

COUNTY COUNCIL OF  
DORCHESTER COUNTY, MARYLAND

Legislative Session 2017, Legislative Day No. 10

Bill No. 2017-6

Introduced By: Council President Ricky Travers

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Introduced, read first time, and ordered posted on official bulletin board June 20, 2017.

Published once a week for two successive weeks, and public hearing scheduled for Tuesday, July 18, 2017, in Room 110, County Office Building, 501 Court Lane, Cambridge, Maryland, at 6:35 p.m.

By Order: Ricky Travers, Council President

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AN ACT to authorize and empower Dorchester County, Maryland, to borrow an aggregate principal amount not exceeding \$31,000,000 on its full faith and credit, and issue and sell its general obligation bonds in one or more series from time to time in order to finance, reimburse or refinance costs of (i) replacing North Dorchester High School, (ii) replacing systems hardware and software for the Department of Finance, (iii) replacing emergency communications radio systems, and (iv) related costs, as further provided for herein; 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 \$31,000,000 in order to finance, reimburse or refinance project costs on an interim basis and related costs; 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 currently refund or advance refund any of the bonds issued pursuant to the authority of this Act and pay related costs, provided that the aggregate principal amount of each such series of refunding bonds shall 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 19-205 and 19-206 of the Local Government Article of the Annotated Code of Maryland; providing for certain determinations to be made by administrative resolution in connection with any public sale of such obligations; providing for the levy of taxes upon the assessable property within the County sufficient to pay the debt service on such obligations; providing that this title is a fair summary of this Bill for all purposes; providing that the provisions of this Act shall be liberally construed in order to effectuate its purposes; and generally providing for and determining various matters in connection with the obligations authorized hereby.

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

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47 **SECTION 1.** BE IT ENACTED AND ORDAINED BY THE COUNTY COUNCIL OF  
 48 DORCHESTER COUNTY, MARYLAND that pursuant to the authority of Sections 10-  
 49 302 and 19-401 of the Local Government Article of the Annotated Code of Maryland, as  
 50 replaced, supplemented or amended, and Section 509 of the Charter of Dorchester  
 51 County, Maryland, as replaced, supplemented or amended, Dorchester County, Maryland  
 52 (the “County”), is hereby authorized and empowered to borrow on its full faith and credit,  
 53 and issue and sell, its general obligation bonds in one or more series from time to time in  
 54 an aggregate principal amount not exceeding \$31,000,000, the proceeds thereof to be  
 55 used for the public purpose of financing, reimbursing or refinancing costs of the Projects  
 56 identified below, including, without limitation, costs of the following activities, to the  
 57 extent applicable: planning, design, architectural, engineering, surveying, studies,  
 58 bidding, acquisition of land or other property rights, site development, utilities,  
 59 landscaping, acquisition, demolition and removal, construction, reconstruction,  
 60 renovation, rehabilitation, expansion, enlargement, construction management,  
 61 improvement, installation, equipping, and furnishing, together with the costs of related  
 62 items, appurtenances and incidental activities or expenses, capitalized interest during  
 63 construction and for a reasonable period thereafter, whether or not specifically stated,  
 64 legal, financial and administrative expenses, and costs of issuance of any borrowing  
 65 therefor, and which may represent the County’s share or contribution to the financing or  
 66 refinancing of such Projects (collectively, “Costs of the Projects”):  
 67

Department/Agency	Description	Maximum Principal Amount
Board of Education	Replace NDHS	\$20,300,000
Finance	Replace Finance Hardware/ software	\$700,000
Public Safety – Emerg. Comm.	Replace Radio System	\$10,000,000

68  
 69 The three projects identified above are collectively referred to as the “Projects” and,  
 70 individually, as a “Project”.  
 71

72 It is hereby recognized and acknowledged that the Project identified above under  
 73 the Department/Agency category of “Board of Education” and under the Description  
 74 category with a designation of “Replace NDHS” was included in the Capital Budgets of  
 75 the County for Fiscal Years 2016 and 2017 under the Department/Agency category of  
 76 “Board of Education” and under the Description category with a designation of “NDHS  
 77 Replacement Planning/Design”. The other two Projects were identified for the first time  
 78 in the Capital Budget of the County for Fiscal Year 2018. Any such Capital Budgets are  
 79 necessarily subject to change because of corresponding changes in construction and other  
 80 costs, Project time schedules, availability of other funding sources and other  
 81 circumstances not now known or anticipated. It is the purpose and intent of this Act to  
 82 authorize the borrowing of money to finance, reimburse or refinance Costs of the Projects

83 identified in this Section 1 as any such Project is referenced in the Capital Budgets for  
84 Fiscal Year 2016 to 2018, inclusive, as the same may be amended, and in any subsequent  
85 Capital Budget or capital improvement program, as originally approved or as amended,  
86 unless otherwise contrary to applicable law, subject to the limitations set forth in Section  
87 4 hereof.

