

Ordinance No. 2463

AN ORDINANCE OF THE COUNCIL (THE "COUNCIL") OF THE CITY OF SALISBURY TO AUTHORIZE AND EMPOWER CITY OF SALISBURY (THE "CITY") TO ISSUE AND SELL FROM TIME TO TIME, UPON ITS FULL FAITH AND CREDIT, GENERAL OBLIGATION BONDS IN ONE OR MORE SERIES IN AN AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED FIVE MILLION SEVEN HUNDRED TWENTY-FOUR THOUSAND EIGHT HUNDRED FIFTY-THREE DOLLARS (\$5,724,853.00), THE PROCEEDS OF THE SALE THEREOF TO BE USED AND APPLIED FOR THE PUBLIC PURPOSE OF FINANCING, REIMBURSING OR REFINANCING COSTS OF THE PUBLIC PURPOSE PROJECTS IDENTIFIED HEREIN AS: (I) MDT UPGRADES/REPLACEMENTS, (II) STATION 16 REAR DRIVEWAY PAVING, (III) RADIO SYSTEM & DISPATCH EQUIPMENT/IMPROVEMENTS, (IV) RIVERSIDE CIRCLE, (V) SERVICE CENTER FACILITY – PHASE 1, (VI) SERVICE CENTER FACILITY – PHASE 2, (VII) URBAN GREENWAY – PHASE 1 – RIVERWALK SECTION, (VIII) URBAN GREENWAY – PHASE 2 – CARROLL STREET SECTION, (IX) BICYCLE MASTER PLAN PATHS INCLUDING 1<sup>ST</sup> HALF OF RAIL TRAIL, (X) MAINTENANCE DUMP TRUCKS, (XI) RECYCLE TRUCKS, (XII) STREET SCAPING: DIVISION, CIRCLE, AND CAMDEN, (XIII) PARKING GARAGE ROOF WATERPROOF MEMBRANE, (XIV) NEW PARKING METERS FOR DOWNTOWN AND (XV) PARKING GARAGE UPGRADED SECURITY CAMERAS; SPECIFYING THE MAXIMUM PRINCIPAL AMOUNT OF THE BONDS OR BOND ANTICIPATION NOTES PROVIDED FOR HEREIN TO BE ALLOCATED TO EACH SUCH PROJECT, SUBJECT TO REALLOCATION BY THE CITY IN ACCORDANCE WITH APPLICABLE BUDGETARY PROCEDURES OR LAW; PROVIDING FOR THE COUNCIL BY RESOLUTION TO DETERMINE, APPROVE OR PROVIDE FOR VARIOUS MATTERS RELATING TO THE AUTHORIZATION, SALE, SECURITY, ISSUANCE, DELIVERY, PAYMENT AND PREPAYMENT OR REDEMPTION OF AND FOR EACH SERIES OF THE BONDS; AUTHORIZING AND EMPOWERING THE COUNCIL TO PROVIDE BY RESOLUTION FOR THE ISSUANCE AND SALE FROM TIME TO TIME OF ONE OR MORE SERIES OF GENERAL OBLIGATION BOND ANTICIPATION NOTES IN AN AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED FIVE MILLION SEVEN HUNDRED TWENTY-FOUR THOUSAND EIGHT HUNDRED FIFTY-THREE DOLLARS (\$5,724,853.00), PRIOR TO AND IN ANTICIPATION OF THE ISSUANCE OF ANY OF THE BONDS AUTHORIZED HEREBY, IN ORDER TO FINANCE OR REIMBURSE PROJECT COSTS ON AN INTERIM BASIS; AUTHORIZING AND EMPOWERING THE COUNCIL TO PROVIDE BY RESOLUTION FOR THE ISSUANCE AND SALE FROM TIME TO TIME OF ONE OR MORE SERIES OF GENERAL OBLIGATION BONDS IN ORDER TO REFUND ANY OF THE BONDS ISSUED PURSUANT TO THE AUTHORITY OF THIS ORDINANCE (INCLUDING PAYING ISSUANCE COSTS AND INTEREST ON SUCH REFUNDING BONDS), PROVIDED THAT, THE AGGREGATE PRINCIPAL AMOUNT OF ANY SUCH SERIES OF REFUNDING BONDS SHALL NOT EXCEED ONE HUNDRED THIRTY PERCENT (130%) OF THE AGGREGATE PRINCIPAL AMOUNT OF THE BONDS

