

ENROLLED

COUNTY COUNCIL OF WICOMICO COUNTY, MARYLAND
LEGISLATIVE SESSION, 2020
BILL NO. 2020-10

Introduced: August 18, 2020

By: The President of the Council at the request of the Acting County Executive

AN ACT to authorize and empower Wicomico County, Maryland (the "County") to issue and sell from time to time, upon its faith and credit, one or more series of (1)(A) general obligation bonds and (B) general obligation bond anticipation notes, each in an original aggregate principal amount not to exceed \$2,928,292, and (2) general obligation refunding bonds, subject to the limitations set forth herein, for the public purpose of financing, reimbursing or refinancing costs of a project referred to by the County as Airport Water Main Extension; determining that each series of the bonds will be sold to the Maryland Water Quality Financing Administration (the "Administration") by private sale, without public bidding; authorizing the County Council of Wicomico County, Maryland (the "County Council") by resolution adopted in Legislative Session to approve or provide for the approval of the substantially final form of any loan agreement with the Administration and other details of the bonds; acknowledging the Administration's rights under any loan agreement, pledging certain revenues receivable from the State of Maryland, and acknowledging certain payment responsibilities of the County; providing that the County Council by resolution adopted in Legislative Session shall determine or provide for certain details of any bond anticipation notes or refunding bonds; providing that all such bonds, bond anticipation notes and refunding bonds (individually or collectively, the "obligations") shall be general obligation debt of the County to which the faith and credit of the County are pledged and authorizing annual appropriations to pay the principal of and interest on said obligations and the levying of taxes to meet said appropriations, subject to any lawful limitations on the County's taxing power set forth in the County Charter, as that taxing power may relate to such obligations; authorizing the County Council to provide by resolution adopted in Legislative Session for post-closing modifications to any obligations sold to the Administration; providing that any obligations may be consolidated with other debt instruments of the County; authorizing County officials to take certain actions in connection with the obligations; exempting the obligations from certain provisions of Maryland law; providing certain rules of construction and that the provisions of this Act shall be liberally construed; providing that the provisions of this Act shall be separable; and relating generally to the issuance, sale and delivery of any of the obligations.

WHEREAS, Wicomico County, Maryland (the "County") is authorized pursuant to Sections 10-203 and 19-401 of the Local Government Article of the Annotated Code of Maryland (previously codified as Section 5(P) of Article 25A of the Annotated Code of Maryland), as replaced, supplemented or amended (the "Enabling Act"), to provide for the borrowing of money on the faith and credit of the County; and

WHEREAS, the Capital Budget for Wicomico County, Maryland, for the fiscal year beginning July 1, 2020, adopted pursuant to Section 705 of the Charter of Wicomico County,

Maryland (the "County Charter"), as the same was amended by Resolution No. 57-2020 adopted on August 4, 2020 by the County Council of Wicomico County, Maryland, the governing body of the County (the "County Council"), and as the same may be further amended, provides for the appropriation of funds characterized as MWQFA loan funds in an aggregate principal amount of \$2,928,292 for a project generally referred to by the County as the "Airport Water Main Extension" project, and provides that such MWQFA loan funds will be evidenced by one or more general obligation (new money) bonds issued by the County; and

WHEREAS, the Airport Water Main Extension project involves the design, construction and equipping of improvements to provide for the extension of water service from the City of Salisbury to the Salisbury-Ocean City: Wicomico Regional Airport, including (without limitation) the installation of a water main from an existing City of Salisbury water main and elevated tank to the Airport facilities and the installation of service lines to existing facilities (collectively, the "Project"), and, in connection therewith, the County may acquire or pay for, as applicable, land or necessary property rights (including, without limitation, easements); related site improvements and utilities, including (without limitation) paving, repaving, landscaping, sidewalk, curb, gutter, stormwater, water and sewer improvements; related architectural, planning, design, engineering, surveying, testing, study, document development, bidding, permitting, acquisition, construction, improvement, installation, modification, demolition, removal, renovation, reconstruction, rehabilitation, expansion, extension, equipping, inspection, construction administration, construction management and related costs; related financial, administrative and legal expenses; and costs of activities related to any of the foregoing; and the County has determined to borrow money for the public purpose of financing, reimbursing or refinancing all or a portion of the costs of any components of such activities, together with costs of issuance relating to any such borrowing (collectively, "Costs of the Project"), by issuing one or more series of its general obligation bonds; and

WHEREAS, the federal Safe Drinking Water Act, as amended (the "Safe Drinking Water Act"), authorizes the U.S. Environmental Protection Agency (the "EPA") to award grants to qualifying states to establish and capitalize drinking water treatment revolving loan funds ("SRFs") for the purpose of providing loans and certain other forms of financial assistance to finance, among other things, the construction and improvement of publicly-owned and privately-owned water supply systems; and

