

**RESOLUTION OF THE CITY OF EDEN, NORTH CAROLINA DECLARING
THE INTENT OF THE CITY TO REIMBURSE ITSELF FOR CAPITAL
EXPENDITURES INCURRED IN CONNECTION WITH THE TANYARD
BRANCH SEWER OUTFALL PROJECT FROM THE PROCEEDS OF
CERTAIN TAX-EXEMPT OBLIGATIONS TO BE EXECUTED AND
DELIVERED IN THE FISCAL YEAR 2015-2016.**

WHEREAS, the Eden City Council (the “Council”) has determined that it is in the best interests of the City to finance the construction, renovation, and improvements of certain projects within the City known as the Tanyard Branch Sewer Outfall Project (the “Project”); and

WHEREAS, the City presently intends, at one time or from time to time, to finance all of a portion of the costs of the Project with proceeds of tax-exempt obligations and reasonably expects to execute and deliver its tax-exempt obligations (the “Obligations”) to finance, or to reimburse itself for, all or a portion of the costs of the Project; and

WHEREAS, on April 21, 2015, the City adopted a Resolution wherein it declared its official intent under Section 1.150-2 of the Treasury Regulation promulgated under Section 103 of the Internal Revenue Code of 1986, as amended, to evidence the City’s intent to reimburse its Water & Sewer Fund for the Original Expenditures from proceeds of the Obligations; and

WHEREAS, Said Resolution adopted on April 21, 2015 stated that the City reasonably expected to execute and deliver the Obligations in the Fiscal Year 2015-2016 to finance all of a portion of the costs of the Project and the maximum principal amount of Obligations expected to be executed and delivered by the City to pay for all or a portion of the costs of the Project, which amount is subject to change, is expected to be \$908,538; and

WHEREAS, during the course of the Project, costs of the Project have exceeded the \$908,538 that was originally stated in the Resolution and the City desires to adopt a new Resolution declaring its intent to reimburse expenditures in addition to the \$908,538 stated in the original Resolution adopted on April 21, 2015; and

WHEREAS, The City desires to proceed with the Project and will incur and pay certain expenditures in connection with the Project prior to the date of execution and delivery of the Obligations (the “Original Expenditures”), such Original Expenditures to be paid for originally from a source other than the proceeds of the Obligations, and the City intends, and reasonably expects, to reimburse its Water & Sewer Fund for such Original Expenditures from a portion of the proceeds of the Obligations to be executed and delivered at a date occurring after the dates of such Original Expenditures.

NOW, THEREFORE, BE IT HEREBY RESOLVED by the Eden City Council as follows:

Section 1. Official Declaration of Intent. The City presently intends, and reasonably

expects, to reimburse its Water & Sewer Fund for the Original Expenditures incurred and paid on or after the date occurring 60 days prior to the date of adoption of this resolution from a portion of the proceeds of the Obligations. The City reasonably expects to execute and deliver the Obligations in the Fiscal Year 2015-2016 to finance all of a portion of the costs of the Project and the maximum principal amount of Obligations expected to be executed and delivered by the City to pay for all or a portion of the costs of the Project, which amount is subject to change, is expected to be \$950,474.93.

Section 2. Compliance with Regulations. The City adopts this Resolution as a declaration of official intent under Section 1.150-2 of the Treasury Regulation promulgated under Section 103 of the Internal Revenue Code of 1986, as amended, to evidence the City's intent to reimburse its Water & Sewer Fund for the Original Expenditures from proceeds of the Obligations.

Section 3. Itemization of Capital Expenditures. The Director of Finance for the City, with advice from the City Attorney, is hereby authorized, directed and designated to act on behalf of the City in determining and itemizing all of the Original Expenditures incurred and paid by the City in connection with the Project during the period commencing on the date occurring 60 days prior to the date of adoption of this Resolution and ending on the date of execution and delivery of the Obligations.

Section 4. Effective Date. This Resolution is effective immediately on the date of its adoption.

Adopted and Approved this ____ day of October, 2015.

Wayne Tuggle, Mayor

Attest:

Sheralene Thompson, CMC, MMC, NCCMC
City Clerk

CERTIFICATE

I, Sheralene Thompson, the duly appointed Clerk to the City Council of the City of Eden, North Carolina, DO HEREBY CERTIFY that the foregoing is a true and correct copy of a resolution entitled "**RESOLUTION OF THE CITY OF EDEN, NORTH CAROLINA DECLARING THE INTENT OF THE CITY OF EDEN TO REIMBURSE ITSELF FOR CAPITAL EXPENDITURES INCURRED IN CONNECTION WITH THE TANYARD BRANCH SEWER OUTFALL PROJECT FROM THE PROCEEDS OF CERTAIN TAX-EXEMPT OBLIGATIONS TO BE EXECUTED AND DELIVERED IN THE FISCAL YEAR 2015-2016**" which was adopted by the City Council at its regular meeting held on the _____ day of October, 2015.

Sheralene Thompson, CMC, MMC, NCCMC
City Clerk