

COUNTY COUNCIL OF ANNE ARUNDEL COUNTY, MARYLAND

Legislative Session 2011, Legislative Day No. 27

Bill No. 52-11

Introduced by Mr. Ladd, Chairman
(by request of the County Executive)

By the County Council, June 20, 2011

Introduced and first read on June 20, 2011
Public Hearing set for and held on July 18, 2011
Public Hearing on AMENDED BILL set for August 1, 2011
Bill Expires September 24, 2011
By Order: Judy C. Holmes, Administrative Officer

A BILL ENTITLED

1 AN ORDINANCE concerning: the issuance, sale and delivery of Anne Arundel County,
2 Maryland, general obligation bonds and bond anticipation notes
3

4 FOR the purpose of authorizing the issuance by Anne Arundel County, Maryland, of bond
5 anticipation notes in an amount to be outstanding at any time not in excess of ~~Five Hundred~~
6 ~~Eighty Three Million Two Hundred Thousand Dollars (\$583,200,000)~~ Five Hundred Seventy-
7 One Million Eight Hundred Thousand Dollars (\$571,800,000) and bonds in an amount not
8 exceeding Eight Hundred Sixty-Seven Million Two Hundred Eighty-One Thousand Six Hundred
9 Sixty Dollars (\$867,281,660) in order to finance in whole or in part the construction of capital
10 projects set forth in the capital budget of the County for the fiscal year ending June 30, 2012, or
11 in such capital budgets for prior fiscal years, or usable portions thereof; authorizing the issuance
12 by the County of refunding bonds to refund some or all of the outstanding bond issues of the
13 County listed on Exhibit II attached hereto and incorporated herein in an aggregate principal
14 amount not to exceed 120% of the aggregate principal amount of the outstanding bonds to be
15 refunded subject to the requirement that debt service savings shall be achieved in connection with
16 any such refunding; authorizing the County to borrow money and incur indebtedness otherwise
17 authorized to be borrowed and incurred hereunder in the form of bonds or bond anticipation notes
18 by obtaining a loan or loans from the Maryland Water Quality Financing Administration pursuant
19 to and in accordance with Sections 9-1601 to 9-1622, inclusive, of the Environment Article of the
20 Annotated Code of Maryland (2007 Replacement Volume and 2010 Supplement) for the public
21 purpose of financing a portion of the costs of acquiring, constructing and equipping certain
22 wastewater facilities and water supply systems; providing for the execution and delivery by the
23 County of a loan agreement and bond to evidence any such loan; reaffirming and clarifying the
24 guides and standards relating to the borrowing of money to finance such

EXPLANATION: Underlining indicates amendments to bill.

~~Strikeover~~ indicates matter stricken from bill by amendment.

25 capital projects heretofore adopted; listing the capital projects to be financed in whole or in
26 part from the proceeds of sale of the bonds hereby authorized, the usable portions, estimated

1 costs and probable useful lives thereof; showing compliance with the limitations on the power
2 of the County to incur indebtedness; providing for essential flexibility in the financing of
3 such capital projects and the issuance of such bonds by authorization of such bond
4 anticipation notes to be repaid from the proceeds of the sale of such bonds; prescribing the
5 procedure for the issuance and sale of such bond anticipation notes and bonds; empowering
6 the County Executive, or the Chief Administrative Officer if authorized by the County
7 Executive, subject to such guides and standards, to determine the time and method of sale of
8 such bond anticipation notes and refunding bonds, which sale may be a private (negotiated)
9 sale or a public sale, and the time, place, and procedure for the public sale of such bonds
10 other than refunding bonds; empowering the County Executive, or the Chief Administrative
11 Officer if authorized by the County Executive, subject to such guides and standards, to
12 determine the forms of such bonds and to determine the forms of such bond anticipation
13 notes; empowering the County Executive, or the Chief Administrative Officer if authorized
14 by the County Executive, to provide for or determine the private (negotiated) sale of any loan
15 agreement or bond to the Maryland Water Quality Financing Administration, the form or
16 forms thereof and other details with respect thereto and to the sales thereof; providing that
17 such bond anticipation notes may be issued as notes in the nature of commercial paper and, in
18 such event, authorizing the County Executive, or the Chief Administrative Officer if
19 authorized by the County Executive, to determine various matters and to take various actions
20 in connection with such issuance; providing that such bonds and bond anticipation notes may
21 be issued as variable rate demand or similar obligations and, in such event, authorizing the
22 County Executive, or the Chief Administrative Officer if authorized by the County Executive,
23 to determine various matters and to take various actions in connection with such issuance;
24 covenanting to appropriate sufficient revenues in each fiscal year following the issuance of
25 such bonds to pay the maturing principal thereof and the interest thereon and to meet such
26 appropriation either by revenues derived from self-liquidating projects, special development
27 impact fee revenues, or from the proceeds of ad valorem taxes, or a combination of the
28 foregoing; pledging the full faith and credit of Anne Arundel County, Maryland, to the
29 payment of the bonds and bond anticipation notes issued hereunder and the interest thereon,
30 when due; providing that the pledge of the taxing power to secure such bonds and bond
31 anticipation notes shall be subject to the limitation imposed by Section 710(d) of the County
32 Charter, except in the case where refunding bonds are issued to refund bonds secured by the
33 pledge of the full faith and credit and unlimited taxing power of the County; prescribing the
34 maximum aggregate amount of such bonds which may be issued in each of the fiscal years
35 ending June 30, 2012, June 30, 2013 and June 30, 2014; covenanting that the proceeds of
36 such bonds, or any moneys which may be deemed to be proceeds, will not be used in a
37 manner to cause such bonds to be arbitrage bonds; canceling, rescinding, and repealing
38 authority to issue certain bonds only to the extent such authority has not been previously
39 exercised under Bills No. 1-71, 82-71, 93-72, 139-72, 140-72, 95-73, 71-74, 112-74, 80-75,
40 91-76, 86-77, 63-78, 98-79, 114-80, 128-81, 107-82, 58-83, 65-84, 46-85, 60-86, 45-87,
41 50-88, 39-89, 47-90, 41-91, 52-91, 13-92, 60-92, 69-93, 68-94, 43-95, 68-96, 53-97, 50-98,
42 53-99, 40-00, 57-01, 65-02, 40-03, 49-04, 53-05, 60-06, 55-07, 57-08, 51-09 and 53-10 all as
43 amended, and providing that certain bonds and bond anticipation notes may continue to be
44 issued under Bill No. 53-97, Bill No. 50-98, Bill No. 53-99, Bill No. 40-00, Bill No. 57-01,
45 Bill No. 65-02; Bill No. 40-03, Bill No. 49-04, Bill No. 53-05, Bill No. 60-06, Bill No. 55-
46 07, Bill No. 57-08, Bill No. 51-09 and Bill No. 53-10 and ratifying, confirming and
47 validating the previous authorization, issuance, sale and delivery of bonds and bond
48 anticipation notes pursuant to such authority; authorizing the execution and delivery of long-
49 term Anne Arundel County, Maryland general obligations in the form of installment purchase
50 agreements in the maximum aggregate principal amount of Six Million Seven Hundred
51 Seventy-Four Thousand Eighty-Four Dollars (\$6,774,084) in accordance with Title 20 of
52 Article 24 of the Annotated Code of Maryland (2005 Replacement Volume and 2010
53 Supplement, as amended), to effect the acquisition by the County of certain development

1 rights easements in accordance with the County's Agricultural Land and Woodland
2 Preservation Program; ratifying and authorizing the issuance of Shore Erosion Control
3 Construction Loans pursuant to and in accordance with Sections 8-1001 to 8-1008, inclusive,
4 of the Natural Resources Article of the Annotated Code of Maryland (2007 Replacement
5 Volume and 2010 Supplement) and generally providing for the consolidation and
6 authorization of a borrowing program for Anne Arundel County, Maryland, and matters
7 generally related thereto.
8

9 SECTION 1. *Be it enacted by the County Council of Anne Arundel County, Maryland,* That
10 in connection with the issuance of the bonds hereinafter authorized, (i) the STATEMENT OF
11 POLICY adopted by Bill No. 70-66 is hereby reaffirmed as it applies to the issuance of the bonds
12 authorized hereby, and as clarified herein, and restated below as so clarified, for the information
13 of the public and for the guidance of the County Executive or the Chief Administrative Officer, as
14 the case may be, in exercising the authority hereby conferred on him, and (ii) the following
15 FINDINGS OF FACT are hereby adopted for the purpose of demonstrating compliance with the
16 requirements and limitations of the County Charter on the borrowing of money and the issuance
17 of bonds by Anne Arundel County, Maryland, in evidence thereof:
18

19 STATEMENT OF POLICY 20

21 (1) It is essential that the County continue to provide, in timely fashion, the public facilities
22 necessary to serve its population, which has increased significantly in recent years, while at the
23 same time retaining and supporting substantial rural and agricultural elements of the County's
24 economy which enable the County to enjoy the benefits of a balanced and diverse economy. All
25 or a portion of the cost of such facilities will have to be financed through the borrowing of money
26 by the County on a reasonably long term basis in order that the burden of such cost may be
27 equitably apportioned among present and future taxpayers. However, it is equally essential that
28 the credit standing of Anne Arundel County, Maryland, be preserved and, if possible, improved
29 to the end that the cost of borrowing money by the County will not be unduly burdensome. To
30 aid in achieving these basic objectives, the County Executive or the Chief Administrative Officer,
31 as the case may be, shall, to the maximum extent possible, exercise the authority hereby conferred
32 upon him within the following guidelines as well as within the fixed limitations prescribed herein
33 and in the County Charter.
34

35 (2) Sale of bonds hereunder shall be spaced at least six (6) months apart when practicable;
36 provided, however, that bonds may be sold hereunder at such other intervals as the County
37 Executive, or the Chief Administrative Officer, as the case may be, may deem advisable due to
38 financial or market conditions prevailing at the time.
39

40 (3) To provide an adequate flow of funds for capital projects, to limit amounts borrowed to
41 the costs incurred for such projects, and to facilitate the selection of the most advantageous times
42 for the sale of bonds, bond anticipation notes may be sold for such projects from time to time,
43 repayable from the proceeds of the appropriate series of such bonds, when issued.
44

45 (4) The authority hereby conferred shall be so exercised that the estimated maximum annual
46 debt service obligation resulting therefrom plus current debt service payable by the County on
47 outstanding obligations does not exceed an amount equal to twenty percent (20%) of the
48 estimated net amount of all direct and indirect revenues of the County for the current fiscal year,
49 including utility revenues, calculated by subtracting from gross revenues all debt service withheld
50 or to be withheld by the State or any agency thereof during such fiscal year.
51

52 (5) In order to control water pollution and to provide water and wastewater service to certain
53 established waterfront areas, presently in part being serviced by established public water and/or

1 wastewater facilities, where the cost per front foot of assessment exceeds \$4.00 per front foot for
2 water and \$6.00 for wastewater, the Controller shall use pay-as-you-go funds from water and/or
3 wastewater utility operations, as provided in the annual budget, to reduce the cost of interest per
4 dollar spent for construction. On projects where pay-as-you-go funding is authorized, the front
5 foot assessment will not be reduced below \$4.00 per front foot for water and \$6.00 per front foot
6 for wastewater, provided the project construction cost is not lower than the aforementioned \$4.00
7 per front foot for water and \$6.00 per front foot for wastewater.
8

9 (6) All bonds issued and sold by the County hereunder shall be unconditional general
10 obligation bonds of the County within the limitations of indebtedness set forth below as
11 prescribed by the County Charter and the ordinances enacted pursuant thereto. Before any such
12 bonds are issued for revenue producing projects of water or wastewater utilities, the County
13 Executive, or the Chief Administrative Officer if authorized by the County Executive, shall
14 determine that the estimated revenues of such projects, or the actual and estimated revenues of
15 such projects and the utilities of which they are a part, are, or will be, sufficient to pay the cost of
16 operation and maintenance of such projects and the maturing principal of and interest on all
17 indebtedness incurred with respect thereto, including such bonds. The authorization herein of
18 general obligation bonds of the County for revenue producing projects shall not be construed to
19 preclude the County Council from authorizing in the future the issuance of bonds payable solely
20 from the revenues of similar projects or utilities.
21

