

FILED

COUNTY COUNCIL OF
DORCHESTER COUNTY, MARYLAND

2011 APR 13 PM 12:44

Legislative Session 2011, Legislative Day No. 2

CIRCUIT COURT
DORCHESTER COUNTY

Bill No. 2011- 2

Introduced By: Council President Jay L. Newcomb

By the County Council, March 15, _____, 2011

AN ACT to authorize and empower Dorchester County, Maryland, to borrow up to \$2,200,000 in the aggregate on its full faith and credit, and issue and sell its bonds in one or more series from time to time therefor, to be used to finance, reimburse or refinance costs of a certain infrastructure project provided for in the Fiscal Year 2009 and 2011 Capital Budgets and costs of issuance of such bonds; authorizing the issuance and sale by the County from time to time of one or more series of general obligation bond anticipation notes in an aggregate principal amount not exceeding \$2,200,000 in order to finance, reimburse or refinance project costs on an interim basis; authorizing the issuance and sale by the County from time to time of one or more series of general obligation refunding bonds in order to refund or advance refund any of the bonds issued pursuant to the authority of this Act, provided that the aggregate principal amount of each such issue of refunding bonds does not exceed one hundred thirty percent (130%) of the aggregate principal amount of bonds refunded therefrom; authorizing the County Council to adopt one or more administrative resolutions prior to issuing any such bonds, bond anticipation notes or refunding bonds (the "obligations") in order to fix, prescribe, determine or provide for the details of such obligations and the issuance and sale thereof; exempting any such bonds or refunding bonds from the provisions of Sections 10 and 11 of Article 31 of the Annotated Code of Maryland; providing for the levy of taxes upon the assessable property within the County sufficient to pay the debt service on such obligations; and generally providing for and determining various matters in connection with the obligations authorized hereby.

Introduced, read first time, ordered posted on official bulletin board of County, County Office Building, 501 Court Lane, Cambridge, Maryland 21613.

Ordered publication for once a week for two successive weeks, and public hearing scheduled on Tuesday, April 12, 2011, Room 110, County Office Building, 501 Court Lane, Cambridge, Maryland at 6:15 p.m.

Boldface	Heading or defined term
<u>Underlining</u>	Added to existing law(s) by original bill
[Single boldface brackets]	Deleted from existing law(s) by original bill
<u>Double underlining</u>	Added by amendment
[[Double boldface brackets]]	Deleted from existing law or the bill by amendment
***	Existing law(s) unaffected by bill

47 **NOW THEREFORE, IN ACCORDANCE WITH THE PROVISIONS OF**
48 **ARTICLE 5 OF THE CHARTER OF DORCHESTER COUNTY:**

49
50 **SECTION ONE: BE IT ENACTED AND ORDAINED BY THE COUNTY**
51 **COUNCIL OF DORCHESTER COUNTY, MARYLAND** that Dorchester County,
52 Maryland (the "County"), is hereby authorized and empowered to borrow on its full faith
53 and credit, and issue and sell its bonds therefor in one or more series from time to time in
54 an aggregate principal amount not exceeding \$2,200,000, the proceeds thereof to be used
55 for the public purpose of financing, reimbursing or refinancing costs of the Project listed
56 below, including, without limitation, the costs of planning, design, construction,
57 reconstruction, furnishing, equipping, improvements, renovations, remodeling,
58 enlargements, engineering services, architect's services, surveys, landscaping, site
59 development, utilities, evaluation studies, land acquisition and related items,
60 appurtenances and incidental activities, capitalized interest during construction and for a
61 reasonable period thereafter, whether or not specifically stated, and which may represent
62 the County's share or contribution to the financing or refinancing of such Project.
63 Proceeds of any bonds authorized by this Act may also be used to pay costs of issuance
64 of such bonds.