88  
89 Notwithstanding the foregoing allocation of the maximum principal amount of the  
90 bonds (and, correspondingly, of the maximum principal amount of any bond anticipation  
91 notes provided for in Section 3 of this Act) to the Projects, the County, without notice to  
92 or the consent of the registered owners of such bonds or bond anticipation notes, may  
93 reallocate the maximum principal amount of the bonds or bond anticipation notes to be  
94 spent among the Projects referenced above in accordance with applicable County  
95 budgetary procedures or applicable law.

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97 References to maximum principal amounts in the table set forth in this Section 1  
98 and elsewhere in this Section 1, and references throughout this Act to limits on aggregate  
99 principal amounts, are intended to mean to the par amount of the obligations being  
100 referenced.

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102 **SECTION 2.** BE IT FURTHER ENACTED AND ORDAINED BY THE COUNTY  
103 COUNCIL OF DORCHESTER COUNTY, MARYLAND that the County Council of  
104 Dorchester County, by administrative resolution, shall fix, determine, prescribe or  
105 provide for (including by delegating to the County Manager of the County (the “County  
106 Manager”) or other appropriate County official the right to make any such determination)  
107 (a) the issuance and sale of, (b) the designation, form (which may be as a single bond  
108 and/or may be in installment form and/or draw-down form), tenor, denomination or  
109 denominations, maturities of and amortization schedule for, (c) the interest rate or rates  
110 (or the method of determining the same) per annum payable on, (d) the manner of  
111 executing, (e) any registrar and/or paying agent for, (f) the reserved right, if any, to  
112 redeem or prepay prior to maturity and the premium or premiums, if any, payable upon  
113 the exercise of said right, (g) any put option granted to the purchaser or purchasers  
114 thereof, (h) the allocation of proceeds to components of the Projects identified in Section  
115 1 hereof, (i) how any sale premium, investment earnings or excess proceeds shall be  
116 applied, which may include, without limitation, to Costs of the Projects, debt service or  
117 general County purposes, (j) the investment of proceeds, and (k) all other details,  
118 documents, agreements, terms or conditions relating to the issuance, sale, delivery and  
119 payment of, any such series of bonds authorized under Section 1 of this Act. Any such  
120 series of bonds shall be sold by private (negotiated) sale, unless the County Council of  
121 Dorchester County, by administrative resolution, shall determine to provide for the sale  
122 of any such series of bonds at a public sale, and, by administrative resolution, the County  
123 Council of Dorchester County shall fix, determine, prescribe or provide for (including by  
124 delegating to the County Manager or other appropriate County official the right to make  
125 any such determination) all details, documents, agreements, terms and conditions relating  
126 to the method of sale of such series of bonds, including the manner of determining the

127 purchaser or purchasers thereof and the purchase price therefor (which may be at, above  
128 or below par value, to the extent not prohibited by applicable law) and, with respect to the  
129 sale of any series of bonds at a public sale, any form of notice of sale and any publication  
130 or dissemination of such notice of sale or a summary thereof. Any such series of bonds  
131 may be issued separately or in conjunction (including by consolidation as a single series)  
132 with any other series of bonds, refunding bonds or other obligations the County may be  
133 authorized to issue, all as may be determined by the County Council of Dorchester  
134 County by administrative resolution.

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136 **SECTION 3.** BE IT FURTHER ENACTED AND ORDAINED BY THE COUNTY  
137 COUNCIL OF DORCHESTER COUNTY, MARYLAND that pursuant to the authority  
138 of Sections 19-211 to 19-223, inclusive, of the Local Government Article of the  
139 Annotated Code of Maryland, as replaced, supplemented or amended, the County is  
140 hereby authorized and empowered to issue and sell its general obligation bond  
141 anticipation notes in one or more series from time to time in an aggregate principal  
142 amount not exceeding \$31,000,000 prior to and in anticipation of the sale of any of the  
143 bonds authorized by Section 1 of this Act in order to finance, reimburse or refinance  
144 Costs of the Projects on an interim basis, together with costs of issuance of such bond  
145 anticipation notes and/or capitalized interest on such bond anticipation notes. Prior to the  
146 issuance, sale and delivery of any such series of bond anticipation notes, the County  
147 Council of Dorchester County shall by administrative resolution specify, describe,  
148 determine, provide for the approval of or approve (including by delegating to the County  
149 Manager or other appropriate County official the right to make any such determination)  
150 all matters, details, forms, documents, agreements or procedures as may be authorized or  
151 required by applicable law in connection with the issuance of any such series of bond  
152 anticipation notes, including the method of sale thereof, which may be at private sale, and  
153 including the types of determinations provided for in Section 2 hereof with respect to the  
154 bonds authorized by Section 1 hereof, to the extent applicable to any such series of bond  
155 anticipation notes. Any such series of bond anticipation notes may be issued separately  
156 or in conjunction (including by consolidation as a single series) with any other series of  
157 bond anticipation notes or other obligations the County may be authorized to issue, all as  
158 may be determined by the County Council of Dorchester County by administrative  
159 resolution. The County covenants (i) to issue the bonds in anticipation of the sale of which  
160 any such bond anticipation notes are issued as soon as there is no longer a reason for  
161 deferring the issuance of such bonds and (ii) to pay from the proceeds of the bonds in  
162 anticipation of the sale of which any such bond anticipation notes are issued the principal of  
163 such bond anticipation notes and, to the extent that the interest thereon is not paid from the  
164 sale of such bond anticipation notes, the interest on such bond anticipation notes.