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REFUNDED THEREFROM; PROVIDING FOR THE IMPOSITION OF AD VALOREM TAXES SUFFICIENT FOR, AND PLEDGING THE FULL FAITH AND CREDIT AND UNLIMITED TAXING POWER OF THE CITY TO, THE PAYMENT OF THE PRINCIPAL OF AND INTEREST ON EACH SERIES OF THE BONDS, THE BOND ANTICIPATION NOTES AND THE REFUNDING BONDS AUTHORIZED HEREBY (COLLECTIVELY, THE "OBLIGATIONS"); PROVIDING THAT THE PRINCIPAL OF AND INTEREST ON EACH SERIES OF THE OBLIGATIONS ALSO MAY BE PAID FROM ANY OTHER SOURCES OF REVENUE LAWFULLY AVAILABLE TO THE CITY FOR SUCH PURPOSE; PROVIDING THAT CERTAIN ACTIONS MAY BE TAKEN OR PROVIDED FOR BY RESOLUTION IN CONNECTION WITH THE REISSUANCE OR MODIFICATION OF ANY OF THE OBLIGATIONS; PROVIDING THAT ANY OF THE OBLIGATIONS AUTHORIZED HEREBY MAY BE CONSOLIDATED WITH OTHER OBLIGATIONS OF THE CITY AND ISSUED AS A SINGLE SERIES OF BONDS, BOND ANTICIPATION NOTES AND/OR REFUNDING BONDS; AUTHORIZING AND DIRECTING OFFICIALS AND EMPLOYEES OF THE CITY TO TAKE CERTAIN ACTIONS IN CONNECTION WITH THE OBLIGATIONS; PROVIDING THAT THIS TITLE SHALL BE DEEMED A STATEMENT OF THE SUBSTANCE OF THIS ORDINANCE FOR ALL PURPOSES; AND OTHERWISE GENERALLY RELATING TO THE ISSUANCE, SALE, DELIVERY AND PAYMENT OF THE OBLIGATIONS.

RECITALS

WHEREAS, City of Salisbury, a municipal corporation of the State of Maryland and a municipality within the meaning of the Enabling Act, the Bond Anticipation Note Act and the Refunding Act identified below (the "City"), is authorized and empowered by Sections 19-301 through 19-309 of the Local Government Article of the Annotated Code of Maryland (previously codified as Sections 31 through 37 of Article 23A of the Annotated Code of Maryland), as replaced, supplemented or amended (the "Enabling Act"), and Sections SC7-45 and SC7-46 of the Charter of the City of Salisbury, as replaced, supplemented or amended (the "Charter"), to borrow money for any proper public purpose and to evidence such borrowing by the issuance and sale of its general obligation bonds; and

WHEREAS, the City has determined to undertake the public purpose projects identified in Section 3 of this Ordinance; and

WHEREAS, the City has determined to authorize the issuance from time to time of one or more series of its general obligation bonds in order to finance, reimburse or refinance all or a portion of the costs of any of the public purpose projects identified in Section 3 of this Ordinance; and

WHEREAS, prior to issuing one or more series of the bonds authorized hereby, the City may need to obtain interim financing in order to finance or reimburse applicable project costs on a timely basis through the issuance from time to time of general obligation bond anticipation notes in

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one or more series pursuant to the authority of Sections 19-211 through 19-223 of the Local Government Article of the Annotated Code of Maryland (previously codified as Section 12 of Article 31 of the Annotated Code of Maryland), as replaced, supplemented or amended (the “Bond Anticipation Note Act”); and

WHEREAS, subsequent to the issuance of any bonds provided for herein, the City may desire to currently refund or advance refund all or a portion of such bonds through the issuance from time to time of one or more series of its general obligation refunding bonds pursuant to the authority of Section 19-207 of the Local Government Article of the Annotated Code of Maryland (previously codified as Section 24 of Article 31 of the Annotated Code of Maryland), as replaced, supplemented or amended (the “Refunding Act”); and

WHEREAS, the City has determined to pledge its full faith and credit and unlimited taxing power to the prompt payment of debt service on any general obligation bonds, bond anticipation notes or refunding bonds authorized hereby; and

WHEREAS, the City shall issue any bonds, bond anticipation notes or refunding bonds authorized hereby in accordance with the terms and conditions provided for in a resolution or resolutions to be adopted by the Council of the City (the “Council”) pursuant to the authority of the Enabling Act, the Bond Anticipation Note Act, the Refunding Act, the Charter and this Ordinance, as applicable.