22 (7) The foregoing STATEMENT OF POLICY shall constitute the local debt policy of the
23 County required by Section 22F of Article 95 of the Annotated Code of Maryland (2003
24 Replacement Volume and 2009 Supplement).
25

26 FINDINGS OF FACT

27 I

28
29
30 With respect to the maximum amount of bonds and bond anticipation notes of the County
31 hereinafter authorized, it is hereby found and determined that such amount is within applicable
32 debt limitations, as follows:
33

34 (1) With regard to the General County Debt Limitation (defined below):
35

36 (a) That the taxable assessed value of all real and personal property in Anne Arundel
37 County, Maryland, subject to unlimited county taxation (except by application of Section 710(d)
38 of the County Charter) as of May 31, 2011 is \$84,389,509,806 consisting of an assessable basis
39 of real property of \$82,280,716,186 and an assessable basis of personal property and operating
40 real property described in Section 8-109(c) of the Tax-Property Article of the Annotated Code of
41 Maryland (2007 Replacement Volume and 2010 Supplement) of \$1,254,414,050 and
42 \$854,379,570 respectively, and, in each case, is expected to be no less than such amount for the
43 fiscal year ending June 30, 2012.
44

45 (b) That, in accordance with Section 5(P) of Article 25A of the Annotated Code of
46 Maryland (2005 Replacement Volume and 2010 Supplement), and in accordance with Section 4-
47 10-101(a) of Article 4, Finance, Taxation, and Budget of the Anne Arundel County Code the
48 aggregate amount of the indebtedness of the County outstanding at one time shall not exceed (I)
49 5.2% of the assessable basis of real property; (II) 13% of the County's assessable basis of
50 personal property; and (III) 13% of the operating real property described in Section 8-109(c) of
51 the Tax-Property Article of the Annotated Code of Maryland (2007 Replacement Volume and
52 2010 Supplement) (the "General County Debt Limitation"); provided, however that (i) tax
53 anticipation notes or other evidences of indebtedness having a maturity not in excess of twelve

1 months, (ii) bonds or other evidences of indebtedness issued or guaranteed by the County payable
2 primarily or exclusively from taxes levied or other revenues of special taxing districts and (iii)
3 bonds or other evidences of indebtedness issued for self-liquidating and other projects payable
4 primarily or exclusively from the proceeds of assessments or charges for special benefits or
5 services, including bonds or other evidences of indebtedness issued for water or wastewater
6 facilities, are not subject to, or required to be included as bonds or evidences of indebtedness in
7 computing or applying the General County Debt Limitation.
8

9 (c) That the maximum amount of outstanding debt permitted under the General County
10 Debt Limitation is \$4,552,740,412 as of May 31, 2011, and is expected to be no less than such
11 amount for the fiscal year ending June 30, 2012.
12

13 (d) That the total outstanding bonded debt of the County subject to the General County
14 Debt Limitation is \$942,068,000 as of May 31, 2011, including, for purposes of this presentation,
15 the outstanding Special Obligation Refunding Bonds (Arundel Mills Project), Series 2004, the
16 outstanding Special Obligation Refunding Bonds (National Business Park Project), Series 2004,
17 the outstanding Tax Increment Financing Bonds (Nursery Road Project), Series 2004, the
18 outstanding Tax Increment Financing Bonds (Parole Town Center Project), Series 2002, the
19 outstanding Consolidated Golf Course Projects Series, 2005, the outstanding U.S. Department of
20 Housing and Urban Development Section 108 Loan Guarantee Program Variable/Fixed Rate
21 Note, the outstanding Special Obligation Bonds (National Business Park – North Project), Series
22 2010 and the Special Obligation Bonds (Village South at Waugh Chapel Project), Series 2010.
23

24 (e) That the permissible borrowing capacity is \$3,610,672,412 as of May 31, 2011.
25

26 (f) That the bonds authorized by this Ordinance subject to the General County Debt
27 Limitation aggregate \$478,900,907 (for such purposes, the amount of refunding bonds authorized
28 by this Ordinance has been reduced by the aggregate principal amount of bonds authorized to be
29 refunded, as required by Section 24(d) of Article 31 of the Annotated Code of Maryland (2010
30 Replacement Volume).
31

32 (g) That in stating the total outstanding debt in (1)(d) above, debt in the amount of
33 \$27,516,662 for self-liquidating solid waste projects, \$22,890,000 of self-liquidating recreation
34 and parks projects, and \$22,467,955 in impact fee revenue projects was included, and in stating
35 the debt subject to the General County Debt Limitation in 1(f) above, debt in the amount of
36 \$14,539,730 for self-liquidating solid waste projects; as well as \$4,435,000 for self-liquidating
37 recreation and parks projects and debt in the amount \$22,348,373 for General County, Education,
38 Fire and Police, and Roads and Bridges special development impact fee revenue projects was
39 included; such presentation of debt for self-liquidating solid waste projects; self-liquidating
40 recreation and parks projects and special revenue impact fee revenue projects is made herein to
41 provide a conservative statement of indebtedness that evidences compliance with the General
42 County Debt Limitation.
43

44 (2) With regard to the Water and Wastewater Debt Limitation (as defined below):

45 (a) That the taxable assessed value of all real and personal property within the Sanitary
46 District of Anne Arundel County subject to unlimited County taxation (except by application of
47 Section 710(d) of the County Charter) as of May 31, 2011 is \$77,439,101,139 consisting of an
48 assessable basis of real property of \$75,493,551,079 and an assessable basis of personal property
49 and operating real property described in Section 8-109(c) of the Tax-Property Article of the
50 Annotated Code of Maryland (2007 Replacement Volume and 2010 Supplement) of
51 \$1,157,231,070 and \$788,318,990, respectively, and, in each case is expected to be no less than
52 such amount for the fiscal year ending June 30, 2012.

1
2 (b) That, bonds formerly issued under the Sanitary Commission Act, and bonds of the
3 County issued for water and wastewater facilities, which are payable primarily from assessment
4 of charges for special benefits and services are exempted from the limitations outlined in
5 subparagraph (1)(b) above. Section 4-10-103(d) of Article 4, Finance, Taxation, and Budget of
6 the Anne Arundel County Code, limits the amount of such bonds, after crediting applicable
7 Sinking Fund balances, which may be outstanding to not greater than (I) 5.6% of the County's
8 assessable basis of real property; (II) 14% of the County's assessable basis of personal property;
9 and (III) 14% of the operating real property described in Section 8-109(c) of the Tax-Property
10 Article of the Annotated Code of Maryland (2007 Replacement Volume and 2010 Supplement)
11 (the "Water and Wastewater Debt Limitation").
12

13 (c) That the maximum amount of outstanding debt permitted under the Water and
14 Wastewater Debt Limitation is \$4,500,015,869 as of May 31, 2011, and is expected to be no less
15 than such amount for the fiscal year ending June 30, 2012.
16

17 (d) That the total outstanding bonded debt of the County subject to the Water and
18 Wastewater Debt Limitation is \$372,800,887 as of May 31, 2011.
19

20 (e) That the permissible borrowing capacity is \$4,127,214,982 as of May 31, 2011.
21

22 (f) That the bonds authorized by this Ordinance subject to the Water and Wastewater
23 Debt Limitation aggregate \$629,627,930 (for such purposes, the amount of refunding bonds
24 authorized by this Ordinance has been reduced by the aggregate principal amount of bonds
25 authorized to be refunded, as required by Section 24(d) of Article 31 of the Annotated Code of
26 Maryland (2010 Replacement Volume).
27

28 II
29

30 (1) The bond anticipation notes authorized by Section 6 hereof and bonds authorized by
31 Section 2 hereof are to be issued to finance in whole or in part certain of the capital projects or
32 classes of projects included in the capital budget for the fiscal year 2011, or in capital budgets for
33 prior fiscal years. With respect to such projects the amount of borrowed funds to be expended
34 thereon, together with the funds shown as available from other sources, are estimated to be
35 sufficient to complete usable portions thereof, but if any such funds from other sources, intended
36 to defray in part the cost of any such project, shall become unavailable, the County Executive
37 shall either (i) direct the abandonment of any such project if, in his judgment, the unavailability
38 of funds from other sources would render any such project unusable or (ii) recommend an
39 appropriate amendment of the Capital Budget, as provided in Sections 711 and 716 of the County
40 Charter. The balances remaining to the credit of a completed or abandoned capital project for
41 which bond anticipation notes or bonds have been issued shall be available for appropriation by
42 the County Council in a subsequent capital budget, as provided in the Charter.
43

44 (2) No series of bond anticipation notes authorized by Section 6 hereof or bonds authorized
45 by Section 2 hereof shall be issued hereunder with a final maturity date extending beyond the
46 expiration of the probable useful life, or the average probable useful lives, of the capital project or
47 projects for which such series of bond anticipation notes or bonds are issued, accounting from the
48 date of issue of such series of bond anticipation notes or bonds. The provisions of Section 2(5)
49 hereof shall apply to the consolidation of series of bonds as permitted therein.

50 (3) No series of refunding bonds authorized by Section 3 hereof shall be issued hereunder
51 with a final maturity date extending beyond the earliest to occur of (i) the thirtieth (30th)
52 anniversary of the date of issuance of the bonds to be refunded from the proceeds of the refunding

1 bonds being issued (the “Refunded Bonds”) and (ii) the latest maturity date that would have been
2 permitted for the Refunded Bonds. Prior to the delivery of any refunding bonds hereunder, the
3 County Executive, or the Chief Administrative Officer if authorized by the County Executive,
4 shall deliver a written certificate stating that the maturity schedule of any series of refunding
5 bonds issued hereunder complies with the requirements set forth in this paragraph and setting
6 forth the facts upon which such conclusion is based.

7
8 (4) The table attached to this Ordinance as Exhibit I and incorporated herein lists the capital
9 projects, appearing in the capital budget of the County for fiscal year 2012, or in the capital
10 budgets for prior fiscal years, which are to be financed in whole or in part with the proceeds of
11 bond anticipation notes authorized by Section 6 hereof, bonds authorized by Section 2 hereof,
12 with the reallocation of balances remaining to the credit of completed or abandoned capital
13 projects for which bond anticipation notes or bonds were previously issued or for which funds
14 were previously provided from other sources or bond premium, consisting of net bond proceeds
15 from the sale of bonds sold at a price above par, the estimated cost of a usable portion of each
16 project or class of projects, including capitalized interest on borrowed funds as herein authorized,
17 the portion of such costs of each project or class of projects to be financed hereunder, the source
18 or sources of funds to finance the balance of the cost of each such project or class of projects, and
19 the probable useful life of each such project or the average of the probable useful lives of each
20 class of projects. Further, the first group of projects included in Exhibit I are those which are not
21 revenue producing, and, where and as indicated, those projects which are supported by special
22 development impact fee revenues, and a second group of projects are those which it is estimated
23 will generate net revenues sufficient to pay all or a portion of debt service on the borrowing
24 therefore. In lieu of issuing all or any part of the bonds or bond anticipation notes authorized to
25 be issued by Sections 2 and 6, respectively, of this Ordinance to finance all or part of a capital
26 project, the County Executive, or the Chief Administrative Officer if authorized by the County
27 Executive, may, at his discretion; (i) apply to such project balances remaining to the credit of any
28 completed or abandoned capital projects for which bond anticipation notes or bonds were
29 previously issued or for which funds were previously provided from other sources and (ii) apply
30 such bond premium to capital projects included in Exhibit I, but only to the extent that bond
31 anticipation notes or bonds are authorized to be issued therefor in this Ordinance, such
32 expenditure of such balances or bond premium being within the appropriation established for
33 such project in the applicable capital budget or budgets; provided, however, that such balances or
34 bond premium shall not be applied in a manner that would adversely affect the exemption from
35 federal income taxation of the interest on any bonds to which such balances are attributable. Bond
36 premium may be applied as described above before any deposit of net bond proceeds from the
37 sale of general improvements bonds otherwise required pursuant to Section 4-11-115 of Article 4,
38 Finance, Taxation, and Budget of the Anne Arundel County Code.

39
40 (5) Without limitation, participation by the County in any county transportation bonds issued
41 by the Maryland Department of Transportation shall not result in any reduction in the amount of
42 bonds or bond anticipation notes authorized and deemed to be unissued under this Ordinance.

