

**COUNTY COUNCIL OF
DORCHESTER COUNTY, MARYLAND**

RESOLUTION NO. 610

A RESOLUTION of the County Council of Dorchester County, Maryland (the "County") amending and supplementing Resolution No. 603, adopted by the County Council on September 19, 2017 and effective on September 19, 2017, in order to authorize and empower Dorchester County, Maryland (the "County") to use and apply a portion of the proceeds of the Dorchester County, Maryland Public Facilities Bond Anticipation Note of 2017 issued on October 2, 2017 (the "2017 Note") for the public purpose of financing or reimbursing on an interim basis costs of the project identified in Bill No. 2017-6 (identified herein) as "Replace Radio System" in addition to the project identified in Resolution No. 603 as "Replace NDHS", and re-allocating proceeds of the 2017 Note to such two projects; authorizing, directing or empowering County officials and employees to take certain actions with respect to the 2017 Note; and otherwise generally relating to the use of proceeds of the 2017 Note.

RECITALS

1. For convenience of reference throughout this Resolution, Dorchester County, Maryland, a validly created and existing body corporate and politic of the State of Maryland, is hereinafter referred to as the "County".

2. The authority for the powers herein exercised is contained in, as applicable, Sections 10-203 and 19-401 of the Local Government Article of the Annotated Code of Maryland, as replaced, supplemented or amended (the "Enabling Act"), Sections 19-211 to 19-223, inclusive, of the Local Government Article of the Annotated Code of Maryland, as replaced, supplemented and amended (the "Bond Anticipation Note Act"), Section 509 of the Charter of Dorchester County, Maryland, as replaced, supplemented or amended (the "Charter"), and Bill No. 2017-6, passed by the County Council of the County (the "County Council") on July 18, 2017 and effective on September 18, 2017 ("Bill No. 2017-6").

3. Bill No. 2017-6 authorizes the issuance by the County from time to time of one or more series of general obligation bonds in an aggregate principal amount not exceeding \$31,000,000.00 (the "Authorized Bonds") for the public purpose of financing, reimbursing or refinancing costs of the projects identified in Recital 5 below, including, without limitation, costs of the following activities, to the extent applicable: planning, design, architectural, engineering, surveying, studies, bidding, acquisition of land or other property rights, site development, utilities, landscaping, acquisition, demolition and removal, construction, reconstruction, renovation, rehabilitation, expansion, enlargement, construction management, improvement, installation, equipping, and furnishing, together with the costs of related items, appurtenances and incidental activities or expenses, capitalized interest during construction and for a reasonable period thereafter, whether or not specifically stated, legal, financial and administrative expenses, and costs of issuance of any borrowing therefor, and which may represent the County's share or contribution to the financing or refinancing of such projects (collectively, "Costs").

4. Pursuant to the authority of the Bond Anticipation Note Act and Section 3 of Bill No. 2017-6, the County, by resolution, is authorized to issue and sell from time to time, upon its full faith and credit, general obligation bond anticipation notes in one or more series in an aggregate principal amount not exceeding \$31,000,000.00 (the "Authorized Notes") prior to and in anticipation of the sale of the Authorized Bonds in order to finance or reimburse Costs of the projects identified in Bill No. 2017-6 on an interim basis.

5. The projects identified in Bill No. 2017-6 (defined collectively therein as the "Projects"), and the maximum principal amount of any Authorized Bonds or Authorized Notes allocated to each of such projects pursuant to Bill No. 2017-6, are as follows:

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

6. Sections 2 and 3 of Bill No. 2017-6 provide that the County Council by administrative resolution shall provide for the issuance of any series of the Authorized Notes, including, without limitation, allocating proceeds thereof to components of the projects identified in Section 1 of Bill No. 2017-6.