WHEREAS, as contemplated by the Safe Drinking Water Act, the General Assembly of Maryland has amended the Maryland Water Quality Financing Administration Act, codified at Sections 9-1601 through 9-1622, inclusive, of the Environment Article of the Annotated Code of Maryland (as replaced, supplemented or amended, the "MWQFA Act"), establishing an SRF designated the Maryland Drinking Water Revolving Loan Fund (the "Fund") to be maintained and administered by the Maryland Water Quality Financing Administration (the "Administration"); and

WHEREAS, the MWQFA Act authorizes the Administration, among other things, to make a loan from the Fund to a "local government" (as defined in the MWQFA Act) for the purpose of

financing or refinancing all or a portion of the cost of a “water supply system” project (as defined in the MWQFA Act); and

WHEREAS, the County is a “local government” within the meaning of the MWQFA Act, and the Project is a “water supply system” project within the meaning of the MWQFA Act, and the County has applied to the Administration for a loan or loans from the Fund for Project purposes; and

WHEREAS, the MWQFA Act authorizes a local government to issue one or more bonds, notes or other evidences of obligation (each, a “loan obligation” as defined in the MWQFA Act) to evidence its indebtedness under a loan agreement with respect to a loan from the Administration, to sell any such bond, note or other evidence of obligation to the Administration at private sale, without public bidding, and to establish a dedicated source of revenues for repayment of such loan; and

WHEREAS, pursuant to the authority of the MWQFA Act and the Enabling Act, the County has determined to borrow money from the Administration for the public purpose of financing, reimbursing or refinancing Costs of the Project or such components of Costs of the Project as the Administration shall approve; and

WHEREAS, in connection with the issuance and sale of any series of the general obligation bonds contemplated hereby, and pursuant to the MWQFA Act, the County will enter into one or more loan agreements with the Administration; and

WHEREAS, the County, as authorized by the MWQFA Act, and to the extent required by the Administration, by this Act pledges any moneys that the County is entitled to receive from the State of Maryland, including the County’s share of the State income tax, to secure its obligations under any loan agreement with the Administration; and

WHEREAS, as of the date of introduction of this Act, the Administration has advised that it currently anticipates making the County a single loan for Project purposes to be evidenced by a single general obligation bond of the County, the interest on which is excludable from gross income for federal income tax purposes; provided that, the final structure of any such financing (including, without limitation, the final original aggregate principal amount of any series of bonds) and the tax status of interest payable on any such series of bonds issued by the County to the Administration shall be determined by the County Council by resolution adopted in Legislative Session as provided for in this Act; and

WHEREAS, prior to issuing any such series of bonds to the Administration, the County may need to obtain interim financing in order to finance or reimburse Costs of the Project on a timely basis through the issuance of one or more series of its general obligation bond anticipation notes pursuant to the authority of Sections 19-211 to 19-223, inclusive, of the Local Government Article of the

Annotated Code of Maryland, as replaced, supplemented or amended (the “Bond Anticipation Note Act”); and

WHEREAS, subsequent to the issuance to the Administration of any series of bonds provided for herein, the County may desire to currently refund or advance refund all or a portion of such series of bonds pursuant to the authority of Section 19-207 of the Local Government Article of the Annotated Code of Maryland, as replaced, supplemented or amended (the “Refunding Act”); and

WHEREAS, the County has determined to pledge its faith and credit and taxing power to the prompt payment of debt service on any such series of bonds, bond anticipation notes or refunding bonds contemplated hereby, subject to any lawful limitations on the County’s taxing power set forth in the County Charter, as such taxing power may relate to any of such obligations; and

WHEREAS, the County Council deems that the Project is necessary to the welfare of Wicomico County, Maryland and that the financial resources of the County are ample and within the limitations as prescribed by the County Charter to permit the borrowing of the sums required therefor; now, therefore:

SECTION 1. BE IT ENACTED BY THE COUNTY COUNCIL OF WICOMICO COUNTY, MARYLAND, IN LEGISLATIVE SESSION, that:

(a) The Recitals to this Act are deemed a substantive part of this Act and incorporated by reference herein. Capitalized terms used in this Act and not otherwise defined in the Sections of this Act shall have the meanings given to such terms in the Recitals.

(b) References in this Act to any official by title shall be deemed to refer (i) to any official authorized under the County Charter or the code of public local laws of the County (the “County Code”) or other applicable law or authority to act in such titled official’s stead during the absence or disability of such titled official, (ii) to any person who has been elected, appointed or designated to fill such position in an acting, temporary or interim capacity under the County Charter, the County Code or other applicable law or authority, (iii) to any person who serves in a “deputy”, “associate” or “assistant” capacity as such an official, provided that the applicable responsibilities, rights or duties referred to herein have been delegated to such deputy, associate or assistant in accordance with the County Charter, the County Code or other applicable law or authority, and/or (iv) to the extent an identified official commonly uses another title not provided for in the County Charter or the County Code, the official, however known, who is charged under the County Charter, the County Code or other applicable law or authority with the applicable responsibilities, rights or duties referred to herein.

(c) References in this Act to the “principal amount” of any of the Bonds, the BANs, the Refunding Bonds or the Obligations (each as defined herein) shall be construed to mean the par amount of such Bonds, BANs, Refunding Bonds or Obligations, as applicable.