43 SECTION 2. *And be it further enacted*, That for the purpose of paying the portion of the
44 cost of the capital projects described in Section 1 hereof and Exhibit I hereto, to be paid from
45 borrowed funds, or for the purpose of redeeming bond anticipation notes issued hereunder, the
46 issuance and sale by Anne Arundel County, Maryland, of not exceeding Eight Hundred Sixty-
47 Seven Million Two Hundred Eighty-One Thousand Six Hundred Sixty Dollars (\$867,281,660)
48 aggregate principal amount of general obligation, serial maturity bonds of the County is hereby
49 authorized. To the extent required for such purposes, the bonds hereby authorized shall be sold
50 prior to June 30, 2014, in accordance with the guides and standards set forth in Section 1 hereof,
51 except that any such bonds may be sold subsequent to such date if required to redeem, prepay or
52 pay at maturity bond anticipation notes. Such bonds shall be issued as registered bonds without

1 coupons in the denomination of five thousand dollars (\$5,000) or any integral multiple thereof
2 within the limits of specified serial maturities.
3

4 (1) Except as otherwise provided in this Ordinance, the bonds authorized by this Section 2
5 shall be sold at a sale price at, above, or below par, plus accrued interest to the date of delivery
6 and only after first soliciting competitive bids at public sale in accordance with the provisions of
7 Section 5 hereof. Such bonds are hereby specifically exempted from the provisions of Sections
8 10 and 11 of Article 31 of the Annotated Code of Maryland (2010 Replacement Volume).
9

10 (2) Subject to the provisions of subsection (5) of this Section, such bonds shall be issued in
11 series intended to identify the public purpose or purposes for which each series is issued. On
12 each bond, there shall appear the words “_____ Series, 20__“ and in the blank space
13 preceding the word “Series,” there shall be inserted the par amount of the series plus the public
14 purpose of such series; e.g., “Board of Education,” “Library,” “Recreation and Parks,” “Water
15 and Sewer,” or “Special Development Impact Fee”. The County Executive, or the Chief
16 Administrative Officer if authorized by the County Executive, may incorporate such additional
17 designations in the name of the series as he deems necessary or convenient to distinguish two or
18 more series issued for the same purpose within the same calendar year, or in the case of a Special
19 Development Impact Fee Series, to distinguish the type of projects being financed to the district
20 to which such Project relates.
21

22 (3) The bonds of each series shall be dated on or prior to the date of the delivery of such
23 series and shall be numbered as determined by the County Executive, or the Chief Administrative
24 Officer if authorized by the County Executive. The bonds of each series, or of successive series
25 for the same public purpose, shall mature and be payable under an annual Installment Plan which
26 may be implemented by the issuance of serial maturity bonds or term bonds having mandatory
27 sinking fund requirements, beginning not later than the second anniversary of such series, or of
28 the first series of a group, and concluding on or before (a) the 30th anniversary thereof or (b) such
29 anniversary next prior to or on the 30th anniversary of the first bond anticipation note of such
30 series, whichever shall be earlier, or (c) the anniversary of such series representing the end of the
31 probable useful life, or the average of the probable useful lives of the project or projects to be
32 financed with the proceeds of such series, if such life or average lives shall be less than the
33 maximum term authorized in (a) or (b) of this subsection.
34

35 (4) Prior to the issue of any series of bonds authorized by this Section 2, the County
36 Executive, or the Chief Administrative Officer if authorized by the County Executive, shall cause
37 to be prepared a statement showing the annual debt service requirements of the County and a
38 proposed schedule of annual maturities for the series or several series of bonds then to be issued
39 and sold and an estimate of the annual interest charges to be incurred with respect to such bonds,
40 based on then-prevailing interest costs. Such debt service schedule shall be so prepared with a
41 view of achieving reasonably equal annual debt service payments for the entire outstanding
42 bonded indebtedness of the County and, in order to achieve this result, the consecutive annual
43 debt service payments on account of any series of such bonds need not be equal.
44 Notwithstanding the foregoing, the debt service schedule for the entire outstanding bonded
45 indebtedness of the County may be structured to retire debt at a rate faster than would be utilized
46 to achieve reasonably equal annual debt service payments. As hereinafter provided, the County
47 Executive, or the Chief Administrative Officer if authorized by the County Executive, is vested
48 with the discretion to accept such schedule of maturities or to make such variations therein as to
49 him may seem in the best interests of the County.
50

51 (5) The County Executive, or the Chief Administrative Officer if authorized by the County
52 Executive, may provide that all or any portion of bonds sold pursuant to the authority of this
53 Section 2 at any one time to finance capital projects may be consolidated for sale and issued, sold

1 and delivered as a single issue or consolidated series of bonds to be designated “Consolidated
2 General Improvements Series, 20__,” without identifying by separate series each public purpose
3 for which the bonds are issued as elsewhere provided in this Ordinance; provided that: (a) the
4 provisions of this Ordinance requiring the identification of each group or series of bonds by the
5 public purpose for which it is issued (e.g., “Board of Education,” “Libraries,” etc.) shall be fully
6 complied with for accounting purposes, (b) bonds issued to finance water and wastewater projects
7 shall be issued as a separate consolidated issue, (c) bonds issued to finance solid waste projects,
8 identified on Exhibit I as Self-Liquidating Bonds—Solid Waste, bonds issued for special
9 development impact fee revenue projects, and bonds issued to evidence a loan from the Maryland
10 Water Quality Financing Administration may be issued as separate issues, and (d) prior to the
11 delivery of the bonds, the County Executive, or the Chief Administrative Officer if authorized by
12 the County Executive, shall deliver a written certificate stating (i) the public purpose of each
13 series of bonds included in the consolidated issue, (ii) the maturity schedule for each series of
14 bonds so identified as a separate public purpose, (iii) the consolidated maturity schedule and (iv)
15 that the maximum maturity of the bonds consolidated for issue as a single consolidated issue is
16 not greater than the end of the probable useful life or the average of the probable useful lives, as
17 the case may be, of the project or projects to be financed with the proceeds of such consolidated
18 issue. A “Consolidated General Improvements Series” shall be treated as a separate series of
19 bonds for purposes of numbering pursuant to this Ordinance. In the event that all or any portion
20 of any bonds issued pursuant to this Section at the same time are consolidated, the title or
21 designation of the remaining series of bonds issued at the same time may also be designated as a
22 “consolidated” issue (e.g. “Consolidated Water and Sewer Series, 20__”, “Consolidated Solid
23 Waste Projects Series, 20__”, “Consolidated Special Development Impact Fee Revenue Series,
24 20__“). Before any bonds are issued as part of a separate series to finance solid waste projects
25 identified on Exhibit I as Self-Liquidating Bonds—Solid Waste, a determination must be made
26 regarding such projects or the utility of which they are a part similar to the determination required
27 in Paragraph (6) of the Statement of Policy in Section 1 with regard to bonds issued for revenue
28 projects of water or wastewater utilities. The County Executive, or the Chief Administrative
29 Officer if authorized by the County Executive, is hereby authorized to make such changes in the
30 forms of bonds, notice of sale, proposal and other documents in connection with any issue of
31 bonds pursuant to this Section 2 as such County Executive or Chief Administrative Officer, as the
32 case may be, may deem necessary or desirable in order to effect the consolidation and naming of
33 bonds authorized hereby.

34
35 (6) All of (a) the bonds authorized by this Section 2, (b) bond anticipation notes authorized
36 by Section 6 hereof and (c) Refunding Bonds authorized by Section 3 hereof which are issued to
37 refund Refunded Bonds secured as unconditional general obligations of the County, shall all be
38 deemed and shall constitute unconditional general obligations of the County, to the payment of
39 which, both principal and interest, its full faith and credit are pledged. Subject to the following
40 provisions, the County hereby covenants that, in each fiscal year during which any such bonds
41 are outstanding, it will appropriate sufficient funds in each Current Expense Budget to pay the
42 principal of such bonds and the interest thereon due in such fiscal year. The County hereby
43 further covenants that, to the extent any such appropriation is not offset by funds from other
44 sources or by project revenues, it will, subject to the limitation on the tax levy set out in
45 Section 710(d) of the County Charter, fund any such appropriation by the levy of ad valorem
46 taxes on real estate, tangible personal property and intangible personal property subject to
47 taxation by the County, and in addition, on such other intangible property as may be subject to
48 taxation by the County within limitations prescribed by law.

49
50 In the case of any series of bonds issued to finance self-liquidating projects of the County or
51 of any Refunding Bonds issued to refund Refunded Bonds, the proceeds of which were used to
52 finance self-liquidating projects of the County, the principal of and interest on any such bonds
53 shall be payable primarily from the net revenues and receipts from such projects, or the utilities of

1 which they form a part. If any such series of bonds shall be issued to finance such
2 self-liquidating projects, then the County covenants to fix such rates and charges for the use of
3 any such project, or the utility of which it forms a part, as will generate sufficient revenues to pay
4 the annual cost of maintenance and operation thereof and to pay the maturing principal of and
5 interest on any such series of bonds when due, and the County further covenants and agrees to
6 apply such revenues against appropriations for such maintenance, operation and debt service in
7 each Current Expense Budget; and (ii) if any such series of bonds shall be issued to finance
8 capital improvements as described in Subtitle 2 of Title 11 of the Subdivision and Development
9 Article of the Anne Arundel County Code (2005, as amended) (the "Development Impact Fee
10 Authority"), then the County, pursuant to Section 2D(b)(3) of Article 31 of the Annotated Code
11 of Maryland (2010 Replacement Volume) and in accordance with the Development Impact Fee
12 Authority, as the same may be amended from time to time, hereby pledges to apply the
13 development impact fees collected from the district to which such capital improvements relate to
14 the payment of debt service on such series of bonds, the amount of such debt service to be paid
15 from such source to be determined by the Controller in the manner prescribed by the
16 Development Impact Fee Authority, as the same may be amended from time to time, provided,
17 however, that if, in any fiscal year total amount of impact fees so pledged and collected for the
18 payment of debt service exceeds the debt service on the related bonds due in such fiscal year, the
19 County Council by ordinance may apply all or any part of such excess to other lawful purposes.
20 Interest on any bonds authorized by this Section 2 and bond anticipation notes authorized by
21 Section 6 hereof falling due during the fiscal year ending June 30, 2012, may be capitalized and
22 paid from the proceeds of sale, and in the annual Current Expense Budgets of the County for the
23 fiscal years ending June 30, 2013 and June 30, 2014, there shall be appropriated amounts
24 sufficient to pay the interest accruing on any such bonds or notes then outstanding, or to be issued
25 during such fiscal years, less the amount of interest capitalized, which, as to any such series of
26 notes and bonds, shall not exceed twelve (12) months interest on such notes and bonds,
27 respectively, or the amount of interest included in the cost of the capital projects to be financed
28 with such series, whichever is smaller.

29
30 Notwithstanding the foregoing, in accordance with Section 24(a)(3)(i) of Article 31 of the
31 Annotated Code of Maryland (2010 Replacement Volume), in the case of any Refunding Bonds
32 issued to refund Refunded Bonds secured as unconditional general obligations with a pledge of
33 the full faith and credit and unlimited taxing power of the County, the County covenants that, to
34 the extent any such appropriation to pay principal of or interest on such Refunding Bonds is not
35 offset by funds from other sources or by project revenues, it will fund any such appropriations by
36 the levy of ad valorem taxes on real estate, tangible personal property and intangible personal
37 property subject to taxation by the County without limitation as to rate or amount, and in addition
38 upon such other intangible property as may be subject to taxation by the County within
39 limitations prescribed by law.

40 (7) The rate or rates of interest payable on any series of bonds sold pursuant to this Section 2
41 shall not exceed the maximum interest rate, if any, specified by the County Council by public
42 local law to be payable on obligations of Anne Arundel County, Maryland, and, except with
43 respect to the first interest payment, which may be either a long or short coupon, and except as
44 provided in Section 7 of this Ordinance in connection with the issuance and sale of Variable Rate
45 Demand Obligations, such interest rate shall be payable in semi-annual installments, accounting
46 from the date of issue of any such series of bonds. Interest on the bonds shall be payable by
47 checks mailed by the Paying Agent therein named to the registered holder or holders of such
48 bonds or, if such bonds shall be issued in the form of Variable Rate Demand Obligations, interest
49 thereon may be payable by wire transfer at the discretion of the County Executive, or the Chief
50 Administrative Officer if authorized by the County Executive. If the bonds are issued and sold in
51 book-entry form, alternative payment arrangements may be provided at the discretion of the
52 County Executive, or the Chief Administrative Officer if authorized by the County Executive.

