

RESOLUTION NO. 3485

A RESOLUTION OF THE COUNCIL (THE “COUNCIL”) OF THE CITY OF SALISBURY AMENDING AND SUPPLEMENTING RESOLUTION NO. 2645, ADOPTED BY THE COUNCIL ON JULY 18, 2016, APPROVED BY THE MAYOR ON JULY 19, 2016 AND EFFECTIVE ON JULY 19, 2016 (“RESOLUTION NO. 2645”), IN ORDER TO (1) AUTHORIZE AND EMPOWER CITY OF SALISBURY (THE “CITY”) TO USE AND APPLY CERTAIN INVESTMENT EARNINGS ON THE \$20,030,000 CITY OF SALISBURY PUBLIC IMPROVEMENT AND REFUNDING BONDS OF 2016 ISSUED ON JULY 28, 2016 (THE “2016 BONDS”) TO A PROJECT IDENTIFIED HEREIN AS “ZOO FACILITY IMPROVEMENTS” IN ADDITION TO THE NEW MONEY PROJECTS IDENTIFIED IN RESOLUTION NO. 2645, AND (2) IDENTIFY SUCH ADDITIONAL PROJECT AS A “NEW MONEY PROJECT” FOR ALL PURPOSES OF RESOLUTION NO. 2645; AUTHORIZING AND EMPOWERING CITY OFFICIALS AND EMPLOYEES TO TAKE CERTAIN ACTIONS WITH RESPECT TO THE 2016 BONDS; PROVIDING THAT THE PROVISIONS OF THIS RESOLUTION SHALL BE LIBERALLY CONSTRUED; AND OTHERWISE GENERALLY RELATING TO THE USE OF PROCEEDS OF THE 2016 BONDS.

RECITALS

WHEREAS, City of Salisbury, a municipal corporation of the State of Maryland (the “City”), is 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. 2394, passed by the Council of the City (the “Council”) on July 18, 2016, approved by the Mayor of the City (the “Mayor”) on July 19, 2016 and effective on July 19, 2016 (“Ordinance No. 2394”), 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 Fifty-One Thousand Five Hundred Dollars (\$4,751,500.00) (the “Authorized New Money Bonds”) in order to finance, reimburse or refinance “costs” (as defined in Section 3(b) of Ordinance No. 2394) of the projects identified in Section 3(b) of Ordinance No. 2394 as (1) “Spine Rail Trail”, (2) “Community Centers”, (3) “Riverside Circle”, (4) “Service Center Facility Plan Phase 1”, (5) “E-7 Inspector’s Truck”, (6) “S-14 2001 F-150 Dump Truck”, (7) “S-32 Hot Patch Trail Improvements”, (8) “Replacement of 1998 Roller”, (9) “Lemmon Hill Standpipe”, (10) “Fitzwater Street Lift Station – Phase II”, (11) “Belt Filter Press Rehabilitation”, (12) “Dump Truck”, (13) “Dump Truck WWTP”, (14) “Parking Garage Façade and Landscaping”, and (15) “Aquatic Weed Harvester with Unloading Conveyor” (herein collectively referred to as the “Original Authorized New Money Projects” and

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referred to as the “Projects” in Ordinance No. 2394) in the maximum principal amounts set forth opposite each such Original Authorized New Money Project in such Section 3(b); and

WHEREAS, pursuant to the authority of the Enabling Act, Sections SC7-45 and SC7-46 of the Charter, Ordinance No. 2394, certain other ordinances identified in Resolution No. 2645 (defined herein), and Resolution No. 2645, adopted by the Council on July 18, 2016, approved by the Mayor on July 19, 2016 and effective on July 19, 2016 (“Resolution No. 2645”), the City issued on July 28, 2016 its general obligation bonds in the original aggregate principal amount of \$20,030,000 and designated as the “City of Salisbury Public Improvement and Refunding Bonds of 2016” (the “2016 Bonds”); and

WHEREAS, the 2016 Bonds were issued in order to (i) finance or reimburse costs of the Original Authorized New Money Projects, including allocable costs of issuance, and (ii) currently refund on the date of issuance of the 2016 Bonds certain outstanding obligations of the City and to pay allocable costs of issuance, all as described in the Tax and Section 148 Certificate of the City dated July 28, 2016 (the “2016 Tax Certificate”); and

WHEREAS, that portion of the 2016 Bonds applied or to be applied for new money purposes (including paying allocable costs of issuance) was authorized by Ordinance No. 2394; and