(d) References in this Act to the Project are intended to include any modifications or amendments to components of the Project as provided for in County budgetary materials or made by other appropriate actions and that are acceptable to the Administration to the extent such modifications or amendments impact Obligations issued to the Administration.

(e) References in this Act to the Enabling Act, the MWQFA Act, the Bond Anticipation Note Act and the Refunding Act shall also be construed to refer to any other applicable law not specifically identified herein, if applicable.

(f) The Administration generally refers to the Project by the following name: "Salisbury Regional Airport Water Main Extension."

SECTION 2. AND BE IT FURTHER ENACTED, that:

(a) Pursuant to the authority of the Enabling Act, the MWQFA Act and the County Charter, and to provide the funds required to finance, reimburse or refinance any one or more components of Costs of the Project, approved in the Capital Budget of the County for the fiscal year beginning July 1, 2020 adopted pursuant to Section 705 of the County Charter, as amended to date and as the same may be further amended, the County is with this Act authorized and empowered by resolution or resolutions of the County Council adopted in Legislative Session to borrow money and incur indebtedness from time to time in an original aggregate principal amount not exceeding Two Million Nine Hundred Twenty-Eight Thousand Two Hundred Ninety-Two Dollars (\$2,928,292) and to evidence said borrowing by the issue and sale of general obligation bonds of the County, in one or more series, in like original aggregate principal amount.

(b) It is hereby recognized and acknowledged that the details of the Capital Budget of the County for the fiscal year beginning July 1, 2020 are necessarily subject to change because of corresponding changes in construction and other costs, project time schedules, availability of other funding sources and other circumstances not now known or anticipated. It is the purpose and intent of this Act to authorize the borrowing of money to finance, reimburse or refinance Costs of the Project as the Project is referenced in the Capital Budget for the fiscal year beginning July 1, 2020, as amended to date and as the same may be further amended, and in any amended or subsequent capital budget or capital improvement program, unless otherwise contrary to applicable law, and with respect to any Obligations (as defined in Section 13 hereof) sold to the Administration, as consented to by the Administration.

(c) The total Costs of the Project not otherwise payable from other sources is not expected to exceed Two Million Nine Hundred Twenty-Eight Thousand Two Hundred Ninety-Two Dollars (\$2,928,292).

(d) In the event the County issues any BANs (as defined in Section 10 hereof), proceeds of any Bonds (as defined in Section 3 hereof) may also be applied to prepay or pay

principal of, premium and/or interest on such BANs, and any such expenditure shall be considered an expenditure for Costs of the Project.

SECTION 3. AND BE IT FURTHER ENACTED, that to evidence the borrowing and indebtedness authorized in Section 2 of this Act, the County, acting pursuant to the authority of the Enabling Act, the MWQFA Act and the County Charter, hereby determines to issue and sell from time to time, upon its faith and credit, one or more series of its general obligation bonds in an original aggregate principal amount not to exceed Two Million Nine Hundred Twenty-Eight Thousand Two Hundred Ninety-Two Dollars (\$2,928,292) (each, a "series of the Bonds", individually, a "Bond", and, collectively, the "Bonds"). Unless otherwise advised by bond counsel to the County, any resolution adopted by the County in Legislative Session in accordance with Section 7(a) below may provide that any such series of the Bonds may be issued as a single bond in installment and/or draw-down form as long as any such installment bond provides for at least annual principal payments thereon, unless such annual principal payments are not required by applicable law, and as long as any such installment bond otherwise meets the requirements of the County Charter unless other applicable law controls.

SECTION 4. AND BE IT FURTHER ENACTED, that pursuant to the authority of the Enabling Act and the MWQFA Act, the County will sell each series of the Bonds to the Administration by private sale, without public bidding, due, in part, to the ability under the Administration's program to issue series of the Bonds as draw-down obligations, the ability to negotiate certain terms with the Administration, the beneficial formulas by which the Administration establishes interest rates payable on obligations purchased by the Administration, the lower costs of interest typically incurred with a private sale to the Administration as compared to a public sale at competitive bid or a negotiated underwriting and, to the extent any series of the Bonds is subject to forgiveness by the Administration, such forgiveness feature.

SECTION 5. AND BE IT FURTHER ENACTED, that:

(a) As required by the MWQFA Act, the County is hereby authorized to enter into one or more loan agreements with the Administration (each, a "Loan Agreement" and collectively, the "Loan Agreements") in connection with any series of the Bonds. The final or substantially final form of each Loan Agreement shall be approved by the County Council by resolution adopted in Legislative Session and the execution and delivery of each Loan Agreement shall be authorized by the County Council by resolution adopted in Legislative Session.

(b) The County hereby acknowledges that the provisions of Article IV of each Loan Agreement (Events of Default and Remedies) allow for, among other remedies, all payments on the applicable series of the Bonds to be declared immediately due and payable upon the occurrence of an event of default as provided for in such Loan Agreement.

