

LIBERO 007 FOLIO 53  
COUNTY COUNCIL

OF

**DORCHESTER COUNTY, MARYLAND**

2020 Legislative Session,  
Legislative Day No. 13

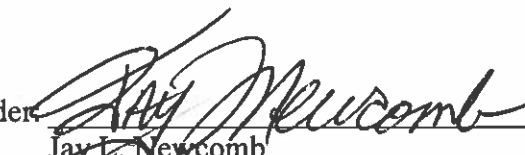
Introduced By: County Council

BILL NO. 2020- 11

AN ACT APPROVING THE ISSUANCE BY THE DORCHESTER COUNTY SANITARY DISTRICT, INC. (THE "DISTRICT") OF A BOND OF THE DISTRICT IN THE PRINCIPAL AMOUNT OF \$325,000 TO BE KNOWN AS "DORCHESTER COUNTY SANITARY DISTRICT, INC., WATER SYSTEM BOND (BONNIE BROOK SANITARY DISTRICT NO. 2) SERIES A (THE "BOND")", TO BE ISSUED PURSUANT TO THE AUTHORITY OF SECTIONS 9-601 TO 9-699 OF THE ENVIRONMENT ARTICLE OF THE ANNOTATED CODE OF MARYLAND; PROVIDING THAT THE PAYMENT OF THE PRINCIPAL OF AND INTEREST ON THE BOND SHALL BE GUARANTEED BY DORCHESTER COUNTY, MARYLAND; PROVIDING THAT THE BOND SHALL BE ISSUED UPON THE FULL FAITH AND CREDIT OF DORCHESTER COUNTY, MARYLAND; AND PROVIDING FOR THE LEVY OF ANNUAL TAXES UPON ALL ASSESSABLE PROPERTY WITHIN THE BONNIE BROOK SANITARY DISTRICT NO. 2 SUFFICIENT FOR THE PAYMENT OF THE PRINCIPAL OF AND INTEREST ON THE BOND AS IT SHALL MATURE, AND, TO THE EXTENT THAT SUCH LEVY IS INSUFFICIENT FOR SUCH PURPOSES, THE LEVY OF ANNUAL TAXES UPON ALL THE ASSESSABLE PROPERTY WITHIN THE CORPORATE LIMITS OF DORCHESTER COUNTY FOR THE PAYMENT OF THE PRINCIPAL OF AND INTEREST ON THE BOND AS PROVIDED HEREINABOVE.

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

Ordered publication for once a week for three (3) successive weeks, and public hearing scheduled on Tuesday, January 19, 2021, Room 110, County Office Building, 501 Court Lane, Cambridge, Maryland at 6:05 p.m.

By order:   
Jay L. Newcomb  
President of the County Council  
of Dorchester County, Maryland

COUNTY COUNCIL

OF

DORCHESTER COUNTY, MARYLAND

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RECITALS

WHEREAS, the Dorchester County Sanitary District, Inc. (the "District") has resolved by a Resolution adopted on August 5, 2019 (the "Bond Resolution") to issue and sell its bond to be designated "Dorchester County Sanitary District, Inc. Water System Bond (Bonnie Brook Sanitary District No. 2), Series A" in the principal amount of \$325,000 (the "Bond") for the purpose of providing a portion of the funds for the installation of two new hydro-pneumatic tanks, housed within a new building, with new controls and water treatment equipment, renovations to the existing plant building, the replacement of 113 three-quarter inch water meters with new radio read meters and the replacement of one two-inch meter with new radio read meter and supply, one handheld device to be used to read the meters during reading periods and the installation of 114 new meter pits with meter setter and check valves and one mobile receiver equipped with GPS with software upgrades and maintenance, together with modifications of, and additions to, any of the foregoing items approved by the District (collectively, the "Project") to serve the Bonnie Brook Sanitary District No. 2, in Dorchester County, Maryland (the "Sanitary District") and costs of issuance of the Bond; and

WHEREAS, the District has resolved in the Bond Resolution to sell the Bond to the United States of America, Rural Utilities Service, by private (negotiated) sale on the terms set forth in the Bond Resolution; and

WHEREAS, the District has requested (i) the approval of Dorchester County, Maryland of the Project and the Bond Resolution and of the issuance and sale of the Bond and (ii) the guarantee of the interest on and principal of the Bond in accordance with Sections 9-601 to 9-699 of the Environment Article of the Annotated Code of Maryland (the "Act").

