

THE TOWN OF PORT DEPOSIT
CHARTER AMENDMENT RESOLUTION 05-2021
CHARTER ARTICLE VII, SECTION 719

A CHARTER AMENDMENT RESOLUTION OF THE COUNCIL OF PORT DEPOSIT (THE "COUNCIL") FOR THE PURPOSE OF REPEALING AND RE-ENACTING, WITH AMENDMENTS, ARTICLE VII, SECTION 719 OF THE CHARTER OF THE TOWN OF PORT DEPOSIT (THE "TOWN") FOR THE PURPOSE OF AUTHORIZING THE TOWN TO BORROW MONEY FOR ANY PROPER PUBLIC PURPOSE AND TO EVIDENCE SUCH BORROWING BY THE ISSUANCE AND SALE OF ITS GENERAL OBLIGATION BONDS, NOTES OR OTHER EVIDENCES OF INDEBTEDNESS (THE "OBLIGATIONS"); SPECIFYING THAT THE COUNCIL SHALL AUTHORIZE BY ORDINANCE (1) THE MAXIMUM AGGREGATE PRINCIPAL AMOUNT OF ANY SUCH OBLIGATIONS TO BE ISSUED, (2) THE PURPOSE(S) FOR WHICH SUCH OBLIGATIONS SHALL BE EXPENDED, (3) A PLEDGE OF THE SECURITY FOR SUCH OBLIGATIONS AND, IF APPLICABLE, A STATEMENT THAT SUCH OBLIGATIONS SHALL BE PAYABLE IN THE FIRST INSTANCE FROM A SPECIFIED SOURCE OF REVENUE OR PROVISIONS FOR THE MAKING OF SUCH STATEMENT BY RESOLUTION, AND (4) A REQUIREMENT THAT PRIOR TO ISSUING ANY SUCH OBLIGATIONS THE COUNCIL SHALL ADOPT A RESOLUTION REGARDING CERTAIN MATTERS; PROVIDING THAT ANY SUCH RESOLUTION SHALL CONTAIN, DETERMINE, APPROVE OR PROVIDE FOR THE APPROVAL OF VARIOUS DETAILS REGARDING SUCH OBLIGATIONS, INCLUDING (1) THEIR DESIGNATION, ISSUE DATE, DENOMINATION(S), FORM(S) AND TENOR, (2) THEIR RATE(S) OF INTEREST (WHICH MAY BE FIXED OR VARIABLE OR MAY BE DETERMINED BY A METHOD APPROVED OR PROVIDED FOR), (3) THEIR DATE(S) AND AMOUNT(S) OF MATURITY, AND SERIAL AND/OR TERM MATURITIES OR INSTALLMENTS, (4) WHETHER THEY WILL BE SOLD BY THE PUBLIC OR PRIVATE SALE, (5) THEIR PRICE(S), WHICH MAY BE AT, ABOVE OR BELOW PAR VALUE, (6) ANY DESIRED REDEMPTION OR PUT PROVISIONS, INCLUDING HOW NOTICE OF REDEMPTION OR PUT SHALL BE GIVEN, (7) THE MANNER OF EXECUTING AND SEALING SUCH OBLIGATIONS, (8) ANY DOCUMENTS OR AGREEMENTS PURSUANT TO WHICH SUCH OBLIGATIONS ARE TO BE ISSUED, OFFERED OR SECURED, INCLUDING FOR THE PURPOSE OF ENHANCING THE MARKETABILITY OF OR AS SECURITY FOR SUCH OBLIGATIONS AND FOR SECURING ANY TENDER OPTION, AND (9) SUCH OTHER PROVISIONS AS THE COUNCIL MAY DETERMINE NECESSARY OR DESIRABLE, INCLUDING WHETHER SUCH OBLIGATIONS SHALL BE SOLD FOR CASH OR OTHER VALUABLE CONSIDERATION OR FURTHER PROVIDING FOR APPLICATION OF PROCEEDS; PROVIDING THAT ANY SUCH RESOLUTION MAY BE INTRODUCED AND ADOPTED AT A SINGLE SESSION; PROVIDING THAT THE COUNCIL MAY BY ORDINANCE

DETERMINE, APPROVE OR PROVIDE FOR ANY OF THE MATTERS SPECIFIED AS BEING DETERMINABLE, APPROVED OR PROVIDED FOR BY RESOLUTION; PROVIDING FOR OR AUTHORIZING THE METHODS BY WHICH ANY SUCH OBLIGATIONS MAY BE BID FOR IN CONNECTION WITH THE SALE OF THE SAME BY SOLICITATION OF COMPETITIVE BIDS AT PUBLIC SALE AND THE METHODS BY WHICH ANY NOTICE OF SALE OR SUMMARY THEREOF MAY BE PUBLISHED OR DISSEMINATED; PROVIDING THAT THE POWER SET FORTH IN SUCH CHARTER ARTICLE VII, SECTION 719 IS ADDITIONAL AND SUPPLEMENTAL TO ANY OTHER APPLICABLE GENERAL OBLIGATION BORROWING AUTHORITY; GENERALLY RELATING TO THE ISSUANCE AND TERMS OF SUCH OBLIGATIONS; PROVIDING FOR COMPLIANCE WITH CERTAIN PROVISIONS OF THE ANNOTATED CODE OF MARYLAND REGARDING CHARTER AMENDMENTS; PROVIDING THAT THIS TITLE CONSTITUTES A FAIR SUMMARY OF THIS CHARTER AMENDMENT RESOLUTION; AND GENERALLY RELATING TO SUCH CHARTER AMENDMENT RESOLUTION.