SECTION 1. NOW, THEREFORE BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF SALISBURY, MARYLAND that:

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

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

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(c) References in this Ordinance to the “principal amount” of any of the Bonds, the BANs, the Refunding Bonds or the Obligations (each as defined herein) shall be construed to mean the par amount of such Bonds, BANs, Refunding Bonds or Obligations, as applicable.

SECTION 2. BE IT FURTHER ORDAINED that pursuant to the authority of the Enabling Act, the Charter and any other applicable law, the City hereby determines to borrow money and incur indebtedness from time to time for the public purpose of financing, reimbursing or refinancing costs of any of the Projects identified in Section 3(b) hereof.

SECTION 3. BE IT FURTHER ORDAINED that:

(a) To evidence the borrowing and indebtedness authorized in Section 2 of this Ordinance, the City, acting pursuant to the authority of the Enabling Act, the Charter and any other applicable law, hereby determines to authorize the issuance and sale from time to time, in one or more series, upon its full faith and credit, of its general obligation bonds in an aggregate principal amount not to exceed Five Million Seven Hundred Twenty-four Thousand Eight Hundred Fifty-three Dollars (\$5,724,853.00) (collectively, the “Bonds”). Any series of the Bonds may be issued as one or more bonds and any such bond may be issued in installment form and/or draw-down form.

(b) With respect to the projects listed below, the word “costs” as used in Section 2 hereof shall include, as applicable, land and right-of-way acquisition and development; acquisition of other property rights; site and utility improvements, including, without limitation, grading, landscaping, paving, sidewalk, curb, gutter, storm drain, water and sewer improvements, and related or similar activities and expenses; demolition, razing and removal; acquisition, construction, expansion, reconstruction, replacement, renovation, rehabilitation, improvement, installation, furnishing and equipping activities and expenses, and related or similar activities and expenses; planning, design, engineering, architectural, feasibility, surveying, bidding, permitting, inspection, construction management, financial, administrative and legal expenses, and related or similar activities and expenses; costs of issuance (which may include costs of bond insurance or other credit or liquidity enhancement); interest during construction and for a reasonable period thereafter (whether or not expressly so stated); and any such costs that may represent the City’s share or contribution to the financing, reimbursement or refinancing of any such project (collectively, “Costs of the Projects”). The total Bond (or BANs, as identified in Section 6 hereof) funds to be appropriated or applied to the Costs of the Projects (exclusive of any premium realized upon sale or investment earnings that may be applied for such purposes) shall be allocated among the following public purpose projects in the maximum principal amount set forth opposite each, except as otherwise herein provided:

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	<u>Project Name</u>	<u>Maximum Principal Amount</u>
1.	MDT Upgrades/Replacements	\$150,000
2.	Station 16 Rear Driveway Paving	40,000
3.	Radio System & Dispatch Equipment/Improvements	898,253
4.	Riverside Circle	1,326,000
5.	Service Center Facility – Phase 1	550,000
6.	Service Center Facility – Phase 2	200,000
7.	Urban Greenway – Phase 1 – Riverwalk Section	307,200
8.	Urban Greenway – Phase 2 – Carroll Street Section	100,000
9.	Bicycle Master Plan Paths Including 1 <sup>st</sup> Half of Rail Trail	761,500
10.	Maintenance Dump Trucks	160,000
11.	Recycle Trucks	150,000
12.	Street Scaping: Division, Circle, and Camden	750,000
13.	Parking Garage Roof Waterproof Membrane	97,500
14.	New Parking Meters for Downtown	179,400
15.	Parking Garage Upgraded Security Cameras	55,000
	TOTAL	<u>\$5,724,853</u>