1
2 (8) The principal of the bonds authorized by this Section 2 shall be payable at the principal
3 office of the Paying Agent therein named, unless the bonds are issued and sold in book-entry
4 form, in which event alternative payment arrangements may be provided at the discretion of the
5 County Executive, or the Chief Administrative Officer if authorized by the County Executive.
6

7 (9) With respect to each series of bonds sold pursuant to this Section 2, authority is hereby
8 conferred on the County Executive, or the Chief Administrative Officer if authorized by the
9 County Executive, to take the following actions and make the following commitments on behalf
10 of the County:
11

12 (a) to determine the date, time and place when proposals for the purchase of any such
13 series of bonds will be received, to publish and otherwise distribute, as prescribed in Section 5
14 hereof, a suitable notice of sale of such bonds and to award any series of bonds for which a
15 legally sufficient proposal has been received to the best bidder therefor, determined as provided
16 in such Section 5; provided, however, that the County Executive, or the Chief Administrative
17 Officer if authorized by the County Executive, may by written statement appoint a designee who
18 may conduct the sale on his behalf and accept bids and award bonds to the best bidder;
19

20 (b) to appoint a bank having trust powers, or a trust company, as Paying Agent for any
21 such series of bonds, notwithstanding the fact that such bank or trust company may have neither
22 its principal office nor any branch office within the County or the State of Maryland, and to
23 appoint a similarly qualified bank or trust company as Alternate Paying Agent, such authority to
24 include the power to agree with respect to the compensation of such Paying Agent and Alternate
25 Paying Agent for the services to be rendered by them and to appoint one or more of such banks or
26 trust companies as Bond Registrars and also to confer on the manager of the syndicate purchasing
27 any such series of bonds the right to designate an Alternate Paying Agent so to be appointed;
28

29 (c) to fix the schedule of annual maturities of any series of bonds and the maximum rate
30 of interest payable thereon, both within the limitations prescribed above;
31

32 (d) to employ, as financial advisor with respect to the sale of any series of bonds hereby
33 authorized, a qualified firm of investment bankers having a municipal bond department, or some
34 other firm or corporation specializing in the municipal bond field; to arrange, together with such
35 financial advisor, for the preparation and distribution of an appropriate Offering Circular, Official
36 Statement or Official Circular with respect to the sale of any such series of bonds, including
37 (without limitation) the employment of a qualified financial printer to print such Offering
38 Circular, Official Statement or Official Circular; and to allocate in his discretion the costs of
39 employing such financial advisor and financial printer and the other costs of preparing and
40 distributing such Offering Circular, Official Statement or Official Circular among the projects to
41 be financed with the proceeds of any such series of bonds, as part of the costs thereof, all such
42 costs of employing such financial advisor and financial printer and all other costs of preparing
43 and distributing such Offering Circular, Official Statement or Official Circular to be regarded as
44 costs of specialized services of an unusual nature and not susceptible of being obtained through
45 competitive bidding;
46

47 (e) after considering any recommendations of such financial advisor, to reserve to the
48 County the option to redeem any such series of bonds in whole or in part, at such times and upon
49 payment of such premiums as such financial advisor may recommend;
50

51 (f) to retain qualified bond counsel (such qualifications to be subject to approval by the
52 County Attorney) to handle all legal proceedings with respect to the issue and sale of any such
53 series of bonds and to pass on the validity thereof and to employ, if bonds are not issued and sold

1 in book-entry form, or if otherwise deemed necessary by the County Executive, a qualified
2 banknote company to print or engrave such bonds in accordance with established standards, and
3 to allocate in his discretion the costs of retaining such counsel and employing such banknote
4 company among the projects to be financed with the proceeds of any such series of bonds, as part
5 of the costs thereof, all such costs of retaining such counsel and employing such banknote
6 company to be regarded as costs of specialized services of an unusual nature and not susceptible
7 of being obtained through competitive bidding; and
8

9 (g) to provide for the issuance of bonds in book-entry form, to provide for the manner of
10 payment of principal of and interest on bonds issued in book-entry form and to enter into
11 appropriate agreements regarding the custody of bonds issued in book-entry form.
12

13 SECTION 3. *And be it further enacted*, Acting pursuant to the authority of Article 25A of the
14 Annotated Code of Maryland (2005 Replacement Volume and 2010 Supplement), The Anne
15 Arundel County Charter and Section 24 of Article 31 of the Annotated Code of Maryland (2010
16 Replacement Volume) (the “Refunding Act”), the issuance and sale of bonds of the County (the
17 “Refunding Bonds”) is hereby authorized for the purpose of refunding some or all of the
18 outstanding issues of bonds of the County listed on Exhibit II attached hereto, as follows:
19

20 (a) Refunding Bonds are hereby authorized to be issued to refund in whole or in part the
21 respective several series of Anne Arundel County Consolidated General Improvements Series,
22 Anne Arundel County Consolidated Water and Sewer Series and Anne Arundel County Water
23 and Sewer Series, and Anne Arundel County Consolidated Solid Waste Projects Series, identified
24 as to designation, date and aggregate outstanding principal amount on Exhibit II below (to the
25 extent refunded hereby, the “Refunded Series”). With respect to each Refunded Series,
26 Refunding Bonds may be issued pursuant to this Ordinance in an aggregate principal amount
27 sufficient to provide funds (a) to purchase direct obligations of, or obligations the timely payment
28 of the principal and interest on which is unconditionally guaranteed by, the United States of
29 America (“Government Obligations”), the principal of and interest on which will be sufficient
30 without reinvestment or to provide cash sufficient, in either case, to pay in a timely manner all or
31 any part of the principal of and redemption premium, if any, and interest on the bonds of such
32 Refunded Series and, if so provided by the County Executive, or Chief Administrative Officer if
33 authorized by the County Executive, pursuant to Section 3(6) of this Ordinance, a portion of the
34 interest on the Refunding Bonds, and (b) to pay any and all other costs permitted to be paid from
35 the proceeds of such bonds under the Refunding Act, including (without limitation) the costs of
36 issuance of such bonds and applicable underwriting fees; provided, however, that the aggregate
37 principal amount of Refunding Bonds issued to refund one or more Refunded Series shall not
38 exceed 120% of the principal amount of bonds of the Refunded Series so refunded. Proceeds of
39 Refunding Bonds, including bond premium, consisting of net bond proceeds from the sale of
40 bonds sold at a price above par, shall be applied for the purposes set forth above and as prescribed
41 in the Refunding Act. Bond premium, if any, derived from the sale of Refunding Bonds shall be
42 applied as described above and shall not be subject to any requirement for deposit of any net bond
43 proceeds from the sale of general improvements bonds pursuant to Section 4-11-115 of Article 4,
44 Finance, Taxation, and Budget of the Anne Arundel County Code.
45

46 (b) The Refunding Bonds shall be issued and sold in the same manner as Bonds authorized by
47 Section 2 hereof with the following exceptions and additions:
48

49 (1) Refunding Bonds shall be sold at private (negotiated) sale, and such procedure is
50 hereby determined to be in the public interest. Notwithstanding the foregoing, if the County
51 Executive, or the Chief Administrative Officer if authorized by the County Executive,
52 subsequently determines that it is in the best interests of the County to sell any or all of the
53 Refunding Bonds after first soliciting competitive bids at public sale, then the County Executive

1 or the Chief Administrative Officer, as the case may be, may sell such Refunding Bonds in such
2 manner in accordance with such procedures as he shall deem appropriate; provided, however, that
3 such procedures shall be substantially similar to the procedures set forth in Section 5 hereof.
4

5 (2) Refunding Bonds issued hereunder are hereby specifically exempted from the
6 provisions of Sections 10 and 11 of Article 31 of the Annotated Code of Maryland (2010
7 Replacement Volume).
8

9 (3) Refunding Bonds authorized to be issued for the purposes specified above may be
10 issued in series from time to time. Each such series shall identify the public purpose for which it
11 is issued, by the printing on each bond of the words "Consolidated General Improvements Series,
12 20__ Refunding Series", "Consolidated Water and Sewer Series, 20__ Refunding Series," or
13 "Consolidated Solid Waste Projects Series, 20__ Refunding Series," as the case may be. The
14 County Executive, or the Chief Administrative Officer if authorized by the County Executive,
15 may incorporate such additional designations in the name of the series as he deems necessary or
16 convenient to distinguish two or more series issued for the same purpose within the same
17 calendar year.
18

19 (4) The bonds of each series, or of successive series for the same public purpose, shall
20 mature and be payable under an annual Installment Plan which may be implemented by the
21 issuance of serial maturity bonds or term bonds having mandatory sinking fund requirements,
22 beginning not later than the second anniversary of such series, or of the first series of a group, and
23 concluding on or before (a) the thirtieth (30th) anniversary of the Refunded Bonds to be refunded
24 from the proceeds of such Series or (b) the final maturity date permitted for such series under
25 Paragraph 3 of Section II of the FINDINGS OF FACT set forth in Section 1 of this Ordinance,
26 whichever shall be earlier. In the event that bonds of more than one Series of Refunded Bonds
27 are refunded by a single series of Refunding Bonds, compliance with the maturity limits
28 contained herein shall be established with respect to each series of Refunded Bonds in a
29 certificate of the County Executive, or the Chief Administrative Officer if authorized by the
30 County Executive, delivered in connection with the issuance of such Refunding Bonds.
31

32 (5) The County Executive, or the Chief Administrative Officer if authorized by the
33 County Executive, shall determine the portions of each series of Refunded Bonds to be refunded
34 with the proceeds of each series of Refunding Bonds; provided, however, that such refunding will
35 effectuate and accomplish the public purpose of realizing savings to the County in the aggregate
36 cost of debt service on either a direct comparison or a present value basis with respect to the
37 portion of any series of Refunded Bonds being refunded.
38

39 (6) With respect to each series of Refunding Bonds sold pursuant to this Ordinance,
40 authority is hereby conferred on the County Executive, or the Chief Administrative Officer if
41 authorized by the County Executive, in addition to the authority conferred by Section 2 hereof, to
42 take the following actions and make the following commitments on behalf of the County:
43

44 (a) to sell any series of Refunding Bonds upon such terms he deems favorable under
45 the existing market conditions to a bank, investment banking firm or other financial institution as,
46 in his judgment, offers to purchase such series of bonds on terms he deems favorable to the
47 County under the existing market conditions;
48

49 (b) to execute and deliver, as a binding and enforceable obligation of the County, an
50 underwriting or purchase agreement for any series of Refunding Bonds;
51

52 (c) to determine whether the principal of Refunded Bonds shall be paid at maturity, at
53 the earliest redemption date pertaining thereto, or at some later redemption date; and

1
2 (d) to select a trust company or other banking institution as trustee, to hold the trust
3 fund into which the proceeds of the sale of any Refunding Bonds may be deposited under the
4 Refunding Act, to determine the terms of any such trust fund, including any provisions relating to
5 the payment of costs or the payment of a portion of the interest on such series of Refunding
6 Bonds therefrom, and to deliver, as a binding commitment of the County, a trust or escrow
7 agreement pursuant to which such trust fund is established.
8

9 SECTION 4. *And be it further enacted*, That the several series of bonds to be issued pursuant
10 to the authority of this Ordinance shall be executed on behalf of the County by the manual or
11 facsimile signature of the County Executive and the seal or a facsimile of the seal of the County
12 shall be impressed or imprinted thereon, attested by the manual or facsimile signature of the
13 County Executive, the secretary to the County Executive, the Administrative Officer to the
14 County Council or such other officer as may be specified by ordinance of the County Council.
15 Each such bond shall be authenticated by the manual or facsimile signature of the Chief
16 Administrative Officer or his authorized deputy and by the manual signature of an authorized
17 officer of the Bond Registrar. Notwithstanding the foregoing, in the event bonds are issued in
18 book-entry form the County Executive, or the Chief Administrative Officer if authorized by the
19 County Executive, may provide that bonds issued in such form need not be authenticated by a
20 Bond Registrar. No bonds issued hereunder shall be valid for any purpose or constitute an
21 obligation of the County unless so authenticated.
22

