

RESOLUTION NO. 36-13

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 \$23,240,322 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

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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: the expansion/renovation of Calvert High School; design of the Northern High School; renovation and improvements to the Mutual Elementary School; design and construction of the Skipjack Road / Route 231 intersection improvements; construction related to the widening of Dowell Road, and Williams Road improvements; design, land acquisition and site work relating to the Pushaw Station Road improvements; design, land acquisition and construction relating to the St. Leonard Well and Tower; design, construction and equipment acquisition relating to the 800MHz system expansion and upgrade; land acquisition and site work for the Paris Oaks Pump Station rehabilitation and system capacity improvements; design and construction of the Cove Point Water capacity extension, Prince Frederick sewer line replacement, Industrial Park WWTP 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

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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

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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. 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 \$23,240,322.

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

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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.

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.

(Signatures Appear on Next Page)

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DONE, this 16th day of July, 2013 by the Board of County Commissioners of Calvert County, Maryland, sitting in regular session.

Aye: 5
Nay: 0
Absent/Abstain: 0

ATTEST:
COMMISSIONERS OF

BOARD OF COUNTY

CALVERT COUNTY, MARYLAND

Maureen L. Frederick
Maureen L. Frederick,
Clerk

By: Pat Nutter
Pat Nutter, President

Steven R. Weems
Steven R. Weems, Vice President

Gerald W. Clark
Gerald W. Clark, County Commissioner

Susan Shaw
Susan Shaw, County Commissioner

Evan K. Slaughenhoupt
Evan K. Slaughenhoupt, Jr.,
County Commissioner

Approved for legal sufficiency on July 1, 2013 by

Cheryl O'Donnell Guth
Cheryl O'Donnell Guth,
McGuire Woods LLP

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Received for Record July 17 2013
at 9:50 o'clock A M. Same day
recorded in Liber KPS No. 43
18 COUNTY COMMISSIONERS
RESOLUTION.

W. P. Smith