

RESOLUTION NO. RS-06-08

A RESOLUTION SUPPLEMENTING A RESOLUTION ADOPTED ON FEBRUARY 21, 2006 RELATING TO THE ISSUANCE AND SALE BY COUNTY COMMISSIONERS OF WASHINGTON COUNTY OF ITS \$10,500,000 PUBLIC IMPROVEMENT BONDS OF 2006, AND ITS \$15,000,000 RUNWAY EXTENSION PROJECT BONDS OF 2006; FIXING CERTAIN TERMS OF SAID BONDS INCLUDING THE INTEREST RATES PAYABLE ON THE BONDS; AWARDING SAID BONDS TO THE SUCCESSFUL BIDDER THEREFORE IN ACCORDANCE WITH THE ABOVE-MENTIONED RESOLUTION; RATIFYING AND CONFIRMING CERTAIN ACTIONS TAKEN IN CONNECTION WITH THE SALE AND ISSUANCE OF SAID BONDS; AND GENERALLY PROVIDING FOR THE ISSUANCE OF SAID BONDS.

R E C I T A L S:

The Resolution (the "Authorizing Resolution") adopted by the Board of County Commissioners of Washington County (the "Board") on February 21, 2006, authorizes and empowers County Commissioners of Washington County (the "County") to issue and sell up to (i) \$10,500,000 aggregate amount of its general obligation bonds designated "Washington County, Maryland, Public Improvement Bonds of 2006" (the "Public Improvement Bonds"), and (ii) \$15,000,000 aggregate amount of its general obligation bonds designated "Washington County, Maryland, Runway Extension Project Bonds of 2006" (the "Runway Extension Bonds") (the Public Improvement Bonds and the Runway Extension Bonds are hereafter together referred to as the "Bonds") in accordance with the Notice of Sale (the "Notice of Sale") set forth in the Authorizing Resolution.

In accordance with the Notice of Sale, a public sale of the Bonds was held on March 7, 2006, and the following bids were received for the Bonds:

<u>Bidder</u>	<u>True Interest Cost</u>
BB&T Capital Markets	4.174513%
Morgan Stanley DW Inc.	4.223542%
LaSalle Financial Services, Inc.	4.243242%
Wachovia Securities, LLC	4.246989%
Ferris, Baker Watts, Inc.	4.248975%
UBS Securities LLC	4.251378%
Robert W. Baird & Co., Inc.	4.256749%
Merrill Lynch & Company	4.291043%
Prager, Sealy & Co., LLC	4.307634%
Citigroup Global Markets, Inc.	4.310324%

It is hereby determined that the bid of BB&T Capital Markets for the Public Improvement Bonds results in the lowest true interest cost to the County, and that the Public Improvement Bonds should be awarded to said bidder.

Runway Extension Project Bonds

<u>Bidder</u>	<u>True Interest Cost</u>
Morgan Stanley DW Inc.	4.264393%
Prager, Sealy & Co., LLC	4.320165%
UBS Securities LLC	4.366144%
Ferris, Baker Watts, Inc.	4.381910%
Merrill Lynch & Company	4.387260%
Citigroup Global Markets, Inc.	4.478221%

It is hereby determined that the bid of Morgan Stanley DW Inc. for the Runway Extension Project Bonds results in the lowest true interest cost to the County, and that the Runway Extension Project Bonds should be awarded to said bidder.

The Authorizing Resolution provides that following the sale of the Bonds the Board shall, by resolution, fix the principal amounts, maturities, and interest rates payable on the Bonds and this resolution is being adopted for that purpose as well as to award the Bonds to the successful bidders.

All capitalized terms not defined herein shall have the meanings set forth in the Authorizing Resolution.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF COUNTY COMMISSIONERS OF WASHINGTON COUNTY:

SECTION 1. That any actions heretofore deemed necessary by the Director of Finance to be taken by the County on its behalf in connection with the issuance of the Bonds are hereby ratified and confirmed in all respects. The Bonds shall be dated March 1, 2006 and accrued interest shall be paid from March 1, 2006.

The Director of Finance is hereby authorized to make such changes to the form of Bonds and Preliminary Official Statement approved by the Authorizing Resolution as she shall deem necessary and subject to the changes set forth herein, if any, the Authorizing Resolution is hereby ratified and confirmed in all respects.

The Preliminary Official Statement dated March 1, 2006 is deemed final by the County for the purpose of Rule 15c2-12 of the Securities and Exchange Commission.