SECTION 6. AND BE IT FURTHER ENACTED, that as authorized by Section 9-1606(d) of the MWQFA Act, the County hereby pledges any moneys that the County is entitled to receive from

the State of Maryland, including the County's share of the State income tax, to secure its obligations under any Loan Agreement to the extent required by the Administration. Such pledge shall be further provided for by resolution adopted by the County Council in Legislative Session and evidenced and detailed in the applicable Loan Agreement.

SECTION 7. AND BE IT FURTHER ENACTED, that:

(a) Pursuant to the authority of this Act, the County Council, prior to the issuance, sale and delivery of any series of the Bonds, shall adopt a resolution or resolutions in Legislative Session specifying, prescribing, determining or providing for the determination of, or approving or providing for the approval of, such matters, details, forms (including, without limitation, the substantially final form of the Bonds of such series), documents or procedures as may be required by the MWQFA Act, this Act or other applicable law or as the County Council may deem appropriate for the authorization, sale, security, issuance, delivery, payment or prepayment of or for such series of the Bonds. A resolution adopted by the County Council in Legislative Session shall or may set forth, determine or provide for the determination of, or approve or provide for the approval of, among other matters, the designation of such series of the Bonds; the date of issuance of such series of the Bonds; the original aggregate principal amount of such series of the Bonds; the principal installment or installments of, or the method of determining the principal installment or installments payable on, such series of the Bonds; the rate or rates of interest, or the method of determining the rate or rates of interest, which may be fixed or variable, payable on such series of the Bonds (and which may include a rate of zero percent (0.0%)); provisions relating to the payment of any late fees or penalties with respect to such series of the Bonds; the components of the Costs of the Project on which such series of the Bonds will be expended, if limited in any way; provisions relating to the prepayment of such series of the Bonds; provisions relating to sale of such series of the Bonds to the Administration by private sale, without public bidding; provisions relating to the principal forgiveness of such series of the Bonds, if applicable; the identification of any dedicated sources of revenue required by the Administration pursuant to the MWQFA Act; certifications, representations, determinations, designations or elections relating to the tax-exempt status of interest payable on such series of the Bonds, if applicable; and all other terms and conditions pursuant to which such series of the Bonds will be issued, sold and delivered. By resolution adopted in Legislative Session, the County Council may delegate to one or more County officials the authority to make any final determinations, approvals or decisions with respect to a series of the Bonds. Any resolution adopted by the County Council in Legislative Session may specify, prescribe, determine or provide for the determination of, or approve or provide for the approval of, the details required or authorized by this Section 7(a) for more than one series of the Bonds.

(b) Notwithstanding the provisions of subsection (a) above, any series of the Bonds that is not subject to principal forgiveness shall bear interest from its dated date at an annual rate of interest equal to 25% of the average of the Bond Buyer 11-Bond Index for the month prior to the month in which such series of the Bonds is delivered, provided that, the rate determined by such calculation may be rounded down by the Administration in its sole discretion (the "DAC rate"); provided, further, that in the event the County does not qualify for the DAC rate in accordance with the Administration's loan

program requirements as of the date of delivery of the applicable series of the Bonds, such series of the Bonds that is not subject to principal forgiveness shall bear interest from its dated date at an annual rate of interest equal to 50% of the average of the Bond Buyer 11-Bond Index for the month prior to the month in which such series of the Bonds is delivered, provided that, the rate determined by such calculation may be rounded down by the Administration in its sole discretion. Any series of the Bonds that is subject to principal forgiveness shall bear interest from the date of demand by the Administration (in accordance with the Administration's loan program requirements for principal forgiveness bonds) at an annual rate of interest equal to 100% of the average of the Bond Buyer 11-Bond Index for the month prior to the month in which such series of the Bonds is delivered, provided that, the rate determined by such calculation may be rounded down by the Administration in its sole discretion. In the event the Administration's loan program requirements for determining the interest rate for bonds evidencing Administration loans have been modified prior to the time any series of the Bonds is delivered, the County Council by resolution adopted in Legislative Session may provide for the interest rate or rates or method of calculating the interest rate or rates to be borne by such series of the Bonds, and the provisions of any such resolution adopted by the County Council in Legislative Session shall be deemed to control with respect to the rate of interest to be borne by such series of the Bonds.

SECTION 8. AND BE IT FURTHER ENACTED, that the County is hereby authorized and directed to pay any fees or costs provided for in any Loan Agreement which are not payable from proceeds of the Bonds, including (without limitation) any administrative fees and any ongoing fees or costs. The obligation of the County to pay any such amounts shall be absolute and unconditional as further provided in the applicable Loan Agreement or Loan Agreements.

SECTION 9. AND BE IT FURTHER ENACTED, that notwithstanding anything to the contrary contained in this Act, the County shall use and apply proceeds of each series of the Bonds only as permitted by the related Loan Agreement, the Safe Drinking Water Act and the MWQFA Act (which may be referred to in each Loan Agreement as the "Act").