23 Each series of bonds shall be in the form set forth in Exhibit III attached hereto and
24 incorporated herein, and bonds issued substantially in compliance with such forms, with such
25 insertions, alterations, additions or deletions as herein permitted, when properly executed and
26 authenticated as described above, shall be deemed to constitute unconditional general obligations
27 of the County, to the payment of which, in accordance with the terms thereof, its full faith and
28 credit are pledged, subject to the limitation on the taxing power set forth in Section 710(d) of the
29 County Charter, and all the covenants and conditions contained in such bonds shall be deemed to
30 be binding upon the County in accordance therewith.
31

32 In case any official of the County whose signature shall appear on any such bonds shall cease
33 to be such official prior to the delivery of such bonds, or in the case that any such official shall
34 take office subsequent to the date of issue of any such bonds, his signature, in either event, shall
35 nevertheless be valid for the purposes herein intended.
36

37 There shall be printed on the reverse side of each series of bonds issued hereunder, the text of
38 the applicable approving legal opinion with respect thereto, such text being duly certified by the
39 manual or facsimile signature of the County Executive, unless the bonds are issued in book-entry
40 form, in which event, the County Executive, or the Chief Administrative Officer if authorized by
41 the County Executive, may make alternate arrangements to make the approving legal opinion
42 available to the holder of such bonds.
43

44 Authority is hereby conferred on the County Executive, or the Chief Administrative Officer if
45 authorized by the County Executive, to complete the blanks in such forms with the required
46 information, to insert applicable paragraphs as indicated and to make such additions, deletions
47 and substitutions in such forms, not inconsistent herewith, as may be necessary or desirable in the
48 sale of any such series of bonds or to provide for the sale of any such series of bonds in book-
49 entry form including (without limitation) modifications in the form of bonds to provide for
50 Refunding Bonds issued to refund Refunded Bonds meeting the requirements of Section
51 24(a)(3)(i) of Article 31 of the Annotated Code of Maryland (2010 Replacement Volume) to be
52 secured by a pledge of the full faith and credit and unlimited taxing power of the County, or, with
53 respect to bonds sold in book-entry form, to provide for payment of the redemption price of such

1 bonds without presentation thereof to the County or to the Bond Registrar. Without limiting the
2 generality of the foregoing, the County Executive, or the Chief Administrative Officer if
3 authorized by the County Executive, is hereby specifically authorized to make such additions,
4 deletions and substitutions in such forms, not inconsistent herewith, as he may deem necessary or
5 desirable in the event that any series of bonds issued hereunder (i) is not made subject to
6 redemption prior to their respective maturities or (ii) is issued as Variable Rate Demand
7 Obligations in accordance with the provisions of Section 7 of this Ordinance.
8

9 SECTION 5. *And be it further enacted,* That any bonds hereafter sold pursuant to the
10 authority of Section 2 of this Ordinance shall first be offered at public sale to the best bidder
11 therefor and only after the solicitation of competitive bids on a sealed basis by publication of a
12 notice of sale substantially in the form set forth in Exhibit IV attached hereto and incorporated
13 herein, with such insertions, alterations, additions or deletions as are permitted by this Ordinance.
14

15 The best bidder for such bonds shall be determined in accordance with a formula and subject
16 to such bid constraints as shall be determined by the County Executive, or the Chief
17 Administrative Officer if authorized by the County Executive, upon the recommendation of the
18 financial advisor selected pursuant to Section 2 hereof, to be appropriate for the solicitation or
19 determination of the best bid for the bonds. The notice shall be published at least once preceding
20 the date of sale in a newspaper published and of general circulation in the County. The first
21 publication of such notice shall be not less than 10 days prior to the date of sale. At the discretion
22 of the County Executive, or the Chief Administrative Officer if authorized by the County
23 Executive, such notice or a summary thereof may also be inserted one or more times in financial
24 journals published elsewhere in the United States. If more than one series or issue of bonds are
25 offered together, they shall be sold as a unit. Following any such sale, the County Executive, or
26 the Controller if authorized by the County Executive, shall report the results thereof in writing at
27 the next meeting of the County Council. All proposals for the purchase of any such bonds shall
28 be made substantially in the form set forth in Exhibit IV attached hereto and incorporated herein,
29 with such insertions, alterations, additions or deletions as are permitted by this Ordinance.

30 The County may in such notice of sale reserve unto itself the right to reject any or all of the
31 bids made pursuant to such notice and if, pursuant to the power so reserved, all of such bids are
32 so rejected at the public sale of any of the bonds, then the County may, within 30 days, but not
33 thereafter, offer to sell or sell all or any part of such bonds by private sale for a price not less than
34 the best bid received by the County from an acceptable bidder at the public sale thereof, and if
35 such bonds are not sold either at such public sale or at private sale within such 30 day period,
36 then they may not be sold in any manner except upon a subsequent public sale duly advertised in
37 the manner herein specified.
38

39 The County may in such notice of sale reserve the right to adjust the principal amount of each
40 maturity of bonds of any series after publication of the notice of sale as provided herein, provided
41 that any such adjustment shall be made in accordance with the procedures set forth in the notice
42 of sale.
43

44 The forms of such notice of sale and of such proposals shall be substantially as set forth in
45 Exhibit IV, with the insertions therein indicated, and subject to such insertions, alterations,
46 additions or deletions as the County Executive, or the Chief Administrative Officer if authorized
47 by the County Executive, may deem advisable due to financial or market conditions prevailing at
48 the time or, in the event that bonds are issued as Variable Rate Demand Obligations in accordance
49 with Section 7 of this Ordinance or constitute Refunding Bonds meeting the requirements of
50 Section 24(a)(3)(i) of Article 31 of the Annotated Code of Maryland (2010 Replacement
51 Volume), due to the particular characteristics of such bonds or the security therefor. Without
52 limiting the generality of the foregoing, the County Executive, or the Chief Administrative

1 Officer if authorized by the County Executive, is hereby specifically authorized, upon
2 recommendation of the financial advisor and bond counsel, to make such insertions, alterations,
3 additions or deletions as he may deem necessary or desirable (A) in the event that the bonds of
4 any series issued hereunder (i) are not made subject to redemption prior to their respective
5 maturities, (ii) are issued as Variable Rate Demand Obligations in accordance with the provisions
6 of Section 7 of this Ordinance or (iii) constitute Refunding Bonds meeting the requirements of
7 Section 24(a)(3)(i) of Article 31 of the Annotated Code of Maryland (2010 Replacement
8 Volume), (B) to provide for receipt of bids submitted electronically, or (C) to reflect use of a
9 book-entry only system.

10
11 SECTION 6. *And be it further enacted*, That in order to avoid the issuance of a greater
12 amount of bonds for the capital projects listed in Exhibit I than is needed therefor, and in order to
13 permit the construction of such projects to proceed prior to the issuance of such bonds and at the
14 same time afford the County maximum flexibility in selecting the most advantageous times for
15 such issuance, the County may provide needed capital funds by the issue and sale of its bond
16 anticipation notes pursuant to the authority of Section 12 of Article 31 of the Annotated Code of
17 Maryland (2010 Replacement Volume) (the "Bond Anticipation Note Act"). Such notes shall
18 bear the same series identification as the bonds authorized in Section 2 hereof.

19
20 (1) The maximum principal amount of such notes issued pursuant to this Section which may
21 be outstanding at any time shall be ~~Five Hundred Eighty Three Million Two Hundred Thousand~~
22 ~~Dollars (\$583,200,000)~~ Five Hundred Seventy-One Million Eight Hundred Thousand Dollars
23 (\$571,800,000) unless and until otherwise provided by the County Council by ordinance. The
24 notes may be paid at or prior to maturity from the proceeds of the issuance and sale of the bonds
25 in anticipation of which such notes were issued or from the proceeds of refunding bond
26 anticipation notes. Except as otherwise provided herein, in the event of such an advance
27 refunding, the proceeds of such refunding bonds or notes shall be held in escrow, to the extent
28 and in the amount necessary to refund the outstanding series of notes, for the benefit of the
29 holders of the outstanding series of notes. Such refunding bond anticipation notes, if issued, will
30 constitute a reissuance of the bond anticipation notes authorized by this Ordinance and shall not
31 constitute additional indebtedness under such authorization.

32
33 (2) The notes shall be issued in registered form without coupons or in bearer form without
34 coupons, in the denomination of \$5,000 each or any integral multiple thereof, as may be
35 determined by the County Executive, or the Chief Administrative Officer if authorized by the
36 County Executive. Each such note shall be dated (i) as of the first or fifteenth day of the month in
37 which it is sold, and accrued interest shall be adjusted to such date or (ii) as of the date of the
38 initial sale and delivery of such note, all as may be determined by the County Executive, or the
39 Chief Administrative Officer if authorized by the County Executive. All of the notes authorized
40 hereby shall mature and be payable on such date as may be determined by the County Executive,
41 or the Chief Administrative Officer if authorized by the County Executive, within the limitations
42 of this Ordinance and the Bond Anticipation Note Act. The County Executive, or the Chief
43 Administrative Officer if authorized by the County Executive, may also provide for (a) the
44 extension of maturity of such notes, at the option of the County exercised by the County
45 Executive or the Chief Administrative Officer, for an additional period not in excess of six
46 months, upon such terms and conditions as the County Executive, or the Chief Administrative
47 Officer if authorized by the County Executive, shall prescribe and (b) the redemption of such
48 notes prior to their maturity, with or without premium or penalty.

49
50 (3) All or any part of such notes may be issued in series as funds are required. Authority is
51 hereby conferred on the County Executive, or the Chief Administrative Officer if authorized by
52 the County Executive, to determine whether such notes will be issued in such series and, if so,
53 when each such series of notes will be delivered to the purchaser thereof.

1
2 (4) The County Executive, or the Chief Administrative Officer if authorized by the County
3 Executive, shall provide for the establishment and maintenance of books for the registration and
4 transfer of registered notes, which books may be maintained by a Note Registrar appointed by the
5 County Executive, or the Chief Administrative Officer if authorized by the County Executive.
6

7 (5) Notes to be issued pursuant to the authority of this Ordinance shall be executed on behalf
8 of the County by the manual or facsimile signature of the County Executive and the seal of the
9 County or a facsimile thereof shall be impressed or imprinted thereon, attested by the manual or
10 facsimile signature of the County Executive, the secretary to the County Executive, the
11 Administrative Officer to the County Council or such other officer as may be specified by
12 ordinance of the County Council. Each note shall be authenticated by the manual or facsimile
13 signature of the Chief Administrative Officer or his authorized deputy. In the event that
14 registered notes are issued, the County Executive, or the Chief Administrative Officer if
15 authorized by the County Executive, may provide for authentication of such registered notes by a
16 Note Registrar in such form as he shall deem appropriate. In the event that Program Notes
17 (hereinafter defined) are issued, or in the event that the notes are issued as Variable Rate Demand
18 Obligations, the County Executive, or the Chief Administrative Officer if authorized by the
19 County Executive, may provide for authentication of such Program Notes or Variable Rate
20 Demand Obligations by such agents or entities and in such form as he shall deem appropriate.
21

22 (6) The notes shall bear interest at such rate or rates as shall be established by the County
23 Executive, or the Chief Administrative Officer if authorized by the County Executive, which rate
24 or rates may vary according to an established index. Interest on the notes shall be payable on
25 such dates and in such manner as shall be established by the County Executive, or the Chief
26 Administrative Officer if authorized by the County Executive.

