

RESOLUTION NO. 3484

A RESOLUTION OF THE COUNCIL (THE “COUNCIL”) OF THE CITY OF SALISBURY AMENDING AND SUPPLEMENTING RESOLUTION NO. 2569, ADOPTED BY THE COUNCIL ON NOVEMBER 23, 2015, APPROVED BY THE MAYOR ON NOVEMBER 23, 2015 AND EFFECTIVE ON NOVEMBER 23, 2015 (“RESOLUTION NO. 2569”), AS AMENDED AND SUPPLEMENTED TO DATE, IN ORDER TO (1) AUTHORIZE AND EMPOWER CITY OF SALISBURY (THE “CITY”) TO USE AND APPLY CERTAIN INVESTMENT EARNINGS ON THE \$4,726,200 CITY OF SALISBURY PUBLIC IMPROVEMENTS BOND OF 2015 ISSUED ON DECEMBER 1, 2015 (THE “2015 BOND”), TO A PROJECT IDENTIFIED HEREIN AS “ZOO FACILITY IMPROVEMENTS” IN ADDITION TO THE PRIOR AUTHORIZED PROJECTS IDENTIFIED HEREIN, AND (2) IDENTIFY SUCH ADDITIONAL PROJECT AS A “PROJECT” FOR ALL PURPOSES OF RESOLUTION NO. 2569, AS AMENDED AND SUPPLEMENTED; AUTHORIZING AND EMPOWERING CITY OFFICIALS AND EMPLOYEES TO TAKE CERTAIN ACTIONS WITH RESPECT TO THE 2015 BOND; PROVIDING THAT THE PROVISIONS OF THIS RESOLUTION SHALL BE LIBERALLY CONSTRUED; AND OTHERWISE GENERALLY RELATING TO THE USE OF PROCEEDS OF THE 2015 BOND.

RECITALS

WHEREAS, City of Salisbury, a municipal corporation of the State of Maryland (the “City”), was authorized and empowered by Sections 19-301 to 19-309, inclusive, of the Local Government Article 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, pursuant to the authority of the Enabling Act, Sections SC7-45 and SC7-46 of the Charter, and Ordinance No. 2357, passed by the Council of the City (the “Council”) on October 12, 2015, approved by the Mayor of the City (the “Mayor”) on October 14, 2015 and effective on October 14, 2015 (“Ordinance No. 2357”), the City authorized general obligation bonds to be issued from time to time in one or more series in an aggregate principal amount not to exceed Four Million Seven Hundred Twenty-Six Thousand Two Hundred Dollars (\$4,726,200.00) (the “Authorized Bonds”) in order to finance, reimburse or refinance “costs” (as defined in Section 3(b) of Ordinance No. 2357) of the projects identified in Section 3(b) of Ordinance No. 2357 as (i) “Main Street Master Plan,” (ii) “East Main St Storm Drain,” (iii) “Beaverdam Creek Tidal Dam Repair,” and (iv) “24” W in Gordy Rd” (herein collectively referred to as the “Original Authorized Projects” and referred to as the “Projects” in Ordinance No. 2357) in the maximum principal amounts set forth opposite each such Original Authorized Project in such Section 3(b); and

Underlining : Indicates material added by amendment after introduction
~~Strike-through~~ : Indicates material deleted by amendment after introduction

WHEREAS, pursuant to the authority of the Enabling Act, Sections SC7-45 and SC7-46 of the Charter, Ordinance No. 2357 and Resolution No. 2569, adopted by the Council on November 23, 2015, approved by the Mayor on November 23, 2015 and effective on November 23, 2015 (“Resolution No. 2569”), the City determined to borrow money for the public purpose of financing or reimbursing “costs” (as defined in Section 2(b) of Resolution No. 2569, which definition mirrors the definition of “costs” set forth in Section 3(b) of Ordinance No. 2357) of the projects specified in Section 2(a) of Resolution No. 2569 (which included all of the Original Authorized Projects), and to evidence this borrowing by the issuance and sale of a single series of the Authorized Bonds in the form of a single general obligation bond in the maximum principal amount of Four Million Seven Hundred Twenty-Six Thousand Two Hundred Dollars (\$4,726,200.00); and