SECTION 10. AND BE IT FURTHER ENACTED, that:

(a) Pursuant to the authority of the Bond Anticipation Note Act, the County may issue and sell from time to time, upon its faith and credit, one or more series of its general obligation bond anticipation notes in an original aggregate principal amount not to exceed Two Million Nine Hundred Twenty-Eight Thousand Two Hundred Ninety-Two Dollars (\$2,928,292) (each, a "series of the BANs" and, collectively, the "BANs") prior to and in anticipation of the sale of any series of the Bonds in order to finance or reimburse Costs of the Project on an interim basis, including paying costs of issuance and capitalized interest on such series of the BANs within the limitations of the Bond Anticipation Note Act. Any such series of the BANs may consist of one or more notes and any note may be issued in installment form and/or draw-down form. Prior to the issuance, sale and delivery of any series of the BANs, the County Council shall adopt a resolution or resolutions in Legislative Session pursuant to the authority of the Bond Anticipation Note Act and this Act authorizing such series of the BANs and specifying, prescribing, determining or providing for the determination of, or approving or providing for the approval of, the same types of matters, details, forms, documents,

procedures or determinations detailed in Section 7(a) hereof that may be made or addressed with respect to any series of the Bonds, to the extent applicable with respect to such series of the BANs, and as otherwise may be authorized or required by applicable law, including (without limitation) the method of sale of such series of the BANs, which may be by private sale (including, without limitation, through a direct purchase transaction). Any such sale by private sale is hereby determined to be in the public interest due to the ability to time the market, negotiate with potential purchasers and thereby achieve a beneficial interest rate or rates and other beneficial terms by undertaking a private (negotiated) sale and, with respect to a private sale that involves a direct purchase transaction, the lower costs of issuance typically incurred with such method of private sale as compared to a negotiated underwriting or a public sale at competitive bid. By resolution adopted in Legislative Session, the County Council may delegate to one or more County officials the authority to make any final determinations, approvals or decisions with respect to a series of the BANs. Any resolution adopted by the County Council in Legislative Session may specify, prescribe, determine or provide for the determination of, or approve or provide for the approval of, the details required or authorized by this Section 10 for more than one series of the BANs. Notwithstanding the foregoing, as determined or provided for by the County Council by resolution adopted in Legislative Session, the County Council may provide that the actual award or sale of any such BANs and the determination of any final details relating thereto may be made by the County Council by a resolution or resolutions adopted in a non-legislative session or by an authorized official of the County by order.

(b) The County hereby covenants (i) to pay from the proceeds of one or more series of the Bonds the principal of any series of the BANs actually issued, (ii) to the extent that interest on any series of the BANs is not paid from proceeds of the BANs, to pay the interest on such series of the BANs, and (iii) to issue the applicable series of the Bonds as soon as there is no longer a reason for deferring its issuance. This covenant shall not be construed to prevent the County from paying principal of and/or interest on any series of the BANs from sources of funds other than proceeds of the Bonds, to the extent such other proceeds are available for such purpose.

(c) As authorized by the Bond Anticipation Note Act, by resolution adopted in Legislative Session, the County Council may provide for (i) the renewal of any series of the BANs at maturity with or without resale, and (ii) any amendments of or modifications to such series of the BANs and any related documentation or replacement BANs or related documentation.

SECTION 11. AND BE IT FURTHER ENACTED, that pursuant to the authority of the Refunding Act, the County is hereby authorized and empowered to issue and sell from time to time, upon its faith and credit, one or more series of general obligation bonds (each, a "series of the Refunding Bonds" and, collectively, the "Refunding Bonds") for the purpose of currently refunding or advance refunding any of the Bonds issued pursuant to the authority of this Act then outstanding, including paying all or any portion of outstanding principal, prepayment premium and/or interest accrued or to accrue to the date of prepayment, purchase or maturity of the Bonds to be refunded, and paying costs and expenses in connection with the issuance, sale and delivery of such series of the Refunding Bonds, and, to the extent determined by the County Council by resolution adopted in Legislative Session, interest on such series of the Refunding Bonds, for the public purpose of