The projects identified in items 1-15 above are collectively referred to herein as the “Projects”. The Projects described in items 1-15 above are identified by approximately the same names as such Projects are identified in City budget materials. The City, without notice to or the consent of any registered owners of the Bonds (or the registered owners of any of the BANs, as applicable), may reallocate the maximum principal amount of the Bonds (and of any of the BANs, as applicable) to be spent among any of the Projects in compliance with applicable budgetary procedures or applicable law, including, to the extent applicable, by resolution. Further, it is the intention of the Council that proceeds of the Bonds (or of any of the BANs, as applicable) may be spent on any applicable Costs of the Projects, notwithstanding the descriptive names used for such Projects in the table above, including, without limitation, changes in scopes of the Projects identified above effected through applicable budgetary procedures or applicable law.

(c) In the event the City issues any series of the BANs pursuant to Section 6 of this Ordinance, proceeds of the Bonds of any series in anticipation of which such BANs were issued may also be applied to prepay or pay principal, premium and/or interest on such series of the BANs in accordance with the Bond Anticipation Note Act, and such application shall be deemed the payment of Costs of the Projects for purposes of this Ordinance.

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SECTION 4. BE IT FURTHER ORDAINED that the proceeds of the Bonds shall be used and applied by the City exclusively and solely for the public purposes described in Section 3 of this Ordinance, unless a supplemental ordinance is enacted by the Council to provide for the use and application of such proceeds for some other proper public purpose authorized by the Enabling Act, the Charter or other applicable law; provided that, no such supplemental ordinance shall be required if changes in the scope of or name of any Projects are otherwise made as contemplated in Section 3(b) of this Ordinance.

SECTION 5. BE IT FURTHER ORDAINED that pursuant to the authority of the Enabling Act, the Charter, this Ordinance and any other applicable law, the Council, prior to the issuance, sale and delivery of each series of the Bonds, shall adopt a resolution or resolutions (in each such case and, collectively, the “Resolution”) specifying, prescribing, determining, providing for or approving such matters, details, forms (including, without limitation, the complete forms of the Bonds of such series), documents or procedures as may be required by the Enabling Act, the Charter or this Ordinance or as the Council may deem appropriate for the authorization, sale, security, issuance, delivery, payment, prepayment or redemption of or for such series of the Bonds, subject to the limitations of any applicable law. The Resolution shall set forth, determine or provide for the determination of, provide for, or approve or provide for the approval of, among other matters, as applicable, the designation of such series of the Bonds; the date of issue of such series of the Bonds; the aggregate principal amount of such series of the Bonds; the denominations of such series of the Bonds; the maturity or maturities of such series of the Bonds, or the method of determining such maturity or maturities; the principal installment or installments (including, without limitation, serial maturities and/or mandatory sinking fund installments) payable on such series of the Bonds or the method of determining such principal installments; the rate or rates of interest, or the method of determining the rate or rates of interest, payable on such series of the Bonds, which may be fixed or variable; provisions for the payment of late fees, additional interest and/or penalties payable with respect to such series of the Bonds and/or adjustments to interest rates in appropriate circumstances; the purchase price for such series of the Bonds (which may be at, above or below par value) or the method of determining the purchase price; provisions relating to the prepayment or redemption of such series of the Bonds at the City’s option or by mandatory sinking fund payments; provisions allowing the registered owners of such series of the Bonds to put or cause the prepayment or redemption of the same at their option; the manner of selling such series of the Bonds, which may be by private (negotiated) sale without advertisement or solicitation of competitive bids or at public sale after publication or dissemination of the notice of sale, and all matters in connection therewith, including any forms of documents, certificates, instruments or notices authorized or required by applicable law; any limitations on the Costs of the Projects on which the proceeds of such series of the Bonds may be expended and provisions for the appropriation, disposal and investment of such proceeds; provisions for the application of unexpended proceeds, any premium paid upon sale and/or investment earnings on proceeds of such series of the Bonds, which may include, without limitation, on Costs of the Projects or on debt service payable on such series of the Bonds, to the extent permitted by applicable law; the selection of any bond registrar, paying agent, investment bidding agent or other appropriate service providers in connection with such series of the Bonds;