WHEREAS, pursuant to Resolution No. 2569, such Authorized Bond was issued in the original principal amount of \$4,726,200.00 and was designated as the “City of Salisbury Public Improvements Bond of 2015” (the “2015 Bond”); and

WHEREAS, pursuant to the authority of the Enabling Act, Sections SC7-45 and SC7-46 of the Charter, Ordinance No. 2357 and Resolution No. 2569, the City issued and delivered the 2015 Bond to Bank of America, N.A. on December 1, 2015; and

WHEREAS, Section 2 of Resolution No. 2569 provides that proceeds of the 2015 Bond (which is referred to as the “Bond” in Resolution No. 2569) shall be appropriated and allocated to the specified Original Authorized Projects listed therein in the maximum principal amounts specified therein (the “Original Projects”), subject to the further provisions of such Section 2 (which Original Projects are referred to as the “Projects” in Resolution No. 2569); and

WHEREAS, pursuant to Ordinance No. 2411, passed by the Council on January 23, 2017, approved by the Mayor on January 24, 2017 and effective on January 24, 2017 (“Ordinance No. 2411”), the City reallocated an aggregate of \$548,117.00 (rounded to the nearest whole dollar) of the original principal amount of the Authorized Bonds originally allocated to the Original Authorized Project identified as “Beaverdam Creek Tidal Dam Repair” to costs of the Original Authorized Project identified as “Main Street Master Plan;” and

WHEREAS, pursuant to (i) Ordinance No. 2648, passed by the Council on January 25, 2021, approved by the Mayor on January 27, 2021 and effective on January 27, 2021 (“Ordinance No. 2648”), the City amended and supplemented Ordinance No. 2357, as amended and supplemented by Ordinance No. 2411, and (ii) Resolution No. 3086, adopted by the Council on January 25, 2021, approved by the Mayor on January 27, 2021 and effective on January 27, 2021 (“Resolution No. 3086”), the City amended and supplemented Resolution No. 2569, in order to allocate \$203,500.00 of investment earnings on the 2015 Bond to two new projects identified as “GOB Roof and Air Handler Replacement” and “WWTP HVAC” (collectively, the “2021 Additional Projects”), resulting in an aggregate reallocation of the principal amount of the 2015 Bond, plus certain investment earnings thereon, as follows:

	<u>Project Name</u>	<u>Maximum Principal Amount</u>
1.	Main Street Master Plan	\$2,788,117
2.	East Main St Storm Drain	350,200
3.	Beaverdam Creek Tidal Dam Repair	587,883
4.	24" W in Gordy Rd	1,000,000
5.	GOB Roof and Air Handler Replacement	0(1)
6.	WWTP HVAC	0(2)
	TOTAL	<u>\$4,726,200</u>

(1) As provided in Ordinance No. 2648, the City allocated \$113,500.00 of investment earnings on the Authorized Bonds to pay costs (as redefined in Ordinance No. 2648 and Resolution No. 3086) of this project.

(2) As provided in Ordinance No. 2648, the City allocated \$90,000.00 of investment earnings on the Authorized Bonds to pay costs of this project; and

WHEREAS, the 2015 Bond matured on July 1, 2025 and is no longer outstanding, but certain investment earnings on the 2015 Bond remain unexpended; and

WHEREAS, the City wishes to allocate \$3,036.00 of investment earnings on the 2015 Bond to a project not included in Ordinance No. 2357, as amended and supplemented to date, and Resolution No. 2569, as amended and supplemented to date, that is generally referred to as "Zoo Facility Improvements" or by similar names (the "2026 Additional Project"); and

WHEREAS, the City also wishes to reallocate to the 2026 Additional Project \$15,000.00 of the investment earnings on the 2015 Bond originally allocated to the 2021 Additional Project identified as "GOB Roof and Air Handler Replacement" pursuant to Ordinance No. 2648; and

WHEREAS, prior to the introduction of this Resolution, the Council passed Ordinance No. 3019 expanding the list of the Original Authorized Projects set forth in Ordinance No. 2357, as amended and supplemented to date, to include the 2026 Additional Project and amending Ordinance No. 2357, as amended and supplemented to date, to allow certain investment earnings on the Authorized Bonds (meaning the 2015 Bond) to be applied to costs of the 2026 Additional Project (the "Companion Ordinance"); and

WHEREAS, accordingly, the City desires to expand the list of the Original Projects as set forth in Resolution No. 2569, as amended and supplemented to date, in order to allow certain investment earnings on the 2015 Bond to be applied to costs of the 2026 Additional Project and to identify such 2026 Additional Project as part of the "Projects" for all purposes of Resolution No. 2569, as amended and supplemented; and

WHEREAS, the Original Projects, together with the 2021 Additional Projects, are referred to in this Resolution as the “Prior Authorized Projects.”