7. Pursuant to the authority of the Enabling Act, the Bond Anticipation Note Act, Section 509 of the Charter, Bill No. 2017-6 and Resolution No. 603, adopted by the County Council on September 19, 2017 and effective on September 19, 2017 (the "Original Resolution"), the County issued and delivered to 1880 Bank on October 2, 2017 a series of the Authorized Notes consisting of a single general obligation bond anticipation note designated as the Dorchester County, Maryland Public Facilities Bond Anticipation Note of 2017 in the original principal amount of \$8,491,354.00 (the "2017 Note") in order to finance or reimburse a portion of the Costs of the project identified in Bill No. 2017-6 and the Original Resolution as "Replace NDHS" (the "Original Project") on an interim basis. The 2017 Note is referred to in the Original Resolution as the "Note". The Original Project is referred to in the Original Resolution as the "Project". The 2017 Note was issued with the expectation that interest payable thereon would be excludable from gross income for federal income tax purposes.

8. There has been a delay in Original Project activities and the County has determined that proceeds of the 2017 Note are unlikely to be spent on Costs of the Original Project as quickly as anticipated at the time of issuance of the 2017 Note. At the same time, the County has determined a need to spend money on Costs of the project identified in Bill No. 2017-6 as "Replace Radio System" more quickly than previously anticipated. Accordingly, the County wishes to amend the Original Resolution to allow proceeds of the 2017 Note to be applied to Costs of such project authorized by Bill No. 2017-6 in addition to Costs of the Original Project.

BE IT RESOLVED BY THE COUNTY COUNCIL OF DORCHESTER COUNTY, MARYLAND THAT:

Section 1.

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

(b) References in this Resolution to any official by title shall be deemed to refer (i) to any official authorized under the Charter, the code of ordinances 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 or interim capacity under the 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 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 Charter or the County Code, the official, however known, who is charged under the Charter, the County Code or other applicable law or authority with the applicable responsibilities, rights or duties referred to herein.

(c) References in this Resolution to "principal amount" are intended to mean to the par amount of the obligations being referenced.

Section 2.

(a) From and after the effective date of this Resolution, the Original Resolution is hereby amended and supplemented by deleting Section 2 of the Original Resolution in its entirety and inserting the following in place thereof:

"Section 2.

(a) Pursuant to the authority of the Enabling Act, the Bond Anticipation Note Act, Section 509 of the Charter and Bill No. 2017-6, the County hereby determines to issue and sell, upon its full faith and credit, a series of the Authorized Notes comprised of a single general obligation bond anticipation note prior to and in anticipation of the sale of the Authorized Bonds, for the public purpose of financing or reimbursing on an interim basis a portion of the Costs of the projects described below in the maximum principal amounts indicated below for each such project:

Department/Agency	Description	Maximum Principal Amount
Board of Education	Replace NDHS	\$5,191,354.00
Public Safety – Emerg. Comm.	Replace Radio System	\$3,300,000.00

The projects identified in the table above are collectively referred to as the “Projects” and, individually, as a “Project”. Notwithstanding the foregoing allocation of the maximum principal amount of the Note identified in Section 3 of this Resolution to the Projects, the County, without notice to or the consent of the registered owner of the Note, may reallocate the maximum principal amount of the Note to be spent among the Projects referenced above in accordance with applicable County budgetary procedures or applicable law.

(b) As provided in Section 1 of Bill No. 2017-6, it is hereby recognized and acknowledged that (i) the Project identified in subsection (a) above as “Replace NDHS” was included in the Capital Budgets of the County for Fiscal Years 2016 and 2017 under the Department/Agency category of “Board of Education” and under the Description category with a designation of “NDHS Replacement Planning/Design”, (ii) the Project identified in subsection (a) above as “Replace Radio System” was identified for the first time in the Capital Budget of the County for Fiscal Year 2018, (iii) any such Capital Budgets 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, and (iv) it is the purpose and intent of this Resolution to authorize the borrowing of money to finance, reimburse or refinance on an interim basis Costs of the Projects identified in this Resolution as either such Project is referenced in the Capital Budgets for Fiscal Year 2016 to 2018, inclusive, as the same may be amended, and in any subsequent Capital Budget or capital improvement program, as originally approved or as amended, unless otherwise contrary to applicable law.