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166 **SECTION 4.** BE IT FURTHER ENACTED AND ORDAINED BY THE COUNTY  
167 COUNCIL OF DORCHESTER COUNTY, MARYLAND that all bonds and all bond  
168 anticipation notes authorized by Sections 1 or 3 hereof shall be issued within four years  
169 from the date this Act becomes effective.

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171 **SECTION 5.** BE IT FURTHER ENACTED AND ORDAINED BY THE COUNTY  
172 COUNCIL OF DORCHESTER COUNTY, MARYLAND that pursuant to the authority  
173 of Section 19-207 of the Local Government Article of the Annotated Code of Maryland,  
174 as replaced, supplemented or amended, the County is hereby authorized and empowered  
175 to issue and sell from time to time, in the current or any future fiscal year, one or more  
176 series of general obligation bonds for the purpose of currently refunding or advance  
177 refunding all or any portion of the bonds authorized by Section 1 hereof then outstanding,  
178 including paying all or any portion of the following: outstanding principal, any  
179 redemption and/or prepayment premium and/or interest accrued or to accrue to the date  
180 of redemption, prepayment, purchase or maturity of the bonds to be refunded, funded  
181 interest on such refunding bonds, and costs of issuance of such refunding bonds, for the  
182 public purpose of realizing savings to the County in the total cost of debt service on a  
183 direct comparison or present value basis or in order to accomplish any debt restructuring  
184 that is authorized by applicable law; provided that, the aggregate principal amount of  
185 each such series of refunding bonds shall not exceed one hundred thirty percent (130%)  
186 of the aggregate principal amount of bonds refunded therefrom. Prior to the issuance,  
187 sale and delivery of any such series of refunding bonds, the County Council of  
188 Dorchester County shall by administrative resolution specify, describe, determine,  
189 provide for the approval of or approve (including by delegating to the County Manager or  
190 other appropriate County official the right to make any such determination) all matters,  
191 details, forms, documents, agreements or procedures as may be authorized or required by  
192 applicable law, including the types of determinations provided for in Section 2 hereof  
193 with respect to the bonds authorized by Section 1 hereof, to the extent applicable to any  
194 such series of refunding bonds, and including providing for any escrow agent,  
195 verification consultant, bidding agent, escrow deposit agreement, and the investment of  
196 proceeds of such series of refunding bonds in U.S. Treasury obligations or any other  
197 investment obligations authorized by federal and/or Maryland law, as applicable. Any  
198 such series of refunding bonds may be sold at a private sale, without soliciting bids, if the  
199 County Council of Dorchester County determines by administrative resolution that such  
200 procedure is in the public interest. Any such series of refunding bonds may be issued  
201 separately or in conjunction (including by consolidation as a single series) with any other  
202 series of bonds, refunding bonds or other obligations the County may be authorized to  
203 issue, all as may be determined by the County Council of Dorchester County by  
204 administrative resolution.

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206 **SECTION 6.** BE IT FURTHER ENACTED AND ORDAINED BY THE COUNTY  
207 COUNCIL OF DORCHESTER COUNTY, MARYLAND that any bonds authorized by  
208 Section 1 of this Act and any refunding bonds authorized by Section 5 of this Act are  
209 specifically exempted from the provisions of Sections 19-205 and 19-206 of the Local  
210 Government Article of the Annotated Code of Maryland, as replaced, supplemented or  
211 amended.