WHEREAS, because the 2016 Bonds were sold by public sale at competitive bid, the City realized net original issue premium in connection with the sale of the 2016 Bonds that allowed it to reduce the par amount of the 2016 Bonds needed for new money purposes from the maximum par amount authorized for such purposes by Resolution No. 2645, and thereby to allocate a portion of such net original issue premium, together with the par amount of the 2016 Bonds allocated to new money purposes, to fund the Original Authorized New Money Projects in the maximum aggregate principal amount of \$4,751,500 contemplated by Ordinance No. 2394 and Resolution No. 2645; and

WHEREAS, pursuant to Resolution No. 2645, \$4,300,000 in par amount of the 2016 Bonds (which constitute the Authorized New Money Bonds for purposes of Ordinance No. 2394), together with a portion of the net original issue premium paid with respect to the 2016 Bonds, was appropriated and allocated to the specified Original Authorized New Money Projects identified below (which Original Authorized New Money Projects are referred to as the “New Money Projects” in Resolution No. 2645 and are referred to in this Resolution as the “Original New Money Projects”), in the amounts set forth below, exclusive of allocable costs of issuance:

[CONTINUED ON FOLLOWING PAGE]

	<u>Project Name</u>	<u>Maximum Amount</u>
1.	Spine Rail Trail	\$150,000
2.	Community Centers	500,000
3.	Riverside Circle	175,000
4.	Service Center Facility Plan Phase 1	102,000
5.	E-7 Inspector's Truck	30,000
6.	S-14 2001 F-150 Dump Truck	48,500
7.	S-32 Hot Patch Trailer Improvements	40,000
8.	Replacement of 1998 Roller	50,000
9.	Lemmon Hill Standpipe	100,000
10.	Fitzwater Street Lift Station – Phase II	2,690,000
11.	Belt Filter Press Rehabilitation	357,000
12.	Dump Truck	90,000
13.	Dump Truck WWTP	90,000
14.	Parking Garage Façade and Landscaping	200,000
15.	Aquatic Weed Harvester with Unloading Conveyor	129,000
	TOTAL	<u>\$4,751,500.00</u>

; and

WHEREAS, the 2016 Tax Certificate identifies that portion of the par amount of the 2016 Bonds, together with that portion of the net original issue premium on the 2016 Bonds allocated to costs of the Original New Money Projects (which are identified as the “New Money Projects” in the 2016 Tax Certificate), including allocable costs of issuance, as the “New Money Portion” of the 2016 Bonds and such portion is referred to in this Resolution as the “New Money Portion of the 2016 Bonds”(when referring to provisions of Resolution No. 2645) or the “New Money Portion of the Authorized New Money Bonds” (when referring to provisions of Ordinance No. 2394, as amended and supplemented to date); and

WHEREAS, Ordinance No. 2394 provides that, without notice to or the consent of any registered owners of the Authorized New Money Bonds, the City may reallocate the maximum principal amount of the Authorized New Money Bonds to be spent among any of the Original Authorized New Money Projects in compliance with applicable budgetary procedures or applicable law; and

WHEREAS, pursuant to Ordinance No. 2544, passed by the Council on June 10, 2019, approved by the Mayor on June 11, 2019 and effective on June 11, 2019 (“Ordinance No. 2544”), the City in effect amended and supplemented Ordinance No. 2394 to (i) reallocate \$129,000.00 of the total amount of the New Money Portion of the Authorized New Money Bonds allocated to the Original Authorized New Money Project identified as “Aquatic Weed Harvester with Unloading Conveyor” to the Original Authorized New Money Project identified as “Riverside Circle,” (ii) reallocate \$500.00 of the total amount of the New Money Portion of the Authorized New Money

Bonds allocated to the Original Authorized New Money Project identified as “Spine Rail Trail” to the Original Authorized New Money Project identified as “Riverside Circle,” (iii) reallocate \$4,189.10 of the New Money Portion of the Authorized New Money Bonds originally allocated to costs of issuance to the Original Authorized New Money Project identified as “Riverside Circle,” and (iv) allocate \$42,225.38 of investment earnings on the New Money Portion of the Authorized New Money Bonds to the Original Authorized New Money Project identified as “Riverside Circle,” without differentiating between the principal amount of the New Money Portion of the Authorized New Money Bonds and the net original issue premium constituting a portion of the New Money Portion of the Authorized New Money Bonds so allocated to costs of the Original Authorized New Money Projects; and

WHEREAS, pursuant to Ordinance No. 2544, the Council in effect provided that no portion of the proceeds of the New Money Portion of the Authorized New Money Bonds would be applied to the Original Authorized New Money Project identified as “Aquatic Weed Harvester with Unloading Conveyor;” and