(A) reducing the total cost of debt service on a direct comparison or present value basis or (B) debt restructuring that is permitted by applicable law; provided that, the original aggregate principal amount of any such series of the Refunding Bonds may not exceed one hundred thirty percent (130%) of the aggregate principal amount of the Bonds refunded therefrom. Unless otherwise advised by bond counsel to the County, any resolution adopted by the County Council in Legislative Session in accordance with this Act may provide that any such series of the Refunding Bonds may be issued as a single bond in installment and/or draw-down form as long such installment bond provides for at least annual principal payments thereon, unless such annual principal payments are not required by applicable law, and as long as such installment bond otherwise meets the requirements of the County Charter unless other applicable law controls. Prior to the issuance, sale and delivery of any series of the Refunding Bonds, the County Council shall adopt a resolution or resolutions in Legislative Session authorizing such series of the Refunding Bonds and specifying, prescribing, determining or providing for the determination of, or approving or providing for the approval of, such matters, details, forms, documents, procedures or determinations detailed in Section 7(a) hereof that may be made or addressed with respect to any series of the Bonds, to the extent applicable with respect to such series of the Refunding Bonds, and as otherwise may be authorized or required by applicable law, including (without limitation) the method of sale of such series of the Refunding Bonds, which may be at a private sale, without soliciting bids (including, without limitation, through a direct purchase transaction). Any such sale on a private basis is hereby determined to be in the public interest due to the ability to time the market, negotiate with potential purchasers and thereby achieve a beneficial interest rate or rates and other beneficial terms by undertaking a private (negotiated) sale and, with respect to a private sale that involves a direct purchase transaction, the lower costs of issuance typically incurred with such method of private sale as compared to a negotiated underwriting or a public sale at competitive bid. By resolution adopted in Legislative Session, the County Council may delegate to one or more County officials the authority to make any final determinations, approvals or decisions with respect to a series of the Refunding Bonds. Any resolution adopted by the County Council in Legislative Session may specify, prescribe, determine or provide for the determination of, or approve or provide for the approval of, the details required or authorized by this Section 11 for more than one series of the Refunding Bonds. Notwithstanding the foregoing, as determined or provided for by the County Council by resolution adopted in Legislative Session, the County Council may provide that the actual award or sale of any such Refunding Bonds and the determination of any final details relating thereto may be made by the County Council by a resolution or resolutions adopted in a non-legislative session or by an authorized official of the County by order.

(b) To the extent any series of the Refunding Bonds is sold to the Administration, the County Council by resolution adopted in Legislative Session may specify, prescribe, determine or provide for the determination of, or approve or provide for the approval of, any determinations contemplated by this Act that may be made with respect to any series of the Bonds, including (without limitation) entry into a new Loan Agreement or any modification to an existing Loan Agreement, as applicable, provisions for the potential forgiveness of any such series of the Refunding Bonds, a pledge of the County's right to receive revenues from the State in the nature referred to in Section 6 above, the obligation of the County to pay any administrative fees or

ongoing fees and expenses in the nature of those referred to in Section 8 above, the identification of any source of dedicated revenues, and provisions for any debt service reserve account with respect to such series of the Refunding Bonds required by the Administration.

SECTION 12. AND BE IT FURTHER ENACTED, that the County Council is hereby authorized, by resolution adopted in Legislative Session, to make any further determinations or approvals or provide for any matters or actions deemed necessary or desirable in connection with the issuance of any series of the BANs or the Refunding Bonds, including (without limitation) (i) any determination authorized by the Bond Anticipation Note Act or the Refunding Act, as applicable, (ii) to commit or provide for the commitment of the County to pay to the purchaser or purchasers of any series of the BANs or the Refunding Bonds (A) any commitment fee or similar fee and any legal costs in connection with such purchaser's or purchasers' agreement to purchase such series of the BANs or the Refunding Bonds and/or (B) any breakage compensation or other amount that may be determined to be due to such purchaser or purchasers in the event the County fails to deliver such series of the BANs or the Refunding Bonds and, in connection therewith, to approve or provide for the approval of, and the execution and delivery of, any agreement relating to such payment or payments (which such agreement may, but shall not be required to be, contained within any purchase or similar agreement for such series of the BANs or the Refunding Bonds), and (iii) to approve or provide for any offering documents, credit enhancement, liquidity enhancement, ratings, or continuing disclosure undertakings relating to such series of the BANs or the Refunding Bonds.

SECTION 13. AND BE IT FURTHER ENACTED, that:

(a) The faith and credit and the taxing power of the County are hereby pledged to the prompt payment of the principal of and interest on each series of the Bonds, the BANs and the Refunding Bonds issued pursuant to the authority contained in this Act (each, a "series of the Obligations" and, collectively, the "Obligations") as and when the same are payable and to the levy of the taxes hereinbelow described as and when such taxes may become necessary in order to provide sufficient funds to meet the debt service requirements of each series of the Obligations. Subject to the further provisions of this Section 13, the County hereby covenants annually to appropriate the amount necessary to pay the principal of and interest on said Obligations when due and, subject to any lawful limitations on the County's taxing power set forth in the County Charter, as that taxing power may relate to the Obligations, to levy ad valorem taxes upon all property in the County subject to County taxation in rate and amount, in each year, sufficient to meet said annual appropriations, provided that, funds available from other sources may be applied to pay debt service on Obligations and taxes that might otherwise be levied hereunder may be reduced or not levied to the extent of such funds being received or receivable.

(b) The foregoing provisions shall not be construed so as to prohibit the County from paying the principal of and interest on any series of the Obligations from the proceeds of the sale of any other obligations of the County (including, without limitation, (i) with respect to any series of the BANs, from the proceeds of any series of the Bonds, and (ii) with respect to any series of the Bonds, from the proceeds of any series of the Refunding Bonds) or from any other funds legally available for

that purpose. Within any applicable limitations of Maryland or federal law, the County may apply to the payment of the principal of or interest on any series of the Obligations any funds received by it from the State of Maryland or the United States of America, or any governmental agency or instrumentality, or from any other source, if the funds are granted or paid to the County for the purpose of assisting the County in accomplishing the purposes for which such series of the Obligations are issued or are otherwise available for such purpose, and to the extent of any such funds received or receivable in any fiscal year, the taxes hereby required to be levied may be reduced proportionately.