SECTION 2. That the bid of BB&T Capital Markets (the "Public Improvement Bonds Purchaser") for the Public Improvement Bonds as submitted, be and the same is hereby accepted and the Public Improvement Bonds are hereby awarded to the Public Improvement Bonds Purchaser at the purchase price and with the maturities and interest rates named therein. The Public Improvement Bonds shall be duly executed and delivered to the Public Improvement Bonds Purchaser, in accordance with the terms and conditions of the Notice of Sale, upon receipt by the County of the total purchase price of the Public Improvement Bonds, plus accrued interest, less the deposit received on March 7, 2006, in the amount of \$210,000. The said purchase price shall be paid to the Treasurer of Washington County, Maryland.

SECTION 3. That the aggregate original principal amount of the Public Improvement Bonds shall be \$10,500,000.

SECTION 4. That the Public Improvement Bonds shall be in the following principal amounts and shall bear interest at the following rates, in accordance with the terms of the successful bid for the Public Improvement Bonds:

<u>Maturing January 1</u>	<u>Principal Amount</u>	<u>Interest Rate</u>	<u>Maturing January 1</u>	<u>Principal Amount</u>	<u>Interest Rate</u>
2007	\$420,000	4.1250	2017	\$520,000	4.1250
2008	\$365,000	4.1250	2018	\$540,000	4.1250
2009	\$380,000	4.1250	2019	\$560,000	4.1250
2010	\$390,000	4.1250	2020	\$585,000	4.1250
2011	\$405,000	4.1250	2021	\$605,000	4.1250
2012	\$420,000	4.1250	2022	\$630,000	4.1250
2013	\$435,000	4.1250	2023	\$660,000	4.2500
2014	\$460,000	4.1250	2024	\$685,000	4.2500
2015	\$480,000	4.1250	2025	\$715,000	4.2500
2016	\$500,000	4.1250	2026	\$745,000	4.2500

SECTION 5. That the bid of Morgan Stanley DW Inc. (the "Runway Extension Project Bonds Purchaser") for the Runway Extension Project Bonds as submitted, be and the same is hereby accepted and the Runway Extension Project Bonds are hereby awarded to the Runway Extension Project Bonds Purchaser at the purchase price and with the maturities and interest rates named therein. The Runway Extension Project Bonds shall be duly executed and delivered to the Runway Extension Project Bonds Purchaser, in accordance with the terms and conditions of the Notice of Sale, upon receipt by the County of the total purchase price of the Runway Extension Project Bonds, plus accrued interest, less the deposit received on March 7, 2006, in the amount of \$300,000. The said purchase price shall be paid to the Treasurer of Washington County, Maryland.

SECTION 6. That the aggregate original principal amount of the Runway Extension Project shall be \$15,000,000.

SECTION 7. That the Runway Extension Project Bonds shall be in the following principal amounts and shall bear interest at the following rates, in accordance with the terms of the successful bid for the Runway Extension Project Bonds:

<u>Maturing January 1</u>	<u>Principal Amount</u>	<u>Interest Rate</u>	<u>Maturing January 1</u>	<u>Principal Amount</u>	<u>Interest Rate</u>
2007	\$600,000	4.2500	2017	\$ 740,000	4.2500
2008	\$515,000	4.2500	2018	\$ 770,000	4.2500
2009	\$535,000	4.2500	2019	\$ 800,000	4.2500
2010	\$550,000	4.2500	2020	\$ 835,000	4.2500
2011	\$575,000	4.2500	2021	\$ 870,000	4.2500
2012	\$595,000	4.2500	2022	\$ 910,000	4.2500
2013	\$615,000	4.2500	2023	\$ 950,000	4.2500
2014	\$650,000	4.2500	2024	\$ 990,000	4.2500
2015	\$680,000	4.2500	2025	\$1,030,000	4.2500
2016	\$710,000	4.2500	2026	\$1,080,000	4.3750

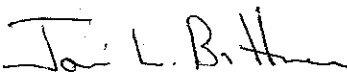
SECTION 8. The maturities, principal amounts and interest rates set forth above are hereby adopted as and for the maturities and principal amounts of, and interest rates payable on, the Bonds.

SECTION 9. That this Resolution shall take effect from the date of its adoption.

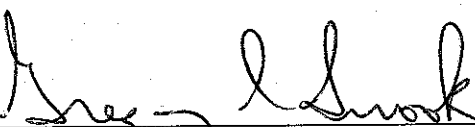
Adopted this 7th day of March, 2006.

ATTEST:

COUNTY COMMISSIONERS OF
WASHINGTON COUNTY



Joni L. Bittner, County Clerk

By: 

Gregory I. Shook, President
Board of County Commissioners
of Washington County