

The Public Works Commission of the City of Fayetteville, North Carolina met in a special meeting at 955 Old Wilmington Road in Fayetteville, North Carolina, the regular place of meeting, at 4:30 p.m. on February 27, 2007.

Present: Chairman Luis Olivera, presiding, and Commissioners Wilson A. Lacy and Michael G. Lallier

Absent: Commissioner Terri Union

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J. Dwight Miller, CFO introduced the following resolution the title of which was read and copies of which had been previously distributed to each Commissioner:

RESOLUTION REQUESTING THE CITY COUNCIL OF THE CITY OF FAYETTEVILLE, NORTH CAROLINA TO DESIGNATE THE CHIEF FINANCIAL OFFICER OF THE PUBLIC WORKS COMMISSION TO DECLARE OFFICIAL INTENT ON BEHALF OF THE CITY OF FAYETTEVILLE, NORTH CAROLINA TO REIMBURSE EXPENDITURES FOR IMPROVEMENTS TO THE UTILITIES SYSTEM

WHEREAS, the Public Works Commission (the "Commission") is a commission created by the State of North Carolina to manage, operate and supervise the electric, water and sanitary sewer systems (collectively, the "Utilities System") of the City of Fayetteville, North Carolina (the "City"); and

WHEREAS, the Commission has determined that it is necessary to make certain improvements to the Utilities System; and

WHEREAS, the Commission and the City intend to provide for certain of such Utilities System improvements by issuing its revenue bonds; and

WHEREAS, Section 1.150-2 of the Treasury Regulations (the "Regulations") prescribe specific procedures applicable to tax-exempt bonds or notes issued to reimburse certain expenditures incurred prior to the issuance of such bonds or notes, including, without limitation, a requirement that the issuer of the tax-exempt bonds declare the official intent of the issuer to reimburse those expenditures with proceeds of debt to be incurred by the issuer, such declaration to occur prior to, or within sixty (60) days after, the date of payment of the expenditures to be reimbursed; and

WHEREAS, the Regulations expressly permit the statement of official intent to be declared by any person designated by the City to declare official intent on behalf of the City; and

WHEREAS, the Commission believes it to be in the best interest of the Commission and the City for the City to designate the Chief Financial Officer of the Commission to make such declaration of official intent on behalf of the City with respect to expenditures for improvements to the Utilities System;

NOW, THEREFORE, BE IT RESOLVED by the Public Works Commission (the "Commission") of the City of Fayetteville, North Carolina (the "City") that:

Section 1. The Commission does hereby formally request the City Council of the City to designate the Chief Financial Officer of the Commission to declare official intent to reimburse expenditures under Section 1.150-2 of the Treasury Regulations on behalf of the City with respect to expenditures for improvements of the Utilities System.

Section 2. This resolution shall take effect immediately upon its passage.

Upon motion of Commissioner Lallier seconded by Commissioner Lacy, the foregoing resolution entitled "RESOLUTION REQUESTING THE CITY COUNCIL OF THE CITY OF FAYETTEVILLE, NORTH CAROLINA TO DESIGNATE THE CHIEF FINANCIAL OFFICER OF THE PUBLIC WORKS COMMISSION TO DECLARE OFFICIAL INTENT ON BEHALF OF THE CITY OF FAYETTEVILLE, NORTH CAROLINA TO REIMBURSE EXPENDITURES TO THE UTILITIES SYSTEM" was passed by the following vote:

Ayes: Commissioners Luis J. Olivera, Wilson A. Lacy,

Michael G. Lallier

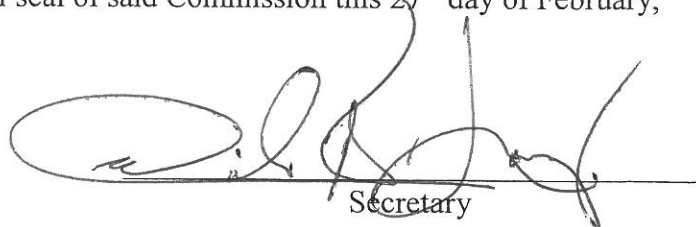
Noes: None

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I, Wilson A. Lacy, Secretary of the Public Works Commission of the City of Fayetteville, North Carolina, DO HEREBY CERTIFY that the foregoing is a true copy of so much of the proceedings of said Commission at a special meeting held on February 27, 2007, as relates in any way to the introduction and passage of the foregoing resolution and that said proceedings are recorded in the minutes of said Commission.

I DO HEREBY FURTHER CERTIFY that proper notice of such special meeting was given as required by North Carolina law.

WITNESS my hand and the official seal of said Commission this 27th day of February, 2007.


Secretary