(c) The total Costs of those portions of the Projects to be financed or reimbursed on an interim basis from the proceeds of the Note will not exceed \$8,491,354.00. To the extent the proceeds of the Note are not sufficient to fully fund on an interim basis the Costs of the Projects, such remaining Costs shall be funded from other available sources. Within the limitations set forth in the Bond Anticipation Note Act, the County may apply proceeds of the Note to pay capitalized interest thereon.”

(b) From and after the effective date of this Resolution, the Original Resolution is hereby amended and supplemented by providing that all references to the “Project” contained in the Original Resolution shall be construed to be references to the “Projects” as defined in Section 2 of the Original Resolution, as amended and supplemented as provided for in subsection (a) of this Section 2, unless the context clearly requires otherwise.

(c) By undertaking the amendments and supplements to Section 2 of the Original Resolution provided for in this Section 2, the County is in effect (i) reducing the principal amount of the 2017 Note originally allocated to the Original Project identified as Replace NDHS from \$8,491,354.00 to \$5,191,354.00, and (ii) providing that a maximum of \$3,300,000.00 of the principal amount of the 2017 Note may be applied to Costs of the Project identified in amended and supplemented Section 2(a) of the Original Resolution as "Replace Radio System" (subject to the further provisions of such amended and supplemented Section 2 of the Original Resolution).

(d) The two projects identified in the table set forth in subsection (a) above of this Section 2 (which amends and supplements Section 2 of the Original Resolution) are collectively referred to as the "Revised Projects". From and after the effective date of this Resolution, all references to the Projects in the Original Resolution, as amended and supplemented, shall be deemed to be references to the Revised Projects, as identified in this Resolution. From and after the effective date of this Resolution, the provisions of this Section 2 shall supersede the provisions of Section 2 of the Original Resolution with respect to the application of the proceeds of the 2017 Note.

Section 3. Any two of the following County officials: the President of the County Council, the County Manager and the Director of Finance are hereby authorized and empowered to supplement the Tax and Section 148 Certificate dated October 2, 2017 that was executed and delivered on behalf of the County in connection with the issuance and delivery of the 2017 Note in order to evidence the expectations of the County as to the application of the proceeds of the 2017 Note following the effective date of this Resolution.

Section 4. The President of the County Council, the County Manager, the Director of Finance and all other appropriate officials and employees of the County are hereby authorized and directed to take any and all action necessary or appropriate to provide for application of the proceeds of the 2017 Note to finance or reimburse on an interim basis the Costs of the Revised Projects and to execute and deliver all documents, certificates and instruments necessary or appropriate in connection therewith or in connection with the transactions contemplated by this Resolution.

Section 5. From and after the effective date of this Resolution, the Original Resolution shall be deemed amended and supplemented as provided herein and all other terms and provisions of the Original Resolution shall remain in full force and effect.

Section 6. The provisions of this Resolution shall be liberally construed in order to effectuate the transactions contemplated by this Resolution.

Section 7. This Resolution shall become effective immediately upon its adoption.

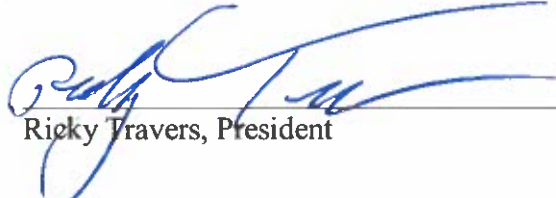
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ADOPTED this 2nd day of January, 2018.

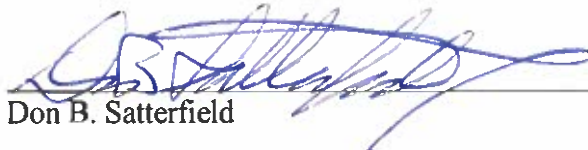
ATTEST:

By: 
Jeremy Goldman, County Manager

COUNTY COUNCIL OF
DORCHESTER COUNTY:


Ricky Travers, President


Tom Bradshaw, Vice President


Don B. Satterfield

absent
William V. Nichols


Rick Price

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