

COUNTY COUNCIL OF WICOMICO COUNTY, MARYLAND

2020 Legislative Session

Legislative Session Day No. 17

Resolution No. 85-2020

Introduced by: The President of the Council at the Request of the Acting County Executive

A RESOLUTION OF THE COUNTY COUNCIL OF WICOMICO COUNTY, MARYLAND (THE "COUNTY") DECLARING THE OFFICIAL INTENT OF THE COUNTY TO REIMBURSE EXPENDITURES PAID WITH RESPECT TO THE AIRPORT WATER MAIN EXTENSION PROJECT FROM PROCEEDS OF TAX-EXEMPT OBLIGATIONS.

R E C I T A L S

WHEREAS, Section 1.150-2 of the U.S. Treasury Regulations (the "Reimbursement Regulations") provides that local governments funding "original expenditures" intended to be reimbursed from the proceeds of tax-exempt "obligations" must make a declaration of "official intent" in order to qualify such original expenditures for reimbursement from a "reimbursement bond", all within the meaning of the Reimbursement Regulations; and

WHEREAS, Wicomico County, Maryland (the "County") is undertaking a project identified in the fiscal year 2021 Capital Budget (as such Capital Budget was amended by Resolution No. 57-2020 adopted by the County Council of the County on August 4, 2020) as the Airport Water Main Extension (as such project may be amended or modified in future fiscal years, and/or as such project may be referred to in the same or by different names in future capital budgets, the "Project"); and

WHEREAS, the County expects to borrow money from the Maryland Water Quality Financing Administration ("MWQFA") or from another source in the event MWQFA is not able to provide all the desired loan funding, and to evidence any such loan by issuing one or more tax-exempt general obligation evidences of indebtedness (the "Obligations") to the applicable lender; and

WHEREAS, the County reasonably expects to spend County funds on costs of the Project prior to issuing any Obligations, and to use proceeds of the Obligations to reimburse all or a portion of such prior Project expenditures; and

WHEREAS, the County is an "issuer" for purposes of the Reimbursement Regulations and wishes to adopt this Resolution for the purpose of evidencing the clear and official intent of the County to reimburse from reimbursement bond proceeds original expenditures made for Project costs.

NOW, THEREFORE, BE IT RESOLVED BY THE COUNTY COUNCIL OF WICOMICO COUNTY, MARYLAND, THAT:

SECTION 1. The Recitals to this Resolution are deemed a substantive part of this Resolution and are incorporated by reference herein, and capitalized terms defined in the Recitals to this Resolution and not otherwise defined herein will have the meanings given to such terms in the Recitals hereto.

SECTION 2. In accordance with the Reimbursement Regulations, the County Council of the County hereby makes this declaration of its reasonable expectation that the County will (i) expend money to pay costs of the Project prior to the issuance of the Obligations and (ii) utilize proceeds of the Obligations, which Obligations will qualify as a "reimbursement bond" for purposes of the Reimbursement Regulations, to reimburse all or a portion of such original Project costs expenditures. This Resolution is intended to be a declaration of official intent within the meaning of the Reimbursement Regulations.

SECTION 3. The maximum principal amount of the Obligations expected to be issued for the Project is Two Million Nine Hundred Twenty-Eight Thousand Two Hundred Ninety-Two Dollars (\$2,928,292).

SECTION 4. This Resolution shall take effect from the date of its adoption.


Done at Salisbury, Maryland, this 18th day of August 2020.

ATTEST:

COUNTY COUNCIL OF
WICOMICO COUNTY, MARYLAND



Laura Hurley
Council Administrator



Larry W. Dodd
Council President

CERTIFICATION

This Resolution was Adopted , Adopted with Amendments ____, Failed ____, Withdrawn ____ by the County Council on August 18, 2020.

Certified by: 

Laura Hurley, Council Administrator