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certifications, representations, determinations, designations or elections relating to the tax-exempt or taxable status of interest payable on such series of the Bonds; and all other terms and conditions pursuant to which such series of the Bonds will be issued, sold and delivered, including, without limitation, any other determinations to be made by resolution as required by Charter Section SC7-46.A. Among other matters, the Council, pursuant to the Resolution, may authorize, approve or otherwise provide for (i) payment of any commitment fee or similar fee and any other costs (including other parties' legal costs) payable in connection with any series of the Bonds, (ii) the obtaining of credit enhancement or liquidity enhancement for any series of the Bonds (and the execution and delivery of any agreements or documents relating thereto), and (iii) any other agreements, documents, instruments or determinations necessary to enhance the marketability of or as security for any series of the Bonds, including (without limitation) any ratings, any official statement or similar disclosure document or any continuing disclosure undertaking required to satisfy the requirements of Securities and Exchange Commission Rule 15c2-12. References in this Section 5 to providing for determinations pursuant to the Resolution shall be construed to permit the Council to delegate to one or more officials the authority to make or provide on behalf of the City any of the determinations contemplated by this Section 5. Any Resolution may specify, prescribe, determine or provide for the determination of, provide for, or approve or provide for the approval of, the matters identified in this Section 5 for more than one series of the Bonds.

SECTION 6. BE IT FURTHER ORDAINED that:

(a) Pursuant to the authority of the Bond Anticipation Note Act, the Charter and any other applicable law, the City is hereby authorized and empowered to issue and sell, upon its full faith and credit, its general obligation bond anticipation notes in one or more series from time to time in an aggregate principal amount not to exceed Five Million Seven Hundred Twenty-four Thousand Eight Hundred Fifty-three Dollars (\$5,724,853.00) (collectively, the "BANs"), prior to and in anticipation of the sale of any series of the Bonds, for the public purpose of financing or reimbursing Costs of the Projects on an interim basis. Any such series of the BANs may consist of one or more notes and any note may be issued in installment form and/or draw-down form. Prior to the issuance, sale and delivery of each series of the BANs, the Council shall adopt a resolution or resolutions pursuant to the authority of the Bond Anticipation Note Act, the Charter, any other applicable law and this Ordinance authorizing such series of the BANs and specifying, prescribing, determining or providing for the determination of, providing for, or approving or providing for the approval of, with respect to such series of the BANs, the same types of matters, details, forms, documents, procedures or determinations detailed in Section 5 hereof that may be made or addressed with respect to any series of the Bonds, to the extent applicable with respect to such series of the BANs, and as otherwise may be authorized or required by applicable law. By resolution the Council may delegate to one or more City officials the authority to make any such determinations with respect to any series of the BANs. Any resolution may specify, prescribe, determine or provide for the determination of, provide for, or approve or provide for the approval of, the details required or authorized by this Section 6 for more than one series of the BANs.

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(b) The City hereby covenants (i) to pay from the proceeds of one or more series of the Bonds (A) the principal of any series of the BANs actually issued, and/or (B) interest on any series of the BANs to the extent not paid from proceeds of such series of the BANs, and (ii) to issue the applicable series of the Bonds as soon as there is no longer a reason for deferring its issuance. This covenant shall not be construed to prevent the City from paying principal of and/or interest on any series of the BANs from sources of funds other than proceeds of the Bonds, to the extent such other proceeds are available for such purpose.

(c) As authorized by the Bond Anticipation Note Act, by resolution the Council may provide for the renewal of any series of the BANs at maturity with or without resale, together with any amendments or modifications to such series of the BANs and any related documentation.