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213 **SECTION 7.** BE IT FURTHER ENACTED AND ORDAINED BY THE COUNTY  
214 COUNCIL OF DORCHESTER COUNTY, MARYLAND that with respect to any series

215 of bonds, bond anticipation notes or refunding bonds authorized by Sections 1, 3 or 5 of  
216 this Act that the County Council of Dorchester County determines by administrative  
217 resolution shall be sold at public sale, said County Council by administrative resolution,  
218 to the extent not prohibited by applicable law, may determine that (i) the notice of sale  
219 for such series of bonds, bond anticipation notes or refunding bonds may be disseminated  
220 solely by electronic dissemination rather than by being published, (ii) that the notice of  
221 sale for such series of bonds, bond anticipation notes or refunding bonds may be  
222 published fewer than two times, (iii) that the notice of sale of such series of bonds, bond  
223 anticipation notes or refunding bonds shall be published solely in summary form, and  
224 fewer than two times, and/or (iv) that bids for such series of bonds, bond anticipation  
225 notes or refunding bonds shall be received electronically (either exclusively or by other  
226 method provided for by administrative resolution), and (v) all other matters relating to the  
227 sale of such series of bonds, bond anticipation notes or refunding bonds by public sale.  
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229 **SECTION 8.** BE IT FURTHER ENACTED AND ORDAINED BY THE COUNTY  
230 COUNCIL OF DORCHESTER COUNTY, MARYLAND that for the purpose of paying  
231 the principal of and interest on the bonds, bond anticipation notes and refunding bonds  
232 authorized by Sections 1, 3 and 5 hereof as the same shall become payable, the County  
233 Council of Dorchester County shall levy annually ad valorem taxes upon the assessable  
234 property in Dorchester County subject to unlimited county taxation sufficient to pay the  
235 principal of and interest on such bonds, bond anticipation notes or refunding bonds until  
236 all of such obligations shall mature or are redeemed or prepaid. The foregoing provisions  
237 shall not be construed so as to prohibit the County from paying the principal of and interest  
238 on any such obligations from the proceeds of the sale of any other obligations of the County  
239 or from any other funds legally available for that purpose (including, without limitation,  
240 with respect to the bond anticipation notes authorized hereby, from the proceeds of the  
241 bonds authorized hereby, and with respect to the bonds authorized hereby, from the  
242 proceeds of the refunding bonds authorized hereby). Subject to any applicable limitations  
243 set forth in the Internal Revenue Code of 1986, as replaced, supplemented or amended, and  
244 applicable regulations thereunder, or any other applicable law, the County may apply to the  
245 payment of the principal of or interest on any such obligations any funds received by it from  
246 the State of Maryland or the United States of America, or any governmental agency or  
247 instrumentality, or from any other source, if the funds are granted or paid to the County for  
248 the purpose of assisting the County in accomplishing the type of Project which such  
249 obligations are issued to finance, reimburse or refinance or are otherwise available for such  
250 purpose, and to the extent of any such funds received or receivable in any fiscal year, the  
251 taxes hereby required to be levied may be reduced proportionately.  
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253 **SECTION 9.** BE IT FURTHER ENACTED AND ORDAINED BY THE COUNTY  
254 COUNCIL OF DORCHESTER COUNTY, MARYLAND that the title of this Bill shall  
255 be deemed to be, and is, a fair summary of this Bill for publication and all other purposes.  
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257 **SECTION 10.** BE IT FURTHER ENACTED AND ORDAINED BY THE COUNTY  
258 COUNCIL OF DORCHESTER COUNTY, MARYLAND that the provisions of this Act

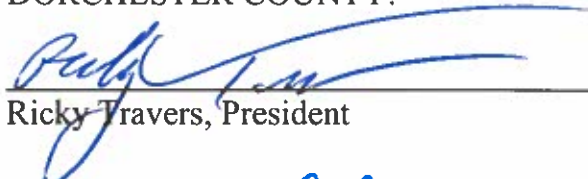
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259 shall be liberally construed in order to effectuate the transactions contemplated by this  
260 Act.

261  
262 **SECTION 11.** BE IT FURTHER ENACTED AND ORDAINED BY THE COUNTY  
263 COUNCIL OF DORCHESTER COUNTY, MARYLAND that this Bill shall take effect  
264 60 days from the date it is enacted, subject to the provisions of Section 307 of the County  
265 Charter.

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267  
268 APPROVED this 18th day of July, 2017.

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270  
271 ATTEST:  
272  
273 BY:   
274 Jeremy Goldman, County Manager

COUNTY COUNCIL OF  
DORCHESTER COUNTY:  
  
Ricky Travers, President

Bradshaw - *aye*  
Price - *aye*  
Travers - *aye*  
Satterfield - *aye*  
Nichols - *noy*

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277  
278  
279  
280  
281  
282 Key:

283  
284 Underlining indicates text added to this Bill by amendment.  
285 ~~Strike-through~~ indicates text deleted from this Bill by amendment.