27 (7) Unless otherwise provided by an ordinance of the County Council prior to the issuance of
28 any of such notes, authority is hereby conferred on the County Executive, or the Chief
29 Administrative Officer if authorized by the County Executive, to sell such notes on the most
30 favorable terms available from time to time, without solicitation of competitive bids, at private
31 (negotiated) sale, and such method of sale is hereby found and determined to be in the best
32 interests of the County. If the County Executive, or the Chief Administrative Officer if
33 authorized by the County Executive, shall determine that the best interests of the County will be
34 served by the sale of all or part of the notes at a public sale with the solicitation of competitive
35 bids, the County Executive or the Chief Administrative Officer, as the case may be, is hereby
36 authorized to sell such notes in such manner. Except as hereinafter provided with respect to
37 Commercial Paper Notes (hereinafter defined), (a) such notes shall be sold at a price equal to the
38 par value thereof plus accrued interest to the date of delivery, or (b) upon written
39 recommendation of the financial advisor selected pursuant to subsection (9) of Section 2 that a
40 discount bid would be expected to provide a more favorable interest rate to the County by
41 facilitating the underwriting of the County's notes in then-current market conditions, the County
42 Executive, or the Chief Administrative Officer if authorized by the County Executive, may
43 authorize such notes to be sold at a price not less than 99% of par plus accrued interest to date of
44 delivery. None of such notes shall bear interest at a rate in excess of the maximum interest rate, if
45 any, specified by the County Council by Public Local Law to be payable on obligations of Anne
46 Arundel County, Maryland.
47

48 In the event that such notes are sold at private (negotiated) sale, the County Executive, or the
49 Chief Administrative Officer if authorized by the County Executive, is hereby authorized to
50 negotiate with any bank, banker or other financial institution for a loan commitment and to
51 deliver to such bank, banker or other financial institution such notes at one time or from time to
52 time, as funds are required, pursuant to the terms of such commitment, and to execute and deliver

1 any and all documents necessary or deemed appropriate by the County Executive or the Chief
2 Administrative Officer, as the case may be, to consummate the sale of such notes at private
3 (negotiated sale) and to accomplish any and all actions necessary or deemed appropriate by the
4 County Executive or the Chief Administrative Officer, as the case may be, to issue and deliver
5 such notes to the purchaser thereof in accordance with the provisions of this Ordinance and any
6 such commitment.

7
8 In the event that such notes are sold at public sale, the County Executive, or the Chief
9 Administrative Officer if authorized by the County Executive, is hereby authorized (i) to
10 determine the timing, terms and conditions thereof, (ii) to publish an appropriate notice of sale,
11 such notice of sale to be in the general form of the form of the notice of sale included herein in
12 Section 5 for the sale of bonds authorized by Section 2 hereof, with such alterations, deletions,
13 substitutions and additions as the County Executive, or the Chief Administrative Officer if
14 authorized by the County Executive, shall deem necessary or appropriate to provide for proper
15 notice of the sale of notes, (iii) to determine the date, time and place when proposals will be
16 accepted for such notes, such proposals to specify the interest rate or rates to be paid on such
17 notes, the price to be paid for such notes and such other matters as the County Executive or the
18 Chief Administrative Officer, as the case may be, may deem necessary or desirable in order to
19 sell and deliver such notes and to award such notes at public sale to the successful bidder for such
20 notes, and (iv) to execute and deliver any and all documents necessary or deemed appropriate by
21 the County Executive or the Chief Administrative Officer, as the case may be, to consummate the
22 sale of such notes at public sale and to accomplish any and all actions necessary or deemed
23 appropriate by the County Executive or the Chief Administrative Officer, as the case may be, to
24 issue and deliver such notes to such underwriters or purchasers in accordance with the provisions
25 of this Ordinance and any contract of sale with the successful bidder for the notes.

26
27 Following each such sale, or the negotiation of each such commitment, including the
28 execution of any agreements in connection with the issuance of Program Notes or Variable Rate
29 Demand Obligations, the County Executive, or the Controller if authorized by the County
30 Executive, shall report the same at the next meeting of the County Council and shall accompany
31 such report with the data upon which he had relied to satisfy himself that he had obtained terms
32 favorable to the County in the then-prevailing market for comparable obligations.

33
34 (8) The authority conferred on the County Executive, or the Chief Administrative Officer if
35 authorized by the County Executive, in paragraph (9) of Section 2 of this Ordinance in
36 connection with the issuance of bonds hereunder, with respect to the appointment of paying
37 agents and a registrar, the employment of a financial advisor, a financial printer and a securities
38 printer, retaining bond counsel and the preparation and distribution of an appropriate Offering
39 Circular, Official Statement or Official Circular, may also be exercised with respect to the
40 issuance and sale of bond anticipation notes hereunder.

41
42 (9) With respect to any notes issued, the County hereby covenants and agrees with the holder
43 or holders thereof to issue, upon its full faith and credit, the bonds in anticipation of the sale of
44 which such notes are issued when, and as soon as, the reason for deferring the issuance thereof no
45 longer exists and to pay the principal of and interest on (to the extent such interest has not been
46 capitalized, or otherwise paid, by appropriations from current revenues as hereinbefore
47 authorized) such notes from the proceeds of such bonds. This covenant shall be binding upon the
48 County notwithstanding any limitation set forth in this Ordinance, including (without limitation)
49 any limitation with respect to the interest rate or rates that the bonds may bear. If the County
50 shall be unable, for reasons beyond its control, to issue and sell its bonds as described above, or if
51 the proceeds from the sale of such bonds shall be insufficient to pay the principal of and interest
52 on any notes issued, then the revenues from taxes and other sources intended for application to
53 debt service on such bonds shall be applied to the payment of the interest on and principal of the

1 notes. The foregoing provisions shall not be construed so as to prohibit the County from paying
2 the principal or redemption price of and interest on any note issued hereunder from the proceeds
3 of the sale of any other note issued hereunder, or from any other funds legally available for that
4 purpose.

5
6 If the County shall be unable, for reasons beyond its control, to issue and sell its bonds, or if
7 the proceeds from the sale of such bonds shall be insufficient to pay the principal of or interest on
8 any notes issued, then the County hereby covenants that, in each fiscal year during which any
9 such bond anticipation notes are outstanding, it will appropriate sufficient funds in each Current
10 Expense Budget to pay the principal of such bond anticipation notes and the interest thereon due
11 in such fiscal year. The County hereby further covenants that, to the extent any such
12 appropriation is not offset by funds from other sources or by project revenues, it will, subject to
13 the limitation on the tax levy set out in Section 710(d) of the County Charter, fund any such
14 appropriation by the levy of ad valorem taxes on real estate, tangible personal property and
15 intangible personal property subject to taxation by the County, and in addition, on such other
16 intangible property as may be subject to taxation by the County within limitations prescribed by
17 law. In such event, in the case of any series of bond anticipation notes issued to finance
18 self-liquidating projects of the County, the principal of and interest on any such notes shall be
19 payable primarily from the net revenues and receipts from such projects, or the utilities of which
20 they form a part. If any such series of bond anticipation notes shall be issued to finance such
21 self-liquidating projects and the County shall be unable for reasons beyond its control to issue
22 and sell the bonds in anticipation of the sale of which such notes are issued, or if the proceeds
23 from the sale of such bonds shall be insufficient to pay the principal of or interest on such notes,
24 then the County covenants to fix such rates and charges for the use of any such project, or the
25 utility of which it forms a part, as will generate sufficient revenues to pay the annual cost of
26 maintenance and operation thereof and to pay the maturing principal of and interest on any such
27 series of bond anticipation notes when due, and the County further covenants and agrees to apply
28 such revenues against appropriations for such maintenance, operation and debt service in each
29 Current Expense Budget. The County may apply to the payment of the principal of and interest
30 on the aforementioned notes any funds granted or otherwise obtained and legally available for the
31 payment of the principal of and interest on the notes; and to the extent that any such funds
32 received or receivable in any fiscal year are applied to such purposes, the taxes, rates and charges
33 required to be levied or assessed pursuant to this paragraph shall be reduced proportionately.

34
35 (10) In the event that any notes (the "Outstanding Notes") issued hereunder are outstanding
36 on the date that the bonds in anticipation of which such notes are issued are delivered in exchange
37 for the purchase price thereof (the "Delivery Date"), the Controller shall deposit with the paying
38 agent for the notes, or a trustee or escrow agent, on the Delivery Date (i) cash in an amount equal
39 to the principal of the Outstanding Notes or (ii) direct obligations of, or obligations the payment
40 of which is unconditionally guaranteed by, the United States of America, the principal of and
41 interest on which will be sufficient without reinvestment to pay in a timely manner the principal
42 of the Outstanding Notes when due. Such paying agent or trustee or escrow agent is hereby
43 irrevocably directed to apply such cash or the proceeds of such obligations to the payment of the
44 principal of the Outstanding Notes when due. The County may provide such cash or obligations
45 from the proceeds of the sale of such bonds or from any other funds legally available for such
46 purpose. On the Delivery Date, the Controller shall also deposit with the paying agent for the
47 Outstanding Notes, or a trustee or escrow agent (i) cash in an amount equal to the interest on the
48 Outstanding Notes when due or (ii) direct obligations of, or obligations the payment of which is
49 unconditionally guaranteed by, the United States of America, the principal of and interest on
50 which will be sufficient without reinvestment to pay in a timely manner interest on the
51 Outstanding Notes when due. The County may provide such cash or obligations from the
52 proceeds of the sale of bonds available for that purpose or from any other funds legally available
53 for such purpose. Notwithstanding the foregoing, if the Delivery Date and the date on which the

1 Outstanding Notes mature are in different fiscal years, and moneys for the payment of the interest
2 on the Outstanding Notes have not been finally appropriated in the fiscal year in which the bonds
3 are delivered, and if the Delivery Date is after the date on which the budget for the succeeding
4 fiscal year has been submitted to the County Council and provision for the payment of the interest
5 on such Outstanding Notes has been made in such budget, in lieu of the deposit of such cash or
6 obligations for the payment of interest on the Outstanding Notes, the County Executive, the
7 Controller and the Chief Administrative Officer may deliver a certificate on the Delivery Date of
8 the bonds stating that funds sufficient to pay the interest on the Outstanding Notes have been
9 included in the budget for the next succeeding fiscal year (it being provided by the Bond
10 Anticipation Note Act that the notes shall be payable from the first proceeds of the sale of the
11 bonds, or from the tax or other revenue which the County shall have previously determined to
12 apply to the payment of the bonds and the interest thereon). Upon the deposit with the paying
13 agent for the Outstanding Notes, or a trustee or escrow agent, of cash or obligations sufficient to
14 provide for the payment of the principal of and interest on such notes when due, as described
15 above, such notes shall be deemed to be paid and no longer outstanding hereunder.

16
17 (11) Pursuant to the Bond Anticipation Note Act, the County is hereby authorized to issue the
18 aforementioned bond anticipation notes as notes in the nature of commercial paper and to
19 establish a commercial paper program. Accordingly, the County is hereby authorized to issue
20 two or more separate and distinct series of its bond anticipation notes, which may include (1) a
21 series of its bond anticipation notes in the nature of commercial paper (the “Commercial Paper
22 Notes”) and (2) a series of its bond anticipation notes in connection with a liquidity facility, such
23 as a revolving loan agreement, or a series of its bond anticipation notes in connection with a
24 credit facility, such as a letter of credit and related agreements (collectively, the “Revolving Loan
25 Notes”) (the Commercial Paper Notes and the Revolving Loan Notes being collectively referred
26 to herein as the “Program Notes”). The words “bond anticipation notes,” as used in this
27 Ordinance, include Program Notes, and it is intended that the provisions of this Ordinance
28 applying to bond anticipation notes shall include Program Notes unless the context clearly
29 requires a contrary meaning.

30
31 For the purposes of this Ordinance, the term “principal amount,” when used with respect to
32 the Program Notes, shall mean (i) in the case of Commercial Paper Notes, the face amount of any
33 such Commercial Paper Note, less any original issue discount on such Commercial Paper Note,
34 and (ii) in the case of Revolving Loan Notes, the principal amount actually advanced under the
35 applicable liquidity facility or credit facility that is evidenced by any such Revolving Loan Note.
36 Accordingly, it is contemplated by this Ordinance that the aggregate face amount of the Program
37 Notes that may be outstanding from time to time hereunder, together with other bond anticipation
38 notes issued hereunder and outstanding from time to time, may exceed the aggregate principal
39 amount of bond anticipation notes authorized to be outstanding hereunder at any one time.