RECITALS

WHEREAS, pursuant to Article XI-E of the Constitution of Maryland Article of the Md. Code Ann. as currently in effect and Md. Code Ann., Local Gov't. Article §4-301 *et seq.* as currently in effect, The Council of Port Deposit (the "Council"), the governing body of The Town of Port Deposit, a Maryland municipality (the "Town"), has the authority to amend the Charter of the Town, in accordance with the procedures set forth therein; and

WHEREAS, Article VII, Section 719 of the Charter of the Town authorizes the Town to issue its general obligation bonds, notes, or other certificates of indebtedness in accordance with certain provisions of the Annotated Code of Maryland, including to a private lending institution, but such Section does not permit the Town to sell general obligation debt by other private sale means; and

WHEREAS, bond counsel to the Town has recommended that Article VII, Section 719 of the Charter of the Town be amended as permitted by Md. Code Ann., Local Gov't. Article §19-301 *et seq.* to specify the procedures for the issuance of general obligation debt and to give the Town greater flexibility regarding the issuance of its general obligation debt; and

WHEREAS, the Council deems it to be in the best interests of the Town and its residents to so amend Article VII, Section 719 of the Charter of the Town; and

WHEREAS, a public hearing was held on the proposed amendment to Article VII, Section 719 of the Charter of the Town as required by Md. Code Ann., Local Gov't. Article §4-304(a)(2) before this Charter Amendment Resolution was considered for adoption.

Section 1. **NOW, THEREFORE, BE IT HEREBY RESOLVED** by The Council of the Town of Port Deposit that pursuant to the authority of Md. Code Ann., Article XI-E of the Constitution of Maryland Article and Md. Code Ann., Local Gov't. Article §4-301 *et seq.*, each as currently in effect, Article VII, Section 719 of the Charter of the Town of Port Deposit, as published in Municipal Charters of Maryland, Volume 7, 2018 Replacement Edition, as amended to date (the "Charter"), is hereby repealed in its entirety and re-enacted, with amendments, to read as follows, with the additions being italicized and without, as authorized by Md. Code Ann., Local Gov't. Article §4-303(e)(2), setting forth the repealed text because such entire section is being repealed:

SECTION 719. GENERAL OBLIGATION DEBT

(a) The Town shall have the power to borrow money for any proper public purpose and to evidence such borrowing by the issue and sale of its general obligation bonds, notes, or other evidences of indebtedness in the manner prescribed in this Section.

(b) All general obligation bonds, notes or other evidences of indebtedness shall be authorized by an ordinance that shall contain: (1) a statement of the maximum aggregate principal amount of such obligations to be issued; (2) a statement of the purpose or purposes for which the proceeds of such obligations are to be expended; (3) a pledge of the security for such obligations and, if

applicable, a statement that such obligations shall be payable in the first instance from a specified source of revenue or provisions for the making of such statement by resolution; and (4) a requirement that, subject to the provisions of subsection (d) below, prior to the issuance of any such obligations, the Council shall adopt a resolution in accordance with the provisions of subsection (c) below.

(c) Prior to issuing any such obligations identified in subsection (b) above, the Council shall adopt a resolution containing, determining or providing for the determination of, or approving or providing for the approval of: (1) the designation, date of issue, denomination or denominations, form or forms and tenor of such obligations; (2) the rate or rates of interest payable on such obligations (which may be fixed or variable or may be determined by a method approved or provided for); (3) the date or dates and amount or amounts of maturity, which may be in any denomination and which may be in serial and/or term maturities or otherwise payable in installments; (4) the manner of selling such obligations, which may be by public or private sale, including, without limitation, (A) by solicitation of competitive bids at public sale after publication or dissemination of the notice of sale or a summary thereof, (B) by negotiated underwriting, or (C) by a direct purchase transaction with one or more banks or other lending entities, including, without limitation, any state or federal governmental entity; (5) the price or prices of such obligations, which may be at, above or below par value; (6) any desired provisions relating to the redemption or put of such obligations prior to maturity (which may be at, above or below par value), and the manner of publishing or otherwise giving notice of such redemption or put, including, without limitation, by

mail or electronic means; (7) the manner of executing and sealing such obligations, which may be by facsimile or other mechanical process; (8) any documents or agreements pursuant to which such obligations are to be issued or secured, including, without limitation, agreements with banks, fiduciaries, insurers or others for the purpose of enhancing the marketability of or as security for such obligations and for securing any tender option granted to the holders thereof; and (9) such other provisions regarding the terms, conditions, issuance, sale, delivery and security of and for such obligations as the Council may determine necessary or desirable, including, without limitation, whether such obligations shall be sold for cash or other valuable consideration or further specifying the purposes for which such obligations are to be expended (within the limitations set forth or provided for in the applicable ordinance). By resolution the Council may delegate to a specified official or officials the authority to approve any matters or make any determinations contemplated by this subsection (c). A resolution adopted pursuant to this subsection (c) may be introduced and adopted at a single session of the Council and shall become effective immediately upon adoption or upon the date specified in such resolution.

