BOARD OF DIRECTORS
MARYLAND ENVIRONMENTAL SERVICE
RESOLUTION
(98-03-01R)

A RESOLUTION DECLARING

THE OFFICIAL INTENT OF THE MARYLAND ENVIRONMENTAL SERVICE TO REIMBURSE EXPENDITURES TO BE INCURRED WITH RESPECT TO THE ACQUISITION, IMPROVEMENT, MAINTENANCE AND OPERATION OF THE WATER SUPPLY AND WASEWATER TREATMENT FACLITIES AT THE ABERDEEN PROVING GROUND WITH THE PROCEEDS OF THE DEBT TO BE ISSUED BY THE MARYLAND ENVIRONMENTAL SERVICE.

R E C I T A L S

WHEREAS, to facilitate an efficient borrowing program, and in cooperation with Harford County, Maryland (the "County"), the Maryland Environmental Service (the "Service") intends to expend money on the acquisition, improvement, maintenance and operation of the water supply and wastewater treatment facilities at the Aberdeen Proving Ground in the County prior to the issuance of debt by the Service for such project; and

WHEREAS, the Service intends to reimburse such expenditures from the proceeds of debt to be issued by the Service; and

WHEREAS, to comply with applicable provisions of the Internal Revenue Code of 1986, as amended, and Section 1.103-18 of the Income Tax Regulations, it is necessary in order to reimburse such expenditures with the proceeds of tax-exempt debt, that the Board of Directors of the Service declare the official intent of the Service to make such a reimbursement of expenditures.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE MARYLAND ENVIRONMENTAL SERVICE THAT:

1. The Service intends to expend money for the acquisition, improvement, maintenance and operation of the water supply and wastewater treatment facilities at the Aberdeen Proving Ground prior to the issuance of bonds or other debt obligations to reimburse such expenditures. The Service expects to reimburse itself with the proceeds of bonds or other debt obligations in an amount not-to-exceed Twenty Million Dollars ($20,000,000.00).

2. This Resolution shall take effect immediately.

ADOPTED, this 26th day of March, 1998.

SEAL

MARYLAND ENVIRONMENTAL SERVICE

BY: _____
JAMES W. PECK, DIRECTOR

BY: _____
CATHERINE PIEPER. STEVENSON, DEPUTY DIRECTOR

BY: _____
KENNETH HOWARTH, TREASURER

BY: _____
CAROLYN D. DAVIS, SECRETARY

ATTEST: _____
CAROLYN D. DAVIS, SECRETARY