Frederick – Traskers Boulevard Intersection; design, acquisition and construction of improvements to West Dares Beach Road; design and acquisition relating to the 800 MHz Digital Communication System; construction relating to the Detention Center Improvements; acquisition of equipment for the St. Leonard Volunteer Fire Department and Rescue Squad, North Beach Volunteer Fire Department and Rescue Squad, Dunkirk Volunteer Fire Department and Rescue Squad and career EMS personnel; construction relating to the new St. Leonard Volunteer Fire Department and Rescue Squad building; construction relating to the Appeal Landfill Transfer Station; construction relating to the Back Creek Loop, Chesapeake Heights/Dares Beach and Cove Point water projects and the Prince Frederick Boulevard watermain; design, construction and equipping of various County wastewater treatment facilities;

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construction relating to upgrades to the Solomons Wastewater Treatment Plant, Prince Frederick Pump Station and Prince Frederick Wastewater Treatment Plants #1 and #2; design and construction of the Headworks Pumping Station upgrades; 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.

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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 reimbursed  
from the proceeds of such bonds or other debt obligations.

SECTION 2. AND BE IT FURTHER RESOLVED BY THE BOARD OF  
COUNTY COMMISSIONERS OF CALVERT COUNTY, That the maximum aggregate  
principal amount of bonds or other debt obligations that the County expects to issue for  
Project Costs is \$46,639,465.

SECTION 3. AND 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

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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.

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.

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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 15<sup>th</sup> day of September, 2020, by the Board of County Commissioners for Calvert County, Maryland, sitting in regular session.

Aye: 5  
Nay: 0  
Absent/Abstain: 0

ATTEST:

Rachel M. Distel  
Rachel M. Distel,  
Clerk to the Board of  
County Commissioners  
of Calvert County

COUNTY COMMISSIONERS OF  
CALVERT COUNTY  
By: Kelly D. McConkey  
Kelly D. McConkey, President  
Mike Hart  
Mike Hart, Vice President  
Earl F. Hance  
Earl F. Hance, County Commissioner  
Thomas E. Hutchins  
Thomas E. Hutchins, County Commissioner  
Steven R. Weems  
Steven R. Weems, County Commissioner

Approved for legal sufficiency  
on August 24, 2020 by

Cheryl O'Donnell Guth  
Cheryl O'Donnell Guth  
McGuire Woods LLP  
Bond Counsel

Received for Record..... 9/30 ..... 2020  
at..... 12:30 ..... o'clock..... 0 ..... M. Same day  
recorded in Liber KPS No. .... 61 .....  
Folio..... 415 ..... COUNTY COMMISSIONERS  
ORDINANCES AND RESOLUTION.

Garry P. Smith