SECTION 7. BE IT FURTHER ORDAINED that pursuant to the authority of the Enabling Act, the Refunding Act, the Charter and any other applicable law, the City is hereby authorized and empowered to issue and sell, upon its full faith and credit, its general obligation refunding bonds in one or more series from time to time (collectively, the “Refunding Bonds”), for the purpose of currently refunding or advance refunding in whole or in part any of the Bonds then outstanding, including paying all or any portion of the following: outstanding principal, prepayment or redemption premium, and/or interest accrued or to accrue to the date or dates of prepayment, redemption, purchase or maturity of the Bonds to be refunded, paying costs and expenses in connection with the issuance, sale and delivery of such series of the Refunding Bonds, and, to the extent determined by the Council by resolution, paying interest on such series of the Refunding Bonds, for the public purpose of (A) realizing savings to the City in the total cost of debt service on a direct comparison or present value basis, or (B) debt restructuring that reduces the total cost of debt service or is determined by the Council to be in the best interests of the City, to be consistent with the City’s long-term financial plan, and to realize a financial objective of the City, including improving the relationship of debt service to any source of payment such as taxes, assessments or other charges, or for any other purpose then authorized by the Refunding Act or other applicable law; provided that, the aggregate principal amount of any series of the Refunding Bonds shall not exceed one hundred thirty percent (130%) of the aggregate principal amount of the Bonds refunded therefrom. Any such series of the Refunding Bonds may consist of one or more bonds and any bond may be issued in installment form and/or draw-down form. Prior to the sale, issuance and delivery of each series of the Refunding Bonds, the Council shall adopt a resolution or resolutions authorizing such series of the Refunding Bonds and specifying, describing, determining or providing for the determination of, providing for, or approving or providing for the approval of, with respect to such series of the Refunding Bonds, the same types of matters, details, forms, documents, procedures and determinations detailed in Section 5 hereof that may be made or addressed with respect to any series of the Bonds, to the extent applicable to such series of the Refunding Bonds, and as otherwise may be authorized or required by applicable law, including, without limitation, the purposes of the Refunding Act to be achieved

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by the issuance of such series of the Refunding Bonds, the selection of any escrow agent or verification consultant, the selection of any escrow bidding agent, the determination of the Bonds to be refunded in whole or in part from such series of the Refunding Bonds, and any agreements, documents or other instruments necessary or desirable in connection with the refunding. By resolution the Council may delegate to one or more City officials the authority to make any such determinations with respect to any series of the Refunding Bonds. Any resolution may specify, prescribe, determine or provide for the determination of, provide for, or approve or provide for the approval of, the details required or authorized by this Section 7 for more than one series of the Refunding Bonds.

SECTION 8. BE IT FURTHER ORDAINED that:

(a) The full faith and credit and unlimited taxing power of the City are hereby pledged to the payment of the principal of and interest on each series of the Bonds, the BANs or the Refunding Bonds, as applicable (collectively, the “Obligations”), when due and to the imposition of the taxes hereinbelow described as and when such taxes may become necessary in order to provide sufficient funds to meet the debt service requirements of each series of the Obligations. Subject to the further provisions of this Section 8, the City hereby covenants with the registered owners of the Obligations of each series to impose ad valorem taxes on all real and tangible personal property in the City that is subject to assessment for unlimited municipal taxation at a rate and in an amount sufficient to pay the principal of and the interest on the Obligations in each fiscal year in which any of the Obligations are outstanding and to take any further action that may be lawfully appropriate from time to time during the period that the Obligations of such series remain outstanding and unpaid to provide the funds necessary to pay promptly the principal thereof and the interest due thereon. If the proceeds from the taxes so imposed in any such fiscal year are inadequate for such payment, additional taxes shall be imposed in the succeeding fiscal year to make up such deficiency.

(b) The foregoing provisions shall not be construed so as to prohibit the City from paying the principal of and interest on the Obligations of any series from the proceeds of the sale of any other obligations of the City or from any other funds legally available for that purpose (including, without limitation, with respect to any BANs, from the proceeds of any Bonds and, with respect to any Bonds, from the proceeds of any Refunding Bonds). Within the limitations of any applicable Maryland or federal law (including, without limitation, the Internal Revenue Code of 1986, as amended, and the regulations issued thereunder), the City may apply to the payment of the principal of or interest on the Obligations of any series any funds received by it from the State of Maryland or the United States of America, or any governmental agency or instrumentality, or from any other source, if the funds are granted or paid to the City for the purpose of assisting the City in accomplishing the components of Costs of the Projects which the Obligations of such series are issued to finance, reimburse or refinance or are otherwise available for such purpose, and to the extent of any such funds received or receivable in any fiscal year, the taxes hereby required to be imposed may be reduced proportionately. Pursuant to the

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authority of Section SC7-46.A. of the Charter, by resolution the Council may provide that all or a portion of the debt service on the allocable portion of any series of the Obligations shall be payable in the first instance from specified revenues or other moneys identified in such resolution, to the extent available for such purpose.