(c) Any source of revenues referred to in or contemplated by this Section 13, and any additional source of revenues agreed to by the County and the Administration and provided for by resolution adopted by the County Council in Legislative Session, if applicable, may be identified as a dedicated source of revenue contemplated by the MWQFA Act in any Loan Agreement entered into by the County with the Administration in connection with a series of the Obligations. Any such source of dedicated revenues may be identified as being subject to annual appropriation. Any applicable Loan Agreement exhibits may describe such dedicated revenues by references that are similar but not identical to any references contained in this Act or in any resolution adopted by the County Council in Legislative Session relating to such series of the Obligations. To the extent any additional sources of dedicated of revenue may be identified in a resolution adopted by the County Council in Legislative Session, to the extent of any such funds received or receivable in any fiscal year, the taxes hereby required to be levied may be reduced proportionately.

SECTION 14. AND BE IT FURTHER ENACTED, that in addition to the refunding authority provided for in Section 11 of this Act, subsequent to the sale, issuance and delivery of any series of the Bonds or the Refunding Bonds to the Administration, the County Council by resolution adopted in Legislative Session may specify, prescribe, determine or provide for the determination of, or approve or provide for the approval of any amendments or modifications to such series of the Bonds or the Refunding Bonds and/or the related Loan Agreement or Loan Agreements and any other documents, agreements, certificates or instruments executed and delivered in connection with the sale, issuance and delivery of such series of the Bonds or the Refunding Bonds, and/or provide for the execution and delivery of additional documents, agreements or instruments relating to such amendments or modifications (including, without limitation, any bond or bonds to be issued and exchanged for one or more of such series of the Bonds or the Refunding Bonds originally issued and delivered and any new or restated Loan Agreement).

SECTION 15. AND BE IT FURTHER ENACTED, that by resolution adopted by the County Council in Legislative Session, the County Council may make any appropriate arrangements (including, without limitation, by authorizing one or more appropriate officials to make any elections, designations, determinations or filings on the County's behalf) in the event any right of the registered owner of an Obligation to put or cause the redemption or prepayment of such Obligation at its option, or any change in the interest rate of an Obligation, or any other modification to an Obligation could lead to a reissuance of such Obligation for purposes of the Internal Revenue Code of 1986, as amended, and the regulations issued thereunder.

SECTION 16. AND BE IT FURTHER ENACTED, that by resolution adopted in Legislative Session, the County Council may determine that any series of the Bonds, the BANs or the Refunding Bonds may be consolidated with any bonds, bond anticipation notes and/or refunding bonds authorized by the County Council, as applicable, and issued as a single series of obligations.

SECTION 17. AND BE IT FURTHER ENACTED, that the following officials and employees of the County: the County Executive, the Director of Administration, the Director of Finance, the County Attorney, and all other appropriate officials and employees of the County, are hereby authorized and directed (to the extent that such authority does not already exist under the County Charter, the County Code or other applicable law or authority with respect to any particular official or employee and to the extent specific authority is not otherwise delegated to a specified County official or employee pursuant to this Act or pursuant to any resolution adopted in Legislative Session or in non-legislative session in furtherance of this Act), to (i) take any and all action necessary to complete and close the sale, issuance and delivery of any of the Obligations, (ii) negotiate, approve, execute and deliver all documents, certificates and instruments necessary or appropriate in connection with any such sale, issuance and delivery, and (iii) carry out the transactions contemplated by this Act, any resolution adopted by the County Council in Legislative Session or in non-legislative session in furtherance of this Act and any such documents, certificates or instruments executed and delivered in connection with a series of the Obligations, to the extent such action is within the scope of such official's or employee's authority or may be delegated to such official or employee in accordance with the County Charter, the County Code or other applicable law or authority.

SECTION 18. AND BE IT FURTHER ENACTED, that each series of the Obligations is hereby specifically exempted from the provisions of Sections 19-205 to 19-206, inclusive, of the Local Government Article of the Annotated Code of Maryland, as replaced, supplemented or amended.

SECTION 19. AND BE IT FURTHER ENACTED, that the various provisions of this Act shall be regarded as separate and severable; and should any section, sentence, clause or provision thereof be held invalid or unconstitutional for any reason, the validity of the remaining parts hereof shall not be affected thereby.

SECTION 20. AND BE IT FURTHER ENACTED, that the provisions of this Act shall be liberally construed in order to effectuate the transactions contemplated by this Act.

SECTION 21. AND BE IT FURTHER ENACTED, that this Act, having been passed by the County Council of Wicomico County, at its Legislative Session on the 15th day of September, 2020, shall take effect sixty (60) days after approval by the County Executive or failure of the County Executive to return this Act in accordance with County Charter Section 411.C., subject to the provisions of County Charter Section 411.D., unless a proper petition for referendum thereof shall be filed in accordance with County Charter Section 312, in which event this Act shall not take effect until the expiration of thirty (30) days following

the approval of this Act by a majority of the qualified voters of the County voting in any such referendum.

