

Reimbursement Resolution
Wastewater Treatment Plant Project

REIMBURSEMENT RESOLUTION

RESOLUTION STATING THE REASONABLE EXPECTATION OF THE CITY COUNCIL OF THE CITY OF MORGANTOWN TO REIMBURSE THE MORGANTOWN UTILITY BOARD FOR CAPITAL EXPENDITURES IN CONNECTION WITH THE DESIGN, ACQUISITION AND CONSTRUCTION OF COMBINED UTILITY SYSTEM FACILITIES AND IMPROVEMENTS MADE PRIOR TO THE ISSUANCE OF TAX-EXEMPT REVENUE BONDS OR OTHER OBLIGATIONS.

WHEREAS, The City of Morgantown (the "City"), acting through the Morgantown Utility Board ("MUB"), has determined to acquire and construct certain improvements to the sanitary sewerage portion of the existing combined utility system of MUB (the "System"), including, but not limited to, renovations and improvements to the existing wastewater treatment facilities, and the cost thereof is estimated not to exceed \$30,000,000;

WHEREAS, the City will finance all or a portion of the costs of design, acquisition and construction of the Project through the issuance of tax-exempt revenue bonds or other obligations in one or more series, in an aggregate amount estimated not to exceed \$30,000,000 (the "Bonds");

WHEREAS, the City expects MUB to make certain capital expenditures relating to the Project prior to issuance of the Bonds;

WHEREAS, such costs will be paid from MUB'S operating account (the "Operating Account") or MUB's payroll account (the "Payroll Account"); and

WHEREAS, the City Council reasonably expects that the City will reimburse MUB for a portion of the cost of the Project in an amount not to exceed \$10,000,000, for costs incurred prior to issuance of the Bonds, from the proceeds of sale of the Bonds.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF MORGANTOWN, AS FOLLOWS:

Section 1. The City Council of The City of Morgantown reasonably expects that the City will reimburse MUB for certain capital expenditures made not more than 60 days prior to the date of adoption of this resolution (and after the date of such adoption, but prior to the issuance of the Bonds) in connection with the Project, such capital expenditures to be undertaken

or incurred prior to the execution and delivery of the Bonds, from the proceeds of such Bonds, which Bonds are reasonably expected to be executed and delivered within 18 months from the later of (i) the expenditure for payment of said costs or (ii) the placing of the Project in service.

Section 2. This Resolution is intended to constitute a “declaration of official intent” pursuant to Section 1.150-2 of the Treasury Regulations promulgated under Section 103 of the Internal Revenue Code of 1986, as amended (the “Reimbursement Regulations”).

Section 3. The source of payment for such capital expenditures will be MUB’s Operating Account and/or MUB’s Payroll Account, and upon issuance of the Bonds, proceeds thereof not to exceed the amount of such capital expenditures will be applied by the City to MUB for the reimbursement of such Operating Account and Payroll Account, such allocation not exceed \$10,000,000.

Section 4. The maximum principal amount of Bonds expected to be issued for the Project is \$30,000,000.

Section 5. The City, through MUB, shall provide written evidence of all reimbursement allocations.

Section 6. This Resolution shall become effective on the date of its adoption.

Adopted: November 5, 2012.

THE CITY OF MORGANTOWN

By: _____
Its Mayor

By: _____
Its City Manager

CERTIFICATION

I, Linda Little, City Clerk of The City of Morgantown, do hereby certify that the foregoing is a true and accurate copy of a Reimbursement Resolution adopted by the City Council of The City of Morgantown at a regular meeting of City Council held November 5, 2012, pursuant to proper notice, at which meeting a quorum was present and acting throughout.

Dated this November 5, 2012.

[SEAL]

By: _____
City Clerk