40
41 It is recognized that the procedures necessary or desirable to implement a commercial paper
42 program within the framework of existing commercial practices in the commercial paper market
43 may require the County to prescribe procedures to facilitate the prompt determination and
44 approval of certain matters in connection with the authorization, issuance, execution, sale,
45 delivery and payment of and for Commercial Paper Notes. Accordingly, the County Executive,
46 by or pursuant to executive order or other appropriate action or proceedings, is hereby authorized
47 (1) to establish such procedures, including (without limitation) procedures for (a) the
48 determination of the dates and maturities of any Program Notes, or the method by which the same
49 shall be determined, (b) the determination of the interest rate to be borne by any Program Notes,
50 which may be separately stated by rate or amount or which may be in an amount equal to the
51 discount thereon, or the method by which the same shall be determined, and (c) the determination
52 of the price or prices at which Commercial Paper Notes may be sold, which may be at, above or
53 below the face value thereof, or the method by which the same shall be determined; and (2) to

1 determine any and all other matters relating to the terms, specifications and form of such Program
2 Notes, including (without limitation) any modification required in the forms of bond anticipation
3 note set forth herein to accommodate the needs of the commercial paper program. Any such
4 procedures may include provisions for telephonic approval and subsequent telegraphic or written
5 confirmation of one or more of such matters by the Chief Administrative Officer, the Controller
6 or such other officers or employees of the County as the County Executive shall designate within
7 guidelines or parameters prescribed by the County Executive. The establishment of such
8 procedures and all such determinations and actions shall be deemed to be of an administrative
9 nature.

10
11 In connection with the establishment of a commercial paper program, the County Executive
12 is hereby authorized, by or pursuant to executive order or other appropriate action or proceedings
13 (i) to approve the form of any indenture necessary or appropriate in connection with the issuance
14 of any Program Notes (the "Indenture") and to appoint a trustee (the "Trustee") thereunder, (ii) to
15 approve the form of any dealer agreement relating to any Commercial Paper Notes (the "Dealer
16 Agreement") and to select a dealer to act thereunder, (iii) to approve the form of a liquidity
17 facility, such as a revolving loan agreement, or a credit facility, such as a letter of credit and
18 related agreements (each a "Credit Facility") and to select one or more financial institutions to
19 provide loans or otherwise to act thereunder, and (iv) to approve the form of any issuing and
20 paying agency agreement (the "Issuing and Paying Agency Agreement") and to appoint an
21 issuing and paying agent of the County for the purpose of completing, authenticating and
22 delivering the Program Notes from time to time.

23 The County Executive is hereby authorized, pursuant to executive order or other appropriate
24 action or proceedings, to execute and deliver on behalf of the County the Issuing and Paying
25 Agency Agreement, one or more Credit Facilities, the Dealer Agreement, and all and any other
26 documents that he may deem necessary or appropriate to implement the commercial paper
27 program contemplated by this Ordinance and, in each case, to cause the seal of the County to be
28 impressed thereon, attested by the County Executive, the secretary to the County Executive, the
29 Administrative Officer to the County Council or such other officer as may be specified by
30 ordinance of the County Council.

31
32 (12) All of such notes shall be in such form as the County Executive, or the Chief
33 Administrative Officer if authorized by the County Executive, shall deem appropriate shall be
34 binding on the County when and as any such notes are issued and sold hereunder.

35
36 SECTION 7. *And be it further enacted*, That it is hereby found and determined as follows: (i)
37 general economic conditions are extremely unsettled and require sensitive and careful debt
38 management in order to reduce to the extent practicable the cost of borrowing to the County and
39 it is in the best interests of the County to be able to implement a flexible approach to borrowing
40 (that is, one which provides the ability to utilize variable rate demand obligations, commercial
41 paper and short-term municipal obligations ["Variable Rate Demand Obligations"]); (ii) there is
42 an expanding market for Variable Rate Demand Obligations, which have varying and flexible
43 maturities or redemption features, tender or purchase dates and bear interest at variable rates
44 established by a remarketing agent on the basis of current market conditions, or combinations of
45 such maturities or redemption, tender or purchase dates and rates and to access this market the
46 County must establish procedures consistent with market practices for Variable Rate Demand
47 Obligations; and (iii) existing practices in the market for Variable Rate Demand Obligations and
48 existing requirements of nationally recognized rating agencies require that there be available to
49 the issuer of Variable Rate Demand Obligations a supporting credit arrangement, such as a letter
50 of credit, line of credit or revolving loan agreement, pursuant to which an alternate source of
51 borrowing will be available during any period in which such obligations cannot be remarketed.
52

1 The County Executive, or the Chief Administrative Officer if authorized by the County
2 Executive, may determine that bond anticipation notes authorized by Section 6 hereof or bonds
3 authorized by Section 2 hereof shall be issued as short-term or demand obligations or commercial
4 paper, defined above as Variable Rate Demand Obligations, including obligations that are
5 required to be purchased or redeemed prior to stated maturity dates, and bear interest at variable
6 rates established from time to time by a remarketing agent on the basis of current market
7 conditions. The County Executive, or the Chief Administrative Officer if authorized by the
8 County Executive, is hereby authorized to establish procedures for the determination of the
9 interest rates, the interest payment dates and any mandatory redemption, tender or purchase dates
10 of bonds or notes described in this Section 7 in order to implement the financing authorized
11 hereby. If any bonds or notes issued in accordance with this Section 7 provide for the mandatory
12 redemption, tender or purchase thereof prior to stated maturity dates, the form of bond or note (as
13 the case may be) may provide, to the extent permitted by law and deemed advisable by the
14 County Executive, or the Chief Administrative Officer if authorized by the County Executive,
15 that the full faith and credit and, subject to the limitations set forth in Section 710(d) of the
16 County Charter, taxing power of the County are pledged to the payment of the purchase or
17 redemption price on the due dates for such payments.

18
19 In connection with the issuance of such obligations, the County Executive is hereby
20 authorized, by executive order or other appropriate action or proceeding (i) to approve the form
21 of any indenture necessary or appropriate in connection with the issuance of such obligations (the
22 "Demand Indenture") and to appoint a trustee thereunder, (ii) to approve the form of a
23 remarketing agreement relating to such obligations (the "Demand Remarketing Agreement") and
24 to select a remarketing agent to act thereunder, (iii) to approve the form of a credit or liquidity
25 facility, such as a letter of credit, line of credit, revolving loan agreement or other similar
26 agreement (a "Demand Credit Facility") and to enter into a reimbursement agreement or other
27 similar agreement (a "Demand Credit Facility Agreement") with one or more financial
28 institutions in connection therewith and (iv) to approve the form of a registrar and paying agency
29 agreement (the "Demand Registrar and Paying Agency Agreement") and to appoint a registrar
30 and paying agent for the purpose of completing, authenticating and delivering such obligations
31 from time to time.

32
33 The County Executive is hereby authorized pursuant to executive order or other appropriate
34 action or proceeding, to execute and deliver on behalf of the County a Demand Indenture, a
35 Demand Remarketing Agreement, one or more Demand Credit Facility Agreements and a
36 Demand Registrar and Paying Agency Agreement and any and all other documents that he may
37 deem necessary or appropriate in connection with the issuance of obligations authorized by this
38 Section 7, and, in each case, to cause the seal of the County to be impressed thereon, attested by
39 the County Executive, the secretary to the County Executive, the Administrative Officer to the
40 County Council and such other officers as may be specified by ordinance of the County Council.

41
42 SECTION 8. *And be it further enacted*, That the provisions hereinafter set forth in Sections
43 (8)(1), (2), (3), (4) and (5) shall be applicable with respect to bonds (including Refunding Bonds)
44 or bond anticipation notes issued and sold hereunder on the basis that the interest on such bonds
45 or notes will be excludable from gross income for federal income tax purposes and the provisions
46 hereinafter set forth in Section (8)(7) shall be applicable with respect to any bonds or bond
47 anticipation notes issued and sold hereunder on the basis that such bonds or notes are allowed a
48 tax credit, that the County is entitled to a subsidy from the United States of America or any
49 agency or instrumentality thereof with respect to such bonds or notes or the interest payable
50 thereon, or that any such bond or note or the interest thereon is entitled to any other available
51 benefits under the Internal Revenue Code of 1986, as amended (any such bonds or notes being
52 referred to herein as "Tax Advantaged Obligations").
53

1 (1) The County Executive shall be the officer of the County responsible for the issuance of
2 any bonds or bond anticipation notes hereunder within the meaning of the Arbitrage Regulations
3 (defined herein). The County Executive shall also be the officer of the County responsible for the
4 execution and delivery (on the date of issuance of the bonds or bond anticipation notes) of a
5 certificate of the County (the "Section 148 Certificate") which complies with the requirements of
6 Section 148 of the Internal Revenue Code of 1986, as amended ("Section 148"), and the
7 applicable regulations thereunder (the "Arbitrage Regulations"), and such official is hereby
8 directed to execute the Section 148 Certificate and to deliver the same to bond counsel on the date
9 of the issuance of the bonds or bond anticipation notes.

10
11 (2) The County shall set forth in the Section 148 Certificate its reasonable expectations as to
12 relevant facts, estimates and circumstances relating to the use of the proceeds of the bonds or
13 bond anticipation notes, or of any moneys, securities or other obligations to the credit of any
14 account of the County which may be deemed to be proceeds of the bonds or bond anticipation
15 notes pursuant to Section 148 or the Arbitrage Regulations (collectively, "Bond Proceeds"). The
16 County covenants that the facts, estimates and circumstances set forth in the Section 148
17 Certificate will be based on the County's reasonable expectations on the date of issuance of the
18 bonds or bond anticipation notes and will be, to the best of the certifying officials' knowledge,
19 true and correct as of that date.

20 (3) The County covenants and agrees with each of the holders of any of the bonds or bond
21 anticipation notes that it will not make, or (to the extent that it exercises control or direction)
22 permit to be made, any use of the Bond Proceeds which would cause the bonds or bond
23 anticipation notes to be "arbitrage bonds" within the meaning of Section 148 and the Arbitrage
24 Regulations. The County further covenants that it will comply with Section 148 and the
25 regulations thereunder which are applicable to the bonds or bond anticipation notes on the date of
26 issuance of the bonds or bond anticipation notes and which may subsequently lawfully be made
27 applicable to the bonds or bond anticipation notes.

28
29 (4) The County further covenants that it shall make such use of the proceeds of the bonds or
30 bond anticipation notes, regulate the investment of the proceeds thereof, and take such other and
31 further actions as may be required to maintain the excludability from gross income for federal
32 income tax purposes of interest on the bonds or bond anticipation notes. All officers, employees
33 and agents of the County are hereby authorized and directed to take such actions, and to provide
34 such certifications of facts and estimates regarding the amount and use of the proceeds of the
35 bonds or bond anticipation notes, as may be necessary or appropriate from time to time to comply
36 with, or to evidence the County's compliance with, the covenants set forth in this Section.

37
38 (5) The County Executive, on behalf of the County, may make such covenants or agreements
39 in connection with the issuance of bonds or bond anticipation notes issued hereunder as he or she
40 shall deem advisable in order to assure the registered owners of such bonds or notes that interest
41 thereon shall be and remain excludable from gross income for federal income tax purposes, and
42 such covenants or agreements shall be binding on the County so long as the observance by the
43 County of any such covenants or agreements is necessary in connection with the maintenance of
44 the exclusion of the interest on such bonds or notes from gross income for federal income tax
45 purposes. The foregoing covenants and agreements may include such covenants or agreements
46 on behalf of the County regarding compliance with the provisions of the Internal Revenue Code
47 of 1986, as amended, as the County Executive shall deem advisable in order to assure the
48 registered owners of such bonds or notes that the interest thereon shall be and remain excludable
49 from gross income for federal income tax purposes, including (without limitation) covenants or
50 agreements relating to the investment of the proceeds of such bonds or notes, the payment of
51 rebate (or payments in lieu of rebate) to the United States, limitations on the times within which,

1 and the purpose for which, such proceeds may be expended, or the use of specified procedures for
2 accounting for and segregating such proceeds.

3
4 (6) Notwithstanding anything in this Ordinance to the contrary, bonds or bond anticipation
5 notes issued and sold hereunder may be issued and sold on the basis that the interest on such
6 bonds or notes will not be excludable from gross income for federal income tax purposes.

7
8 (7) With respect to Tax Advantaged Obligations, the County Executive is hereby authorized
9 to make such covenants or agreements in connection with the issuance thereof as he shall deem
10 advisable in order to assure (i) the holders of any such Tax Advantaged Obligations that such Tax
11 Advantaged Obligations will be entitled to federal tax benefits of such Tax Advantaged
12 Obligations, and (ii) that the County is entitled to any subsidy available for any such Tax
13 Advantaged Obligations. Such covenants or agreements shall be binding on the County so long
14 as the observance by the County of any such covenants or agreements is necessary in connection
15 with the entitlement of such Tax Advantaged Obligations to applicable federal tax benefits. The
16 foregoing covenants and agreements may include (without limitation) covenants or agreements
17 on behalf of the County relating to the investment of proceeds of such Tax Advantaged
18 Obligations, the rebate of certain earnings resulting from such investment to the United States of
19 America (or the payment of penalties in lieu of such rebate), limitations on the times within
20 which, and the purposes for which, such proceeds may be expended or the utilization of specified
21 procedures for accounting for and segregating such proceeds. Any covenant or agreement made
22 by the County Executive pursuant to this paragraph may be authorized by an order or certificate
23 of the County Executive and such covenant or agreement shall be binding on the County.