65
66 Technology Park Infrastructure \$2,200,000

67
68 It is hereby recognized and acknowledged that the Project identified above is
69 included in the details of the Capital Budgets of the County for Fiscal Year 2009 and
70 2011 and such Capital Budgets are necessarily subject to change because of
71 corresponding changes in construction and other costs, project time schedules,
72 availability of other funding sources and other circumstances not now known or
73 anticipated. It is the purpose and intent of this Act to authorize the borrowing of money
74 to finance the Project identified in this Section One as such Project is referenced in the
75 Capital Budgets for Fiscal Year 2009 and 2011, as amended, and in any amended or
76 subsequent capital budget or capital improvement program, unless otherwise contrary to
77 applicable law, subject to the limitations set forth in Section Four hereof.

78
79 **SECTION TWO: BE IT FURTHER ENACTED AND ORDAINED BY THE**
80 **COUNTY COUNCIL OF DORCHESTER COUNTY, MARYLAND** that the County
81 Council of Dorchester County, by administrative resolution, shall fix, determine,
82 prescribe or provide for (including by delegating to the County Manager or other
83 appropriate County official the right to make any such determination) (a) the issuance
84 and sale of, (b) the designation, form, tenor, denomination or denominations and
85 maturities of, (c) the interest rate or rates (or the method of determining the same) per
86 annum payable on, (d) the manner of executing, (e) any registrar and/or paying agent for,
87 (f) the reserved right, if any, to redeem prior to maturity and the premium or premiums, if
88 any, payable upon the exercise of said right, (g) any put option granted to the purchaser
89 or purchasers thereof, (h) the allocation of proceeds to components of the Project
90 identified in Section One hereof, (i) how any sale premium, investment earnings or

91 excess proceeds shall be applied, which may be to costs of the Project, debt service or
 92 general County purposes, (j) the investment of proceeds, and all other details, documents,
 93 agreements, terms or conditions relating to the issuance, sale, delivery and payment of,
 94 any such series of bonds authorized under Section One of this Act. Any such series of
 95 bonds shall be sold by private (negotiated) sale, unless the County Council of Dorchester
 96 County, by administrative resolution, shall determine to provide for the sale of any such
 97 series of bonds by public sale at competitive bid, and, by administrative resolution, the
 98 County Council of Dorchester County shall fix, determine, prescribe or provide for
 99 (including by delegating to the County Manager or other appropriate County official the
 100 right to make any such determination) all details, documents, agreements, terms and
 101 conditions relating to the method of sale of such series of bonds, including the manner of
 102 determining the purchaser or purchasers thereof and the purchase price therefor and, with
 103 respect to the sale of any series of bonds by public sale at competitive bid, any required
 104 form of notice of sale and any publication of such notice of sale or summary thereof.
 105 Any such bonds may be issued separately or in conjunction with other bonds or
 106 obligations the County may be authorized to issue, all as may be determined by the
 107 County Council of Dorchester County by administrative resolution.

108
 109 **SECTION THREE: BE IT FURTHER ENACTED AND ORDAINED BY THE**
 110 **COUNTY COUNCIL OF DORCHESTER COUNTY, MARYLAND** that pursuant to
 111 the authority of Article 31, Section 12 of the Annotated Code of Maryland, as replaced,
 112 supplemented or amended, the County is hereby authorized to issue and sell its general
 113 obligation bond anticipation notes in one or more series from time to time in an aggregate
 114 principal amount not exceeding \$2,200,000 prior to and in anticipation of the sale of any
 115 of the bonds authorized by Section One of this Act in order to finance, reimburse or
 116 refinance costs of the Project identified in Section One hereof on an interim basis,
 117 including costs of issuance of such bond anticipation notes. Prior to the issuance, sale
 118 and delivery of any such series of bond anticipation notes, the County Council of
 119 Dorchester County shall by administrative resolution specify, describe, determine,
 120 provide for the approval of or approve (including by delegating to the County Manager or
 121 other appropriate County official the right to make any such determination) all matters,
 122 details, forms, documents, agreements or procedures as may be authorized or required by
 123 applicable law in connection with the issuance of any such series of bond anticipation
 124 notes, including the method of sale thereof, which may be by private negotiation, and
 125 including the types of determinations provided for in Section Two hereof with respect to
 126 the bonds authorized by Section One hereof, to the extent applicable to any such series of
 127 bond anticipation notes. Any such bond anticipation notes may be issued separately or in
 128 conjunction with other bond anticipation notes or other obligations the County may be
 129 authorized to issue, all as may be determined by the County Council of Dorchester
 130 County by administrative resolution.