WHEREAS, pursuant to Ordinance No. 2833, passed by the Council on October 23, 2023, approved by the Acting Mayor of the City on October 24, 2023 and effective on October 24, 2023 (“Ordinance No. 2833”), the City in effect amended and supplemented Ordinance No. 2394, as amended and supplemented by Ordinance No. 2544, to reallocate or allocate, as applicable, the following amounts to the Original Authorized New Money Project identified as “Community Centers:” (i) reallocate \$6,941.77 from the total amount of the New Money Portion of the Authorized New Money Bonds allocated to the Original Authorized New Money Project identified as “Riverside Circle,” (ii) reallocate \$2,267.12 from the total amount of the New Money Portion of the Authorized New Money Bonds allocated to the Original Authorized New Money Project identified as “E-7 Inspector’s Truck,” (iii) reallocate \$4,381.00 from the total amount of the New Money Portion of the Authorized New Money Bonds allocated to the Original Authorized New Money Project identified as “S-14 2001 F-150 Dump Truck,” (iv) reallocate \$4,026.00 from the total amount of the New Money Portion of the Authorized New Money Bonds allocated to the Original Authorized New Money Project identified as “S-32 Hot Patch Trailer Improvements,” (v) reallocate \$13,048.34 from the total amount of the New Money Portion of the Authorized New Money Bonds originally allocated to costs of issuance, and (vi) allocate \$15,054.54 of investment earnings from the New Money Portion of the Authorized New Money Bonds, without differentiating between the principal amount of the New Money Portion of the Authorized New Money Bonds and the net original issue premium constituting a portion of the New Money Portion of the Authorized New Money Bonds so allocated to costs of the Original Authorized New Money Projects; and

WHEREAS, pursuant to Ordinance No. 2833, the City also reallocated \$3,596.00 from the total amount of the New Money Portion of the Authorized New Money Bonds allocated to the Original Authorized New Money Project identified as “S-32 Hot Patch Trailer Improvements” to the Original Authorized New Money Project identified as “Replacement of 1998 Roller,” without differentiating between the principal amount of the New Money Portion of the Authorized New Money Bonds and the net original issue premium constituting a portion of the New Money Portion of the Authorized New Money Bonds so allocated to costs of the Original Authorized New Money Projects; and

WHEREAS, the City desires to allocate \$14,027.00 of investment earnings on the New Money Portion of the 2016 Bonds to a project not included in Ordinance No. 2394, as amended and supplemented to date, and Resolution No. 2645 that is generally referred to as “Zoo Facility Improvements” or by similar names (the “2026 Additional Project”); and

WHEREAS, prior to the introduction of this Resolution, the Council passed Ordinance No. 3020 expanding the list of the Original Authorized New Money Projects set forth in Ordinance No. 2394, as amended and supplemented to date, to include the 2026 Additional Project and amending Ordinance No. 2394, as amended and supplemented to date, to allow certain investment earnings on the Authorized New Money Bonds (meaning a portion of the 2016 Bonds) 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 New Money Projects as set forth in Resolution No. 2645 in order to allow certain investment earnings on the New Money Portion of the 2016 Bonds to be applied to the 2026 Additional Project and to identify such 2026 Additional Project as part of the “New Money Projects” for all purposes of Resolution No. 2645.

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. 2645 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 2016 Bonds shall be construed to include the principal amount of the New Money Portion of the 2016 Bonds, net original issue premium

received in connection with the sale of the 2016 Bonds allocated to the New Money Portion of the 2016 Bonds, and investment earnings on the principal amount of and net original issue premium allocated to the New Money Portion of the 2016 Bonds, all to the extent allocated to the new money purposes of the 2016 Bonds.

(e) References in this Resolution to the application or use of proceeds of the 2016 Bonds 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. 2394 and Resolution No. 2645, as the same may be amended, modified or supplemented (including as provided for herein), use of only the New Money Portion 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. 2394 and Resolution No. 2645, subsection (a) of Section 2 of Resolution No. 2645 is hereby deleted in its entirety and inserted in place thereof shall be the following:

“(a) Subject to the further provisions of this Section 2, pursuant to the authority of the Enabling Act, the Charter and Ordinance No. 2394, 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 premium realized upon sale or any investment earnings that may be applied for such purposes):

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	<u>Project Name</u>	<u>Maximum Principal Amount</u>
1.	Spine Rail Trail	\$149,500
2.	Community Centers (1)	517,615.89
3.	Riverside Circle (1)	297,558.23
4.	Service Center Facility Plan Phase 1	102,000
5.	E-7 Inspector's Truck	27,732.88
6.	S-14 2001 F-150 Dump Truck	44,119
7.	S-32 Hot Patch Trailer Improvements	32,378
8.	Replacement of 1998 Roller	53,396
9.	Lemmon Hill Standpipe	100,000
10.	Fitzwater Street Lift Station – Phase II	2,690,000
11.	Belt Filter Press Rehabilitation	357,000
12.	Dump Truck	90,000
13.	Dump Truck WWTP	90,000
14.	Parking Garage Façade and Landscaping	200,000
15.	Aquatic Weed Harvester with Unloading Conveyor	0
16.	Zoo Facility Improvements	<u>0 (2)</u>
	TOTAL	<u>\$4,751,500.00</u>

(1) The City previously also allocated a portion of the net original issue premium allocable to the Bonds and certain investment earnings on the Bonds to this project.