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

(a) The Recitals hereto constitute an integral part of this Resolution and are incorporated herein by reference. Capitalized terms used in the Recitals to 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 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.

(c) References in Resolution No. 2569 to the Director of Internal Services shall be construed to refer to the official of the City now known as the Director of Finance (the “Director of Finance”).

(d) References in this Resolution to “principal amount” shall be construed to mean par amount. References in this Resolution to “investment earnings” shall be construed to include interest income. References in this Resolution to “proceeds” of the 2015 Bond shall be construed to mean principal amount plus investment earnings, unless the context requires otherwise.

(e) References in this Resolution to the application or use of proceeds of the 2015 Bond to fund costs of the 2026 Revised Projects (as defined in Section 2(d) hereof) shall be construed to mean for purposes of the Enabling Act, Sections SC7-45 and SC7-46 of the Charter, Ordinance No. 2357 and Resolution No. 2569, as the same may be amended, modified or supplemented (including as provided for herein), use of such proceeds to finance or reimburse costs of the 2026 Revised Projects.

SECTION 2. AND BE IT FURTHER RESOLVED that:

(a) Pursuant to the authority of the Enabling Act, Sections SC7-45 and SC7-46 of the Charter, Ordinance No. 2357 and Resolution No. 2569, subsection (a) of Section 2 of Resolution No. 2569, as amended and supplemented to date, is hereby deleted in its entirety and inserted in place thereof shall be the following:

“(a) Pursuant to the authority of the Enabling Act, the Charter and the Ordinance, and subject to the provisions of Section 3 hereof, the City hereby determines to borrow money and incur indebtedness for the public purpose of financing or reimbursing costs (as defined in subsection (b) below) of the following public purpose projects in the maximum principal amount set forth opposite each such project (exclusive of any investment earnings that may be applied for such purposes):

	<u>Project Name</u>	<u>Maximum Principal Amount</u>
1.	Main Street Master Plan	\$2,788,117
2.	East Main St Storm Drain	350,200
3.	Beaverdam Creek Tidal Dam Repair	587,883
4.	24” W in Gordy Rd	1,000,000
5.	GOB Roof and Air Handler Replacement	0(1)
6.	WWTP HVAC	0(1)
7.	Zoo Facility Improvements	0(2)
TOTAL		<u>\$4,726,200</u>

(1) The City also previously allocated certain investment earnings on the Bond to this project.

(2) The City intends to allocate and reallocate certain investment earnings on the Bond to this project.

The projects and costs of issuance identified in items 1-7 above are collectively referred to herein as the “Projects”.”

(b) As provided in the Companion Ordinance, the City has appropriated \$3,036.00 of investment earnings on the 2015 Bond to pay costs of the 2026 Additional Project.

(c) By undertaking the amendments to Resolution No. 2569 (as amended and supplemented to date) provided for in this Section 2, the City is in effect (i) reflecting certain reallocations of the application of the principal amount of the 2015 Bond and certain allocations of investment earnings on the 2015 Bond to the costs of the Prior Authorized Projects made prior to the introduction of this Resolution; (ii) adding the 2026 Additional Project identified as item 7 in the table set forth in subsection (a) above (which amends Section 2(a) of Resolution No. 2569, as amended and supplemented to date) to the list of the Projects (as defined therein) the costs of which may be financed or reimbursed from the principal amount of the 2015 Bond and investment earnings thereon; (iii) recognizing the appropriation of \$3,036.00 of investment earnings on the 2015 Bond to pay costs of the 2026 Additional Project; and (iv) reallocating \$15,000.00 of investment earnings on the 2015 Bond previously allocated to the 2021 Additional Project identified in the table in subsection (a) above

as “GOB Roof and Air Handler Replacement” to be applied to costs of the 2026 Additional Project. By undertaking such amendments to Resolution No. 2569 (as amended and supplemented to date), the City will also be able to allocate or reallocate principal of and any other investment earnings on the proceeds of the 2015 Bond to costs of such 2026 Additional Project, in addition to allocating or reallocating such principal of and investment earnings on costs of the 2026 Revised Projects, in accordance with applicable City budgetary procedures or applicable law.

