RESOLUTION NO. 08-40

A RESOLUTION OF THE CITY OF MARCO ISLAND, FLORIDA ESTABLISHING ITS INTENT TO REIMBURSE CERTAIN CAPITAL EXPENDITURES INCURRED WITH PROCEEDS OF A FUTURE TAX-EXEMPT FINANCING; PROVIDING CERTAIN OTHER MATTERS IN CONNECTION THEREWITH; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, the City Council of the City of Marco Island, Florida (the "Issuer") has determined that the need exists to incur debt in order to finance capital improvements consisting of constructing, renovating, acquiring and equipping certain additions, extensions and improvements to the facilities comprising the Issuer's water and sewer system.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF MARCO ISLAND, FLORIDA:

SECTION 1. AUTHORITY. This resolution (the "Resolution") is adopted pursuant to the provisions of the Constitution of the State of Florida, Chapter 166, Part II, Florida Statutes, the municipal charter of the Issuer, and other applicable provisions of law.

SECTION 2. DECLARATION OF INTENT. The Issuer hereby expresses its intention to be reimbursed from proceeds of a future tax-exempt financing for capital expenditures to be paid by the Issuer prior to the incurrence of debt for the purpose of constructing, designing, permitting, renovating, acquiring and equipping certain additions, extensions and improvements to the facilities comprising the Issuer's water and sewer system (collectively, the "Project"). Pending reimbursement, the Issuer expects to use funds on deposit in the water and sewer enterprise fund to pay such costs including but not limited to capital expenditures, costs of design and engineering, and other costs related to the Project. It is reasonably expected that the total amount of debt to be incurred by the Issuer with respect to the Project will be $65,000,000. This Resolution is intended to constitute a "declaration of official intent" within the meaning of Section 1.150-2 of the Income Tax Regulations which were promulgated pursuant to the Internal Revenue Code of 1986, as amended, with respect to the debt incurred, in one or more financings, to finance the Project.

SECTION 3. SEVERABILITY. If any one of more of the provisions of the Resolution shall for any reason be held illegal or invalid, such illegality or invalidity shall not affect any other provision contained therein.

SECTION 4. REPEALER. All resolutions or orders and parts thereof in conflict herewith are, to the extent of such conflicts, hereby superseded and repealed.

SECTION 5. EFFECTIVE DATE. This Resolution shall take effect immediately upon its adoption.

Passed in open and regular session through roll call vote by the City Council of the City of Marco Island, Florida, this 2nd day of September, 2008.

ATTEST:

Laura A. Litzan, City Clerk

CITY OF MARCO ISLAND, FLORIDA

By: _____
William D. Trotter, Chairman