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

The projects identified in items 1-16 above are collectively referred to herein as the “New Money Projects” and individually as a “New Money Project.” The City, without notice to or the consent of any registered owners of the Bonds (as defined in Section 3 below) may reallocate the maximum principal amount of the Bonds to be spent among any of the New Money 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 may be spent on any applicable costs (as defined in subsection (b) below) relating to the New Money Projects identified in items 1-16 above, notwithstanding the descriptive names used for such New Money Projects in the table above, including, without limitation, changes in scopes of the New Money Projects identified above effected through applicable budgetary procedures or applicable law.”

(b) As provided in the Companion Ordinance, the City has appropriated \$14,027.00 of investment earnings on the New Money Portion of the 2016 Bonds to pay costs of the 2026 Additional Project.

(c) By undertaking the amendments to Resolution No. 2645 provided for in this Section 2, the City is in effect (i) reflecting certain reallocations of the application of the principal amount of the New Money Portion of the 2016 Bonds, certain reallocations of a portion of the net original issue premium allocated to the New Money Portion of the 2016 Bonds, and certain allocations of investment earnings on the proceeds of the New Money Portion of the 2016 Bonds to the costs of the Original New Money Projects made prior to introduction of this Resolution; (ii) adding the Additional 2026 Project identified as item 16 in the table set forth in subsection (a) above (which amends Section 2(a) of Resolution No. 2645) to the list of the Prior Authorized Projects the costs of which may be financed or reimbursed from the principal amount of the New Money Portion of the 2016 Bonds, net original issue premium allocated to the New Money Portion of the 2016 Bonds, and investment earnings allocated to the New Money Portion of the 2016 Bonds; and (iii) recognizing the appropriation of \$14,027.00 of investment earnings on the New Money Portion of the 2016 Bonds to pay costs of the 2026 Additional Project. By undertaking such amendments to Resolution No. 2645, the City will also be able to allocate or reallocate principal of the New Money Portion of the 2016 Bonds, net original issue premium allocated to the New Money Portion of the 2016 Bonds and investment earnings on the proceeds of the New Money Portion of the 2016 Bonds to costs of such 2026 Additional Project, in addition to allocating or reallocating such amounts to costs of the other 2026 Revised Projects, in accordance with applicable City budgetary procedures or applicable law.

(d) The Projects identified in items 1-16 in the table set forth in subsection (a) above (which amends Section 2(a) of Resolution No. 2645) 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 New Money Projects in Resolution No. 2645 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. 2645 with respect to the application of proceeds of the New Money Portion of the 2016 Bonds.

(e) Notwithstanding the foregoing provisions of this Section 2, proceeds of the New Money Portion of the 2016 Bonds may not be applied to costs of the 2026 Additional Project, nor will the amendments to Resolution No. 2645 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 New Money Portion of the 2016 Bonds and the net original issue premium allocated to the New Money Portion of the 2016 Bonds (i) prior to the effective date of this Resolution, to the extent not already spent in accordance with the provisions of the Ordinance No. 2394 (as amended and supplemented to date), Resolution No. 2645 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.

(g) References in this Resolution to applying principal or net original issue premium of the 2016 Bonds and any investment earnings on the proceeds of the 2016 Bonds to costs of the 2026 Additional Project shall be construed to refer solely to proceeds constituting the New Money Portion of the 2016 Bonds and not to any proceeds of the 2016 Bonds issued for current refunding purposes.

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 2016 Bonds 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 2016 Tax Certificate, 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. 2645 shall be deemed amended and supplemented as provided herein and all other terms and provisions of Resolution No. 2645 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 New Money Portion of the 2016 Bonds to pay or reimburse costs of the 2026 Additional Project. Pursuant to Charter Section SC7-46A, this Resolution may not be petitioned to referendum.

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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:

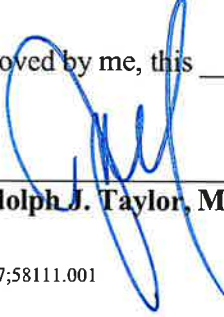


Julie A. English, City Clerk



April R. Jackson, City Council President

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



Randolph J. Taylor, Mayor

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