(d) The Council may, at its option, determine or provide for the determination of, or approve or provide for the approval of, any of the matters referenced in subsection (c) above by ordinance instead of by resolution, including, without limitation, delegating to a specified official or officials the authority to approve any matters or make any determinations contemplated by such subsection (c).

(e) In connection with any sale of general obligation bonds, notes or other evidences of indebtedness by the solicitation of competitive bids at public sale, any such competitive bids may be delivered by electronic and/or facsimile means and/or by any other then-commercially reasonable manner for the public sale of municipal obligations by competitive bid. Any notice of sale may be published in full or in summary form in a newspaper of general circulation in the Town and/or publication having circulation primarily among the investment and financial community, including, without limitation, in The Bond Buyer or any successor publication, or any notice of sale, rather than being published in full or summary form, may be made available solely via the internet or by other electronic means (including, without limitation, by being posted or available on a website commonly accessible to bidders for municipal obligations, including, without limitation, as part of a disclosure document) and/or provided or disseminated by any other then-commercially reasonable manner for the sale of municipal obligations. The matters referred to in this subsection (e) shall be determined, approved or provided for by the Council by resolution or ordinance in accordance with the provisions of subsection (c) or subsection (d) above, as applicable. To the extent a determination is made to publish the notice of sale in full or summary form, any such publication need only be made once at least seven (7) days before the initial date fixed for sale.

(f) The power conferred on the Town under this Section shall be deemed to be additional and supplemental to any other general obligation borrowing authority granted to the Town by Maryland, Town or federal law, and

the Town may authorize, issue and secure any such general obligation debt in conformity with this Section and/or any other applicable law.

Section 2. **BE IT HEREBY FURTHER RESOLVED** that the amendment to the Charter proposed by this Charter Amendment Resolution shall be and become effective fifty (50) days after adoption of this Charter Amendment Resolution by the Council unless petitioned to referendum in accordance with Md. Code Ann., Local Gov't. Article §§4-304(d) and 4-307 within 40 days following its adoption. A complete and exact copy of this Charter Amendment Resolution shall be posted in the Town Hall building or other public place for forty (40) days following its adoption by the Council and a fair summary of the Charter amendment shall be published in a newspaper of general circulation in the Town at least four (4) times, at weekly intervals, within the forty (40) days following adoption of this Charter Amendment Resolution.

Section 3. **BE IT HEREBY FURTHER RESOLVED** that promptly after this Charter Amendment Resolution becomes effective, either as herein provided or following referendum, the Mayor of the Town shall send or cause to be sent to the Maryland Department of Legislative Services in accordance with Md. Code Ann., Local Gov't. Article §§4-308 and 4-109, the following information concerning this Charter Amendment Resolution: (i) the complete text of the Charter amendment; (ii) the date of referendum election, if any, held with respect thereto; (iii) the number of votes cast for and against this Charter Amendment Resolution by the Council or in a referendum; and (iv) the effective date of the Charter amendment.

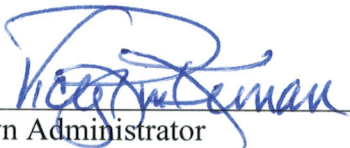
Section 4. **BE IT HEREBY FURTHER RESOLVED** that the Mayor of the Town is hereby authorized and directed to carry out or cause to be carried out the provisions of Sections 2 and 3 of this Charter Amendment Resolution.


Section 5. BE IT HEREBY FURTHER RESOLVED that the title to this Charter Amendment Resolution is deemed a fair summary hereof for publication and all other purposes.

The above Charter amendment was adopted by the foregoing Charter Amendment Resolution, which was passed by a vote of 3 members of the Council voting in the affirmative, 0 members of the Council voting in the negative, and 0 members of the Council abstaining.

THE COUNCIL OF THE TOWN OF PORT DEPOSIT

ATTEST:

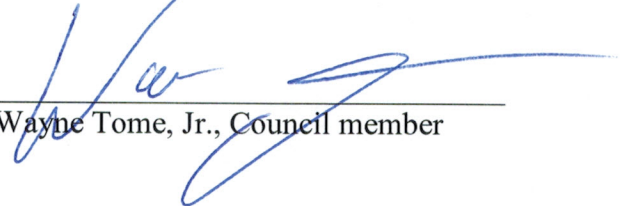

Town Administrator


Bob Kuhs, Mayor


Kevin Brown, Deputy Mayor


Daniel Berlin, Council member

ABSENT
Thomas Knight, Council member


Wayne Tome, Jr., Council member

Date of introduction: August 3, 2021

Date of public hearing: August 3, 2021

Date of adoption: AUGUST 17, 2021

Effective date: OCTOBER 6, 2021 (50th day after Charter Amendment Resolution is adopted)