

**RESOLUTION R-2010-057**

(Acquisition of Vehicles, Equipment and Other Capital Projects)

RELATING TO THE DECLARATION OF INTENT BY THE CITY OF COLUMBIA, SOUTH CAROLINA, TO REIMBURSE CERTAIN EXPENDITURES PRIOR TO THE ISSUANCE BY THE CITY OF ITS TAX-EXEMPT OBLIGATIONS.

ORIGINAL  
STAMPED IN RED

WHEREAS, the Internal Revenue Service and U.S. Treasury Department have promulgated Section 1.150-2 of the Treasury Regulations (the "Regulations") that authorizes an issuer to reimburse itself for expenditures made with respect to projects prior to the issuance of tax-exempt bonds for such projects; and

WHEREAS, the Regulations require that the governing body of the political subdivision declare an official intent to reimburse an expenditure not later than sixty (60) days after the payment of the expenditure; and

WHEREAS, the City of Columbia, South Carolina (the "City"), anticipates incurring certain expenditures in an approximate amount of not exceeding \$7,000,000 (the "Expenditures") with respect to the purchase of new cars, trucks and other vehicles and equipment for the police, fire, public works and parks departments of the City and the purchase and installation of computers, software, equipment and systems for the finance and general services departments of the City (collectively, the "Projects"), prior to the issuance by the City of tax-exempt bonds or other obligations for such purposes; NOW, THEREFORE,

BE IT RESOLVED, by the Mayor and City Council of the City of Columbia, South Carolina, as follows:

Section 1. The City Council hereby declares that this Resolution shall constitute its declaration of official intent pursuant to Regulation § 1.150-2 to reimburse the City from the proceeds of tax-exempt debt in the form of general obligation bonds of the City to be issued pursuant to Title 5, Chapter 21, Article 5 Code of Laws of South Carolina 1976, as amended, or other form of tax-exempt financing approved by City ordinance for the Projects.

Section 2. The City understands that Expenditures which may be reimbursed are limited to Expenditures which are (a) properly chargeable to capital account (or would be so chargeable with a proper election or with the application of the definition of placed in service under Regulation §1.150-2) under general federal income tax principles; or (2) certain de minimis or preliminary expenditures satisfying the requirements of Regulation §1.150-2(f).

Section 3. The source of funds for the Expenditures with respect to the Projects will be the City's general operating account.

ORIGINAL  
STAMPED IN RED

Section 4. To be eligible for reimbursement of the Expenditures, the reimbursement allocation must be made not later than 18 months after the later of (a) the date on which the Expenditures were paid, or (b) the date the Projects were placed in service, but in no event more than three (3) years after the original Expenditures.

Section 5. This Resolution shall be in full force and effect from and after its adoption as provided by law. This Resolution shall be made available for inspection during normal business hours by the general public at the office of the City.

Adopted in a meeting duly assembled this 21st day of July 2010.

CITY OF COLUMBIA, SOUTH CAROLINA

  
\_\_\_\_\_  
Mayor



(SEAL)

ATTEST:

  
\_\_\_\_\_  
Clerk