Certified correct as passed and adopted by the County Council of Wicomico County, Maryland, this 15th day of September, 2020.

WICOMICO COUNTY, MARYLAND

Larry W. Dodd
BY: Larry W. Dodd, President

Laura Hurley
BY: Laura Hurley, Secretary

I HEREBY CERTIFY that on introduction copies of the Bill shall be made available for distribution to the public, press and other news media.

Laura Hurley
Laura Hurley, Secretary

Explanation:

CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

~~Strike out indicates material deleted from law.~~

~~CAPITAL STRIKE OUT~~ indicates matter stricken from Bill by Amendment.

Underlining indicates Amendments to Bill.

COUNTY COUNCIL
OF
WICOMICO COUNTY, MARYLAND

2020 Legislative Session

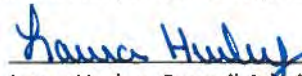
Legislative Day No. 17

LEGISLATIVE BILL NO. 2020-10

INTRODUCED BY: President of the Council at the request of the Acting County Executive

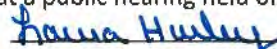
Bill No. 2020-10: AN ACT to authorize and empower Wicomico County, Maryland (the "County") to issue and sell from time to time, upon its faith and credit, one or more series of (1)(A) general obligation bonds and (B) general obligation bond anticipation notes, each in an original aggregate principal amount not to exceed \$2,928,292, and (2) general obligation refunding bonds, subject to the limitations set forth herein, for the public purpose of financing, reimbursing or refinancing costs of a project referred to by the County as Airport Water Main Extension; determining that each series of the bonds will be sold to the Maryland Water Quality Financing Administration (the "Administration") by private sale, without public bidding; authorizing the County Council of Wicomico County, Maryland (the "County Council") by resolution adopted in Legislative Session to approve or provide for the approval of the substantially final form of any loan agreement with the Administration and other details of the bonds; acknowledging the Administration's rights under any loan agreement, pledging certain revenues receivable from the State of Maryland, and acknowledging certain payment responsibilities of the County; providing that the County Council by resolution adopted in Legislative Session shall determine or provide for certain details of any bond anticipation notes or refunding bonds; providing that all such bonds, bond anticipation notes and refunding bonds (individually or collectively, the "obligations") shall be general obligation debt of the County to which the faith and credit of the County are pledged and authorizing annual appropriations to pay the principal of and interest on said obligations and the levying of taxes to meet said appropriations, subject to any lawful limitations on the County's taxing power set forth in the County Charter, as that taxing power may relate to such obligations; authorizing the County Council to provide by resolution adopted in Legislative Session for post-closing modifications to any obligations sold to the Administration; providing that any obligations may be consolidated with other debt instruments of the County; authorizing County officials to take certain actions in connection with the obligations; exempting the obligations from certain provisions of Maryland law; providing certain rules of construction and that the provisions of this Act shall be liberally construed; providing that the provisions of this Act shall be separable; and relating generally to the issuance, sale and delivery of any of the obligations.

Introduced and read first time on August 18, 2020. Ordered posted and public hearing scheduled for September 15, 2020 at 10:00 a.m.



Laura Hurley, Council Administrator

PUBLIC HEARING: Having been posted and notice of time and place of hearing and title of Bill having been published according to the Charter, the Bill was read for a second time at a public hearing held on September 15, 2020.




Laura Hurley, Council Administrator

CERTIFICATION: The undersigned hereby certifies that this Bill was Approved and Adopted by the County Council of Wicomico County, Maryland, on the 15th day of September, 2020.



Laura Hurley, Council Administrator

Presented to the Acting County Executive for approval this 16th day of September, 2020 at 10:30 a.m. (5 days §411)

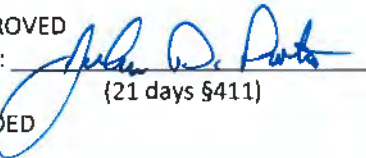


Laura Hurley, Council Administrator

BY THE ACTING COUNTY EXECUTIVE:


Acting County Executive

APPROVED

Date:  9/17/2020
(21 days §411)

VETOED

Date: _____

BY THE COUNCIL:

Option One: This Bill, having been approved by the Acting County Executive and returned to the Council, becomes law on September 17, 2020 and effective on: November 16, 2020.
(60 days §311)

Option Two: This Bill, having received neither the approval nor the disapproval of the Acting County Executive within 21 days of its presentation, stands enacted on _____ and becomes effective on _____.
(60 days §311)

Option Three: This Bill, being exempt from the Executive Veto stands enacted on _____ and becomes effective on _____. (Charter Section 305)

ENROLLMENT: Legislative Bill No. 2020-10 is herewith submitted to the County Council of Wicomico County for enrollment as being the text as finally passed.



Laura Hurley, Council Administrator