

DECLARATION OF OFFICIAL INTENT
OF FAIRFAX TOWN SCHOOL DISTRICT
TO REIMBURSE CERTAIN EXPENDITURES
FROM PROCEEDS OF INDEBTEDNESS

WHEREAS, the Fairfax Town School District, Vermont (the "Issuer") intends to construct public school building improvements to be considered by the Issuer at a special meeting thereof to be called and held for that purpose, such proposed improvements being those identified on Exhibit A hereto (the "Project");

WHEREAS, the Issuer expects to pay certain capital expenditures (the "Reimbursement Expenditures") in connection with the Project prior to the issuance of indebtedness for the purpose of financing costs associated with the Project on a long-term basis;

WHEREAS, the Issuer reasonably expects that for that part of the Project consisting of design, permitting, contract management, financing and construction costs, debt obligations in an amount not expected to exceed \$26,400,000 will be issued and that certain of the proceeds of such debt obligations will be used to reimburse the Reimbursement Expenditures; and

WHEREAS, the Issuer declares its reasonable official intent to reimburse prior expenditures for the above-described part of the Project with proceeds of a subsequent borrowing:

NOW THEREFORE, the Issuer declares:

Section 1. The Issuer finds and determines that the foregoing recitals are true and correct, and that all of the capital expenditures covered by this Resolution were or will be made not earlier than 60 days prior to the date of this Resolution.

Section 2. This declaration is made solely for the purposes of establishing compliance with the requirements of Section 1.150-2 of the Treasury Regulations. This declaration does not bind the Issuer to make any expenditure, incur any indebtedness, or proceed with the Project.

Section 3. The Issuer hereby declares its official intent to use proceeds of indebtedness to reimburse itself for Reimbursement Expenditures, within 18 months of either the date of the first expenditure of funds by Issuer for such Project or the date that such Project is placed in service, whichever is later (but in no event more than three years after the date of the original expenditure of Issuer funds for such Project), and to allocate an amount not to exceed \$26,400,000 of the proceeds thereof to reimburse itself for its expenditures in connection with the Project.

Section 4. The Issuer's debt obligations for the aforementioned purpose will not be "private activity bonds" within the meaning of Section 141 of the Internal Revenue Code of 1986.

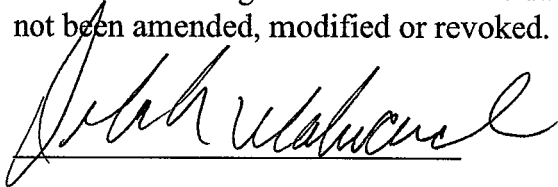
Section 5. All prior actions of the officials and agents of Issuer that are in conformity with the purpose and intent of this Resolution and in furtherance of the Project shall be and the same hereby are in all respects ratified, approved and confirmed.

Section 6. All other resolutions of the legislative body of the Issuer, or parts of resolutions, inconsistent with this Resolution are hereby repealed to the extent of such inconsistency.

Section 7. It is hereby found that all discussions and deliberations of the legislative body of the Issuer leading to the adoption of this Resolution occurred at one or more meetings of the legislative body conducted pursuant to public notice and open to public attendance.

Section 8. This declaration shall take effect from and after its adoption.

The undersigned, District Clerk of the Issuer, hereby certifies that the foregoing is a full, true and correct copy of the declaration of the legislative body of said Issuer duly made at a meeting thereof held on the date, specified below, and that said declaration has not been amended, modified or revoked.



District Clerk

October 1, 2019

EXHIBIT A

The Board of School Directors of Fairfax Town School District proposes to incur bonded indebtedness for the purpose of making necessary school building improvements to the Bellows Free Academy Fairfax Elementary, Middle and High School. **State funds may not be available at the time this project is otherwise eligible to receive state school construction aid. The District is responsible for all costs incurred in connection with any borrowing done in anticipation of the receipt of school construction aid.**

ARTICLE I

Shall general obligation bonds of the Fairfax Town School District in an amount not to exceed **\$12,680,000** subject to reduction from the application of available state and federal grants-in-aid be issued for the purpose of financing the final design, permitting, site work and the construction of renovations, capital improvements and additions to Bellows Free Academy Fairfax Elementary, Middle and High School together with related site work and eligible project expenses. The renovations shall include adding four (4) classrooms to the elementary school, redesigning the entrances for all three schools and the library, reorganizing the Middle School (science labs, art and maker space, a hallway to the playground, improved space for S.T.E.A.M [Science, Technology, Engineering, Art, Math] programs), relocating the nurse's station for grades 5-12, consolidating administrative offices, adding sprinkler systems where required, improving lighting and providing storage for athletic uniforms, the estimated cost of such improvements being \$12,680,000.

ARTICLE II

In the event Article 1 is approved and only in the event Article 1 is approved, shall general obligation bonds of the Fairfax Town School District in an amount not to exceed **\$3,620,000**, subject to reduction from the application of available state and federal grants-in-aid, be issued for the purpose of financing the final design, permitting, site work and the construction of renovations, capital improvements and additions to Bellows Free Academy Fairfax Elementary, Middle and High School together with related site work and eligible project expenses and shall include: a new Middle School Gym with separate Community access, which allows for large music space and additional practice and game space; High School Science labs; new art space; and World Language classrooms, the estimated cost of such improvements being \$3,620,000.

ARTICLE III

In the event Article 1 is approved, and only in the event Article 1 is approved, shall general obligation bonds of the Fairfax Town School District in an amount not to exceed **\$4,100,000**, subject to reduction from the application of available federal and state grants-in-aid, be issued for the purpose of financing the final design, permitting, site work and the construction of renovations, capital improvements and additions to Bellows Free Academy Fairfax Elementary, Middle and High School together with related site work and eligible project expenses. and shall include: a new High School Auditorium, utilizing the present stage with separate Community access ; new spaces for the Band and Chorus; High School Science labs; and World Language classrooms, the estimated cost of such improvements being \$4,100,000