(d) The Projects identified in items 1-7 in the table set forth in subsection (a) above (which amends Section 2(a) of Resolution No. 2569, as amended and supplemented to date) are collectively referred to herein as the “2026 Revised Projects.” Subject to the provisions of subsection (e) below and Section 6 of this Resolution, from and after the effective date of this Resolution, all references to the Projects in Resolution No. 2569, as amended and supplemented to date, shall be deemed to be references to the 2026 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 Resolution No. 2569, as amended and supplemented to date, with respect to the application of proceeds of the 2015 Bond.

(e) Notwithstanding the foregoing provisions of this Section 2, proceeds of the 2015 Bond may not be applied to costs of the 2026 Additional Project, nor will the amendments to Resolution No. 2569, as amended and supplemented to date, provided for in this Section 2 be applicable, until (i) the Companion Ordinance becomes effective in accordance with applicable law and (ii) this Resolution becomes effective in accordance with applicable law.

(f) As provided in the Companion Ordinance, subject to the provisions of subsection (e) above and Section 6 of this Resolution, it is the intention of the Council that any investment earnings earned on the principal amount of the 2015 Bond (i) prior to the effective date of this Resolution, to the extent not already spent in accordance with the provisions of the Ordinance No. 2357 (as amended and supplemented to date), Resolution No. 2569 (as amended and supplemented to date) or applicable budgetary procedures or applicable law and (ii) on and after the effective date of this Resolution, shall be applied to costs of any of the 2026 Revised Projects; provided that, any such investment earnings may be allocated otherwise in accordance with applicable budgetary procedures or applicable law, including, to the extent applicable, by resolution.

SECTION 3. **AND BE IT FURTHER RESOLVED** that, subject to the provisions of Section 2(e) and Section 6 of this Resolution, the following officials of the City: the Mayor, the City Administrator, the Director of Finance, the City Clerk and all other appropriate officials and employees of the City, as applicable, are hereby authorized and empowered to take any and all action necessary to provide for application of the proceeds of the 2015 Bond to finance or reimburse the costs of the 2026 Revised Projects and to approve, execute and deliver all documents, certificates and instruments necessary or appropriate in connection therewith or in connection with the transactions contemplated by this Resolution. In particular, any one or more of the Mayor, the City Administrator and the Director of Finance may approve, execute and deliver a certificate supplementing the Tax and Section 148 Certificate executed and delivered in connection with the issuance of the 2015 Bond, as amended and supplemented to date.

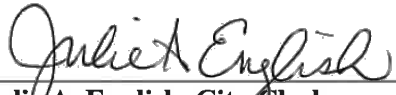
SECTION 4. AND BE IT FURTHER RESOLVED that from and after the effective date of this Resolution, Resolution No. 2569 (as amended and supplemented to date) shall be deemed amended and supplemented as provided herein and all other terms and provisions of Resolution No. 2569 (as amended and supplemented to date) shall remain in full force and effect.

SECTION 5. AND BE IT FURTHER RESOLVED that the provisions of this Resolution shall be liberally construed in order to effectuate the transactions contemplated by this Resolution.

SECTION 6. AND BE IT FURTHER RESOLVED that this Resolution shall become effective upon adoption by the Council and approval by the Mayor; provided, however, that in the event the Companion Ordinance does not become effective in accordance with applicable law, the City may not apply proceeds of the 2015 Bond to pay or reimburse costs of the 2026 Additional Project. Pursuant to Charter Section SC7-46A, this Resolution may not be petitioned to referendum.

THIS RESOLUTION was introduced and duly adopted at a meeting of the Council of the City of Salisbury held on the 14 day of September, 2026.

ATTEST:

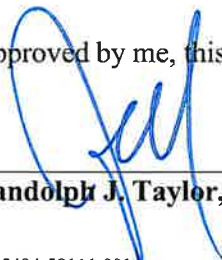


Julie A. English, City Clerk



April R. Jackson, City Council President

Approved by me, this 18th day of September, 2026



Randolph J. Taylor, Mayor

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