131

132 **SECTION FOUR: BE IT FURTHER ENACTED AND ORDAINED BY THE**
 133 **COUNTY COUNCIL OF DORCHESTER COUNTY, MARYLAND** that all bonds
 134 and all bond anticipation notes authorized by Sections One or Three hereof shall be
 135 issued within three years from the date this Act becomes effective.
 136

137 **SECTION FIVE: BE IT FURTHER ENACTED AND ORDAINED BY THE**
 138 **COUNTY COUNCIL OF DORCHESTER COUNTY, MARYLAND** that pursuant to
 139 the authority of Article 31, Section 24 of the Annotated Code of Maryland, as replaced,
 140 supplemented or amended, the County is hereby authorized and empowered to issue and
 141 sell from time to time, in the current or any future fiscal year, one or more series of
 142 general obligation bonds for the purpose of refunding or advance refunding all or any
 143 portion of the bonds authorized by Section One hereof then outstanding, including the
 144 payment of all or any portion of any redemption premium and all or any portion of any
 145 interest accrued or to accrue to the date of redemption, purchase or maturity of the bonds
 146 to be refunded, funded interest and paying all or any portion of costs and expenses in
 147 connection with the issuance, sale and delivery of such refunding bonds, for the public
 148 purpose of realizing savings to the County in the aggregate cost of debt service on either
 149 a direct comparison or present value basis or in order to accomplish any debt
 150 restructuring that is authorized by applicable law; provided that, the aggregate principal
 151 amount of each such issue of refunding bonds shall not exceed one hundred thirty
 152 percent (130%) of the aggregate principal amount of bonds refunded therefrom. Prior
 153 to the issuance, sale and delivery of any such series of refunding bonds, the County
 154 Council of Dorchester County shall by administrative resolution specify, describe,
 155 determine, provide for the approval of or approve (including by delegating to the County
 156 Manager or other appropriate County official the right to make any such determination)
 157 all matters, details, forms, documents, agreements or procedures as may be authorized or
 158 required by applicable law, including the types of determinations provided for in Section
 159 Two hereof with respect to the bonds authorized by Section One hereof, to the extent
 160 applicable to any such series of refunding bonds, and including any escrow agent for, any
 161 verification consultant for, any escrow deposit agreement for, and the investment of
 162 proceeds of such series of refunding bonds in U.S. Treasury obligations or any other
 163 investment obligations authorized by federal and/or Maryland law, as applicable. Any
 164 such refunding bonds may be sold on a negotiated basis without solicitation of bids if the
 165 County Council of Dorchester County determines by administrative resolution that such
 166 procedure is in the public interest. Any such refunding bonds may be issued separately or
 167 in conjunction with other bonds, refunding bonds or other obligations the County may be
 168 authorized to issue, all as may be determined by the County Council of Dorchester
 169 County by administrative resolution.
 170

171 **SECTION SIX: BE IT FURTHER ENACTED AND ORDAINED BY THE**
 172 **COUNTY COUNCIL OF DORCHESTER COUNTY, MARYLAND** that any bonds
 173 authorized by Section One of this Act and any refunding bonds authorized by Section
 174 Five of this Act are specifically exempted from the provisions of Article 31, Sections 10
 175 and 11 of the Annotated Code of Maryland, as replaced, supplemented or amended.