SECTION ONE: BE IT ENACTED AND ORDAINED by the County Council of Dorchester County, Maryland (the "County Council"), that Dorchester County, Maryland (the "County") (a) hereby approves the Project, the Bond Resolution and the issuance and sale of the Bond, and (b) shall guarantee the payment of interest when due and the principal at maturity of the Bond.

SECTION TWO: BE IT FURTHER ENACTED AND ORDAINED by the County Council, that the President of the County Council is hereby authorized and directed to execute such guarantees on behalf of the County on the Bond by his manual signature and the County Manager of the County is hereby authorized and directed to affix thereto the seal or a facsimile thereof of the County and to attest the same by his manual signature.

SECTION THREE: BE IT FURTHER ENACTED AND ORDAINED by the County Council that while any portion of the Bond is outstanding and unpaid, the District shall determine in accordance with the Bond Resolution whether there will be insufficient EDU assessments or other funds available to pay the principal of and interest on the Bond. If the District shall have determined that such deficiency will exist, it shall certify to the County a tax rate that will be required in the Bonnie Brook Sanitary District No. 2 (the "Sanitary District") to meet the deficiency. Upon receipt of such certification, the County shall levy in the amount prescribed by law, ad valorem taxes on all land, improvements and other property assessed for County taxation purposes within the Sanitary District as determined to be reasonably necessary and required to pay the principal of and the interest on the outstanding Bond. In the event that the funds available to the District while any portion of the Bond is outstanding and unpaid from all sources available to and for the payment of the principal and interest on the outstanding Bond, including the EDU assessments and the taxes on property in the Sanitary District referred to in the preceding sentences of this Section Three, are insufficient for any reason to meet such principal and interest payments on the outstanding Bond, the County shall levy and collect in each and every fiscal year in which the Bond is outstanding, an ad valorem tax upon all the assessable property within the corporate limits of the County in rate and amount sufficient to provide for such payments when due, and in the event the proceeds from the taxes so levied in any fiscal year shall prove inadequate for the above purposes, the County shall levy additional taxes in the succeeding fiscal year to make up such deficiency.

SECTION FOUR: BE IT FURTHER ENACTED AND ORDAINED by the County Council, that the undertakings and obligations of the County set forth in this Ordinance shall constitute a contract with the purchasers and holders from time to time of the Bond, and this Ordinance shall not be repealed, modified or altered while the Bond remains outstanding.

SECTION FIVE: AND BE IT FURTHER ENACTED pursuant to Section 308 of the Charter of Dorchester County, Maryland that promptly after enactment of this Act, the County Manager shall cause a fair summary of this Act to be published at least once in a newspaper of general circulation in Dorchester County, Maryland.

SECTION SIX: AND BE IT FURTHER ENACTED AND ORDAINED by the County Council, that this Bill shall be known as Bill No. 2020-11 of Dorchester County, Maryland and shall take effect sixty (60) days after its final passage.

PASSED this 19<sup>th</sup> day of January, 2021.

ATTEST:

COUNTY COUNCIL OF DORCHESTER  
COUNTY, MARYLAND

BY: [Signature]

BY: [Signature]  
Jay L. Newcomb  
President

APPROVED this 19<sup>th</sup> day of January, 2021.

ATTEST:

COUNTY COUNCIL OF DORCHESTER  
COUNTY, MARYLAND

BY: [Signature]

BY: [Signature]  
Jay L. Newcomb  
President

Nichols - absent  
Nagel - aye  
Newcomb - aye  
Pfeffer - aye  
Travers - aye

Oct.20  
DorCo-SanitaryDist.Bill/mlh