SECTION 9. BE IT FURTHER ORDAINED that by resolution, the Council may make any appropriate arrangements (including, without limitation, by authorizing one or more appropriate officials to make any elections, designations, determinations or filings on the City's behalf) in the event any right of the registered owner of an Obligation to put or cause the prepayment or redemption of such Obligation at its option, or any change in the interest rate of an Obligation, or any other modification to an Obligation could lead to a reissuance of such Obligation for purposes of the Internal Revenue Code of 1986, as amended, and the U.S. Treasury Regulations promulgated thereunder.

SECTION 10. BE IT FURTHER ORDAINED that by resolution, the Council may determine that any of the Bonds, the BANs or the Refunding Bonds may be consolidated with any bonds, bond anticipation notes and/or refunding bonds authorized by the Council and issued as a single series of bonds, bond anticipation notes and/or refunding bonds, as applicable.

SECTION 11. BE IT FURTHER ORDAINED that by resolution the Council may make or authorize any modifications to (i) any series of the Obligations once issued, and (ii) any related documentation, certificates or instruments, unless under applicable law the proposed modifications require action by ordinance in addition to or in place of a resolution.

SECTION 12. BE IT FURTHER ORDAINED that the following City officials: the Mayor, the City Administrator, the Director of Internal Services, the City Clerk and all other appropriate officials and employees of the City are hereby authorized and empowered to (i) take any and all action necessary to complete and close the sale, issuance and delivery of the Bonds, the BANs and the Refunding Bonds authorized hereby, (ii) negotiate, approve, execute and deliver all documents, certificates and instruments necessary or appropriate in connection with any such sale, issuance and delivery, and (iii) carry out the transactions contemplated by this Ordinance and any resolution adopted in furtherance of this Ordinance.

SECTION 13. BE IT FURTHER ORDAINED that the title of this Ordinance shall be deemed to be, and is, a statement of the substance of this Ordinance for publication and all other purposes.

SECTION 14. BE IT FURTHER ORDAINED that the provisions of this Ordinance shall be liberally construed in order to effectuate the transactions contemplated by this Ordinance.

SECTION 15. BE IT FURTHER ORDAINED that this Ordinance shall become effective following approval by the Mayor or subsequent passage by the Council in accordance with the

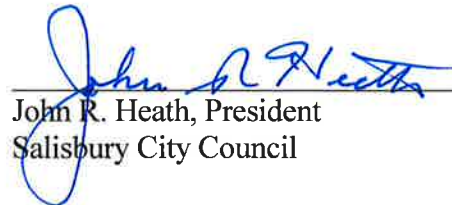
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provisions of Section SC2-12 of the Charter. Pursuant to Section SC2-16 of the Charter, this Ordinance shall not be subject to petition for referendum.

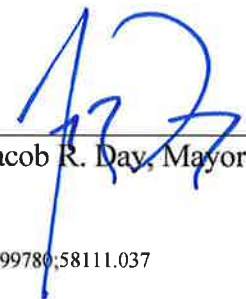
THIS ORDINANCE was introduced and read at a meeting of the Council of the City of Salisbury held on the 23<sup>rd</sup> day of October, 2017, and thereafter, a statement of the substance of this Ordinance having been posted or published as required by law, was finally passed by the Council ✓ [as introduced] \_\_\_\_\_ [as amended] [CHECK APPLICABLE LINE] on the 13<sup>th</sup> day of November, 2017.

ATTEST:

  
\_\_\_\_\_  
Kimberly R. Nichols, City Clerk

  
\_\_\_\_\_  
John R. Heath, President  
Salisbury City Council

APPROVED BY ME THIS 15 DAY OF NOVEMBER, 2017:

  
\_\_\_\_\_  
Jacob R. Day, Mayor

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