24
25 In furtherance of the foregoing, in order to qualify for the benefits inuring with respect to any
26 tax advantaged obligation, the County Executive shall be authorized to make any elections or
27 designations permitted or required under the Internal Revenue Code of 1986, as amended, to
28 apply for an allocation from the State of Maryland or the federal government in the case of bonds
29 or notes subject to any volume limitation and to apply for any tax credit, to take such actions as
30 shall be necessary to permit any tax credit to be stripped and sold separately from the ownership
31 interest in any Tax Advantaged Obligations and to claim any cash subsidy with respect to any tax
32 advantaged obligation. It is confirmed that the County Executive is authorized to declare official
33 intent to reimburse expenditures from proceeds of Tax Advantaged Obligations.

34
35 For purposes of establishing compliance with Section 148 regarding the expenditure of
36 proceeds Tax Advantaged Obligations, the source of general fund monies for capital expenditures
37 may be specifically attributed to funds deposited to the general fund as a reimbursement from the
38 proceeds of County debt issuances in accordance with a certificate executed by the County
39 Executive.

40
41 Notwithstanding anything in this Ordinance to the contrary, Tax Advantaged Obligations
42 may be issued pursuant to Section 29 of Article 31 of the Annotated Code of Maryland (2010
43 Replacement Volume) or any other laws of the State of Maryland authorizing the issuance thereof
44 and may be sold for a price at, above or below par, plus accrued interest to the date of delivery.
45 Authority is hereby conferred on the county executive to sell any such Tax Advantaged
46 Obligations through a public sale or through a private (negotiated) sale, without solicitation of
47 competitive bids, as the County Executive, upon consultation with the Controller and the
48 County's financial advisor, shall determine to be in the best interests of the county. Any sale of
49 Tax Advantaged Obligations hereunder by private negotiation is hereby determined to be in the
50 county's best interest. Tax Advantaged Obligations issued hereunder are hereby specifically
51 exempted from the provisions of Sections 10 and 11 of Article 31 of the Annotated Code of
52 Maryland (2010 Replacement Volume).

1 It is recognized that the market for Tax Advantaged Obligations is evolving and that the
2 issuance and sale from time to time of Tax Advantaged Obligations with one stated maturity may
3 be the most practicable method for successfully accomplishing the sale of Tax Advantaged
4 Obligations by the County. Accordingly, the County is hereby authorized to issue Tax
5 Advantaged Obligations with a single stated maturity and to provide for an annual installment
6 plan (the "Installment Plan") with respect to the payment of Tax Advantaged Obligations, such
7 Installment Plan to be approved by an order of the County Executive. The Installment Plan shall
8 provide for annual payments to a sinking fund account (the "Escrow Account") to be pledged or
9 otherwise applied to the payment of the Tax Advantaged Obligations and to be held by a trust
10 company or other banking institution, as trustee or escrow agent, such annual payments to
11 commence not later than two years from the date of issuance of the Tax Advantaged Obligations.
12 Amounts so deposited to the Escrow Account shall be invested and reinvested in direct
13 obligations of, or obligations the principal of, and the interest on which, are guaranteed by, the
14 United States of America, or in certificates of deposit or time deposits secured by direct
15 obligations or obligations the principal of, and the interest on which, are guaranteed by, the
16 United States of America. Each annual payment deposited to the Escrow Account under the
17 Installment Plan shall be invested and reinvested in a manner determined by the County so as to
18 provide for the payment of a portion of the stated principal amount of such Tax Advantaged
19 Obligations and related interest, if any. The issuance and sale of Tax Advantaged Obligations as
20 a single bond with one stated maturity and the establishment of an Installment Plan as herein
21 described are hereby authorized notwithstanding the requirement in Section 2 of this Ordinance
22 that bonds be issued as serial maturity bonds or term bonds having mandatory sinking fund
23 requirements, beginning not later than the second anniversary of such series, or of the first series
24 of a group.
25

26 (8) Notwithstanding anything in this Ordinance to the contrary, it is confirmed that bond
27 premium, consisting of net bond proceeds from the sale of bonds sold at a price above par, may
28 be allocated for expenditure purposes permitted under provisions of federal income tax law
29 pertaining to excludability of interest on the bonds from gross income or the tax status of Tax
30 Advantaged Obligations, as applicable.
31

32 SECTION 9. *And be it further enacted*, That, unless and until otherwise provided by the
33 County Council of Anne Arundel County, Maryland, by ordinance, (i) not exceeding Two
34 Hundred Forty-Seven Million Six Hundred Thousand Dollars (\$247,600,000) aggregate
35 principal amount of the bonds authorized by Section 2 of this Ordinance shall be sold during the
36 fiscal year ending June 30, 2012; (ii) not exceeding ~~Three Hundred Thirty Five Million Six~~
37 ~~Hundred Thousand Dollars (\$335,600,000)~~ Three Hundred Twenty-Four Million Two Hundred
38 Thousand Dollars (\$324,200,000) aggregate principal amount of the bonds authorized by
39 Section 2 of this Ordinance shall be sold during the fiscal year ending June 30, 2013; and (iii) not
40 exceeding ~~Two Hundred Eighty Four Million Eighty One Thousand Six Hundred Sixty Dollars~~
41 ~~(\$284,081,660)~~ Two Hundred Ninety-Five Million Four Hundred Eighty-One Thousand Six
42 Hundred Sixty Dollars (\$295,481,660) aggregate principal amount of the bonds authorized by
43 Section 2 of this Ordinance shall be sold during the fiscal year ending June 30, 2014; provided,
44 however that any such bonds may be sold subsequent to such dates and without any limitation
45 imposed by such dates if required to redeem, prepay or pay at maturity any bond anticipation
46 notes. The term "sold" as used in this Section shall refer to the date of the public sale of the
47 bonds or bond anticipation notes or the negotiated sale of bond anticipation notes and not to the
48 date of such bonds. The bonds to be sold in any fiscal year may be sold at one or more times
49 within that year.
50

51 SECTION 10. *And be it further enacted*, That, subject to the following paragraphs of this
52 Section 10, the authority to issue bonds under Bill No. 53-10, as amended, effective September 4,

1 2010 (“Bill No. 53-10”) is hereby canceled, rescinded and repealed, but only to the extent that
2 such authority has not been exercised prior to the effective date of this Ordinance.
3

4 Appropriate reductions shall be recognized in the amounts of bonds authorized for issuance
5 under this Ordinance for bonds issued after May 31, 2011, under the authority of Bill No. 53-10,
6 for projects authorized to be financed by Bill No. 53-10 and also authorized to be financed under
7 this Ordinance.
8

9 Nothing contained in this Ordinance shall be construed as impairing the validity of any
10 proceedings or action taken, or the validity of any bonds or bond anticipation notes issued, prior
11 to the effective date of this Ordinance, under the provisions of Bill No. 53-10, or under prior bond
12 authorization ordinances, and the authorization, sale and issuance of all bonds and bond
13 anticipation notes issued prior to the effective date of this Ordinance pursuant to the authority of
14 such ordinances, including (without limitation) the various series of general obligation bonds and
15 bond anticipation notes of Anne Arundel County, Maryland, set forth in Section 10 of Bill No.
16 57-08, Exhibit V of Bill No. 51-09, Exhibit V of Bill No. 53-10 and, in addition, the indebtedness
17 set forth in Exhibit V attached hereto and incorporated herein, including any Indenture, Dealer
18 Agreement, Credit Facility or Issuing and Paying Agent Agreement executed and delivered in
19 connection with any such bond anticipation notes (collectively, the “Prior Obligations”), be and
20 they are hereby ratified and confirmed, and all such Prior Obligations, together with all and
21 several of the terms thereof and the action taken in connection with the issuance, sale and
22 delivery thereof, are hereby validated as being validly authorized, sold, issued and executed, as
23 applicable, and delivered by Anne Arundel County, Maryland. The ratification of the Prior
24 Obligations as set forth above shall be effective notwithstanding noncompliance with any
25 provisions of the aforementioned ordinances that provide general fiscal or budgetary guidelines,
26 such as provisions directing that specified portions of the Prior Obligations be issued during
27 certain fiscal years.
28

29 It is specifically intended that neither the authority granted by Bill No. 53-97, effective
30 September 11, 1997, as amended, Bill No. 50-98, effective September 7, 1998, as amended, Bill
31 No. 53-99, effective September 12, 1999, as amended, Bill No. 40-00, effective September 7,
32 2000, as amended, Bill No. 57-01, effective November 5, 2001, as amended, Bill No. 65-02,
33 effective November 3, 2002, Bill No. 40-03, as amended, effective September 8, 2003, Bill No.
34 49-04, as amended, effective September 5, 2004, Bill No. 53-05, as amended, effective
35 September 8, 2005, Bill No. 60-06, as amended, effective September 4, 2006, Bill No. 55-07, as
36 amended, effective September 24, 2007, Bill No. 57-08, as amended, effective August 28, 2008,
37 Bill 51-09, as amended, effective September 4, 2009 or Bill No. 53-10, as amended, effective
38 September 19, 2010, to issue bonds or bond anticipation notes authorized thereunder or to
39 execute and deliver an Indenture, Dealer Agreement, Credit Facility and Issuing and Paying
40 Agent Agreement or to take other actions under Bill No. 53-97, Bill No. 50-98, Bill No. 53-99,
41 Bill No. 40-00, Bill No. 57-01, Bill No. 65-02, Bill No. 40-03, Bill No. 49-04, Bill No. 53-05,
42 Bill No. 60-06, Bill No. 55-07, Bill No. 57-08, Bill No. 51-09 and Bill No. 53-10 authorized in
43 connection with issuance and delivery of bonds and bond anticipation notes, nor the validity of
44 any proceedings or action taken or the validity of any bonds or bond anticipation notes issued
45 shall be impaired in any manner by the passage of this Ordinance, provided (i) such bond
46 anticipation notes are issued pursuant to and in accordance with that Note Order dated as of May
47 1, 1997, as amended or supplemented from time to time (the “Note Order”) and (ii) such bonds
48 are issued to pay such bond anticipation notes issued pursuant to and in accordance with the Note
49 Order. With respect to bond anticipation notes issued and outstanding under Bill No. 53-97, as
50 amended, or Bill No. 50-98, as amended, or Bill No. 53-99, as amended, or Bill No. 40-00, as
51 amended, or Bill No. 57-01, as amended, or Bill No. 65-02, or Bill No. 40-03, as amended, or Bill
52 No. 49-04, as amended, or Bill No. 53-05, as amended, Bill No. 60-06, as amended, or Bill No.
53 55-07, as amended, Bill No. 57-08, Bill No. 51-09 as amended or Bill No. 53-10, as amended and

1 in accordance with the Note Order, and in the event bonds or bond anticipation notes
2 subsequently are issued pursuant to Bill No. 53-97, as amended, Bill No. 50-98, as amended, Bill
3 No. 53-99, as amended, Bill No. 40-00, as amended, Bill No. 57-01, as amended, Bill No. 65-02,
4 Bill No. 40-03, as amended, Bill No. 49-04, as amended, Bill No. 53-05, as amended, Bill No.
5 60-06, as amended, Bill No. 55-07, as amended, Bill No. 57-08, as amended, Bill No. 51-09 as
6 amended or Bill No. 53-10, as amended, appropriate reductions shall be recognized in the
7 amounts of bonds or bond anticipation notes authorized to be issued for projects authorized to be
8 financed hereunder that are financed by such bonds and notes issued under the authority of Bill
9 No. 53-97, as amended, Bill No. 50-98, as amended, Bill No. 53-99, as amended, Bill No. 40-00,
10 as amended, Bill No. 57-01, as amended, Bill No. 65-02, Bill No. 40-03, as amended, Bill No.
11 49-04, as amended, Bill No. 53-05, as amended, Bill No. 60-06