

Resolution No. _____

Resolution: To declare the official intent of the Mayor and Council to bond finance certain projects under U.S. Treasury Income Tax Regulation Section 1.150-2

WHEREAS, the Mayor and Council of Rockville (the “Mayor and Council”) intends to finance the acquisition, construction and equipping of certain facilities and equipment described on Exhibit A attached hereto (collectively, the “Projects”) for use in the governmental functions of the City of Rockville, Maryland (the “City”); and

WHEREAS, the Projects are expected to cost approximately \$3,500,000 in the aggregate; and

WHEREAS, U.S. Treasury Income Tax Regulation Section 1.150-2 requires that in order to assure the eligibility of expenditures made by the City for reimbursement from the proceeds of tax-exempt obligations, the Mayor and Council generally must adopt an official intent in compliance with such regulation within 60 days after payment of the expenditure; and

WHEREAS, the Mayor and Council desires to declare its official intent to reimburse the costs of the Projects with the proceeds of the City’s debt 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 Projects for reimbursement from the proceeds of tax-exempt obligations; and

NOW, THEREFORE, BE IT RESOLVED BY THE MAYOR AND COUNCIL OF ROCKVILLE, as follows:

1. The City intends to acquire, construct and equip the Projects.
2. The City reasonably expects that (i) it will issue bonds or other obligations to finance all or a portion of the costs of the Projects, and (ii) it may pay capital expenditures for the Projects prior to the issuance of such bonds or other obligations and reimburse such expenditures from the proceeds of such bonds or other obligations.
3. The maximum principal amount of tax-exempt bonds or other obligations that the City expects to issue for the Projects is \$3,500,000.
4. This Resolution shall constitute the declaration by the Mayor and Council of its official intent to reimburse the costs of the Projects with the proceeds of the City’s debt for purposes of complying with the requirements of U.S. Treasury Income Tax Regulation Section 1.150-2 and thereby assuring the eligibility of expenditures for reimbursement from the proceeds of tax-exempt obligations with respect to the Projects.

Resolution No. _____

I hereby certify that the foregoing is a true and correct copy
of a resolution adopted by the Mayor and Council at its
meeting of May 20, 2013.

Douglass A. Barber, City Clerk/Treasurer

Listing of Potential FY 2014 Debt Issue
Stated in FY 2014 CIP
EXHIBIT A

Water Fund Projects	Account	Program Area	Debt Amount in CIP	Year(s)	Maturity
Civic Center Improvements	420-900-0C61	Recreation and Parks	945,000	2014	20 Years
Swim and Fitness Ctr. Renovations	420-900-4F61	Recreation and Parks	2,555,000	2014	20 Years
Capital Projects Fund Subtotal FY 2014 Debt Issuance			3,500,000		

GRAND TOTAL FY 2014 DEBT ISSUANCE \$ 3,500,000

ALL LEVEL PRINCIPAL SCHEDULES