

RESOLUTION R-2004-004

(Parking Meters)

RELATING TO THE DECLARATION OF INTENT BY THE CITY OF COLUMBIA, SOUTH CAROLINA, TO REIMBURSE CERTAIN EXPENDITURES PRIOR TO THE EXECUTION AND DELIVERY OF AN EQUIPMENT LEASE-PURCHASE AGREEMENT BY THE CITY.

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 obligations 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 \$785,000 (the "Expenditures") with respect to the acquisition of certain parking meters including mechanisms and cases (collectively, the "Equipment"), prior to the execution and delivery of an equipment lease-purchase agreement by the City for such purposes; and

NOW, THEREFORE, BE IT RESOLVED, by the 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 a federally tax-exempt obligation in the form of an equipment lease-purchase agreement of the City pursuant to S.C. Code Ann. § 5-7-40, as amended.

Section 2. The City understands that Expenditures which may be reimbursed are limited to Expenditures which are (a) properly chargeable to a 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 Equipment will be the City's reserve funds.

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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 Equipment was 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 14th day of January, 2004.

CITY OF COLUMBIA,
SOUTH CAROLINA



Mayor

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(SEAL)

ATTEST:



Clerk