

RESOLUTION DECLARING INTENTION TO REIMBURSE CERTAIN EXPENDITURES

WHEREAS, Webb County, Texas (the “County”) desires to pay expenditures in connection with the design, planning, acquisition, construction, equipping, and/or renovating of the project or facilities described in Exhibit A attached hereto (the ‘Project’);

WHEREAS, Chapter 1201, Texas Government Code (the “Code”) permits the County to use the proceeds of obligations to reimburse the County for costs attributable to the Project paid or incurred before the date of issuance of such obligations; and

WHEREAS, the County finds, considers, and declares that the reimbursement of the County for the payment of such expenditures will be appropriate and consistent with the objectives of the County's programs and, as such, chooses to declare its intention, in accordance with the provisions of Section 1.150-2 of the Treasury Regulations, to reimburse itself for such payments at such time as it issues obligations to finance the Project.

NOW, THEREFORE, BE IT RESOLVED BY THE COMMISSIONERS COURT OF WEBB COUNTY, TEXAS THAT:

Section 1. This Resolution declares the intention of the County to reimburse the expenditures for the Project with the proceeds of obligations. The County presently intends to reimburse the expenditure by incurring obligations issued under Texas law, the interest on which is excludable from gross income under section 103 of the Internal Revenue Code of 1986, as amended.

Section 2. The County reasonably expects to incur debt, in one or more series of obligations, in an aggregate maximum principal amount now estimated to be \$30,000,000 for the purpose of paying the costs for the acquisition of certain property and related improvements for the County.

Section 3. The County intends to reimburse the expenditures hereunder not later than 18 months after the date the original expenditure is paid or the date the Project is placed in service or abandoned, but in no event more than three years after the original expenditure is paid unless the Project is a construction project for which the County and a licensed architect or engineer have certified that at least five years are necessary to complete the Project in which event the maximum reimbursement period is five years after the date of the original expenditure.

Section 4. The County intends that this Resolution satisfy the official intent requirement set forth in Section 1.150-2 of the Treasury Regulations and evidences its intentions under Section 1201.042(c) of the Code.

Section 5. This Resolution shall be liberally construed to evidence the intent of the County to comply with state law and federal income tax law in the issuance of tax-exempt obligations for the Project.

* * *

EXHIBIT A

PROJECT DESCRIPTION

Providing for the payment of contractual obligations to be incurred in connection with the design, planning, acquisition, construction, equipping, expansion, repair, renovation, and/or rehabilitation of certain County-owned public property, specifically being: (1) LIFE Downs, (2) acquisition of land and buildings for future County facilities, (3) improvements to the Judge Becker Facility, and (4) payment of contractual obligations for professional services in connection therewith (to wit: consultants, engineering, financial advisory, and legal).