176 **SECTION SEVEN: BE IT FURTHER ENACTED AND ORDAINED BY THE**
 177 **COUNTY COUNCIL OF DORCHESTER COUNTY, MARYLAND** that for the
 178 purpose of paying the principal of and interest on the bonds, bond anticipation notes and
 179 refunding bonds authorized by Sections One, Three and Five hereof as the same shall
 180 become payable, the County Council of Dorchester County shall levy annually ad
 181 valorem taxes upon the assessable property in Dorchester County sufficient to pay the
 182 principal of and interest on such bonds, bond anticipation notes or refunding bonds until
 183 all of such obligations shall mature or be redeemed. The foregoing provisions shall not be
 184 construed so as to prohibit the County from paying the principal of and interest on any such
 185 obligations from the proceeds of the sale of any other obligations of the County or from any
 186 other funds legally available for that purpose (including, without limitation, with respect to
 187 the bond anticipation notes authorized hereby, from the proceeds of the bonds authorized
 188 hereby, and with respect to the bonds authorized hereby, from the proceeds of the refunding
 189 bonds authorized hereby). Subject to any applicable limitations set forth in the Internal
 190 Revenue Code of 1986, as replaced, supplemented or amended, and applicable regulations
 191 thereunder, or any other applicable law, the County may apply to the payment of the
 192 principal of or interest on any such obligations any funds received by it from the State of
 193 Maryland or the United States of America, or any governmental agency or instrumentality,
 194 or from any other source, if the funds are granted or paid to the County for the purpose of
 195 assisting the County in accomplishing the type of project which such obligations are issued
 196 to finance, reimburse or refinance, and to the extent of any such funds received or receivable
 197 in any fiscal year, the taxes hereby required to be levied may be reduced proportionately.
 198

199 **SECTION EIGHT: BE IT FURTHER ENACTED AND ORDAINED BY THE**
 200 **COUNTY COUNCIL OF DORCHESTER COUNTY, MARYLAND** that the County
 201 anticipates that a portion of the costs of the Project may be paid prior to the issuance of
 202 the bonds or bond anticipation notes authorized hereby. The amount of such costs so
 203 paid will depend on various factors, including, without limitation, the timing and speed of
 204 progress on the Project, the availability of other funds to pay such costs on an interim
 205 basis, bond and money market conditions and compliance with federal and State laws and
 206 regulations. Accordingly, the County reasonably expects to reimburse costs of the Project
 207 with proceeds of the bonds or bond anticipation notes authorized hereby, such bonds to
 208 be issued by the County in the maximum aggregate principal amount of \$2,200,000 and
 209 such bond anticipation notes to be issued by the County in the maximum aggregate
 210 principal amount of \$2,200,000.
 211

212 **SECTION NINE: AND BE IT FURTHER ENACTED AND ORDAINED BY THE**
 213 **COUNTY COUNCIL OF DORCHESTER COUNTY, MARYLAND THAT THIS**
 214 **BILL SHALL TAKE EFFECT 60 DAYS FROM THE DATE IT IS ENACTED,**
 215 **SUBJECT TO THE PROVISIONS OF SECTION 307 OF THE COUNTY**
 216 **CHARTER.**
 217

218
219
220
221
222
223
224
225
226
227
228
229
230
231

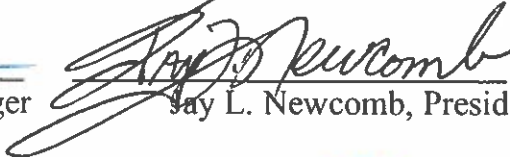
APPROVED this 12th day of April, 2011.

ATTEST:

COUNTY COUNCIL OF
DORCHESTER COUNTY:

BY:


Jane Baynard, County Manager


Jay L. Newcomb, President

Newcomb- *aye*
Nichols- *aye*
Travers- *aye*
Price- *aye*
Bradshaw- *aye*