

RESOLUTION NO. R-07-20

A RESOLUTION OF INTENT REGARDING THE REIMBURSEMENT OF CERTAIN COSTS AND EXPENSES INCURRED IN CONNECTION WITH THE ACQUISITION, CONSTRUCTION AND EQUIPPING OF IMPROVEMENTS TO THE WASTEWATER SYSTEM OF THE CITY

WHEREAS, Conway Corporation (the "Corporation") has requested that the City of Conway, Arkansas (the "City") assist in obtaining financing for the acquisition, construction and equipping of *certain* treatment system components of the City's existing wastewater system (the "Project"); and

WHEREAS, the total costs of the Project, including expenses associated with the financing thereof, are presently estimated to be approximately \$43,000,000; and

WHEREAS, the Corporation and the City do not have adequate funds on hand to pay the estimated costs of the Project and related expenses; and

WHEREAS, the City proposes to obtain the necessary funds to accomplish the Project and to pay related expenses through the issuance of tax-exempt revenue bonds issued by the City and sold through an underwriter ("Bonds"); and

WHEREAS, the principal amount of the Bonds are not expected to exceed \$48,000,000; and

WHEREAS, the purpose of this Resolution is for the City to declare its "official intent" to reimburse itself or the Corporation for certain **preliminary** costs (incurred by or on behalf of the City and related to the Project) pursuant to Section 1.150-2 of the Regulations of the U.S. Department of Treasury promulgated pursuant to the provisions of the Internal Revenue Code of 1986, **as** amended;

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF CONWAY, ARKANSAS:

Section 1. That the adoption of this Resolution is intended as the City's "official intent" to reimburse itself or the Corporation from the proceeds of Bonds for preliminary costs of the Project and related expenses advanced by the City or the Corporation.

PASSED AND APPROVED this 24th day of July, 2007.

APPROVED:

By: 
Tab Townsell, Mayor

ATTEST:

By: 
Michael O. Garrett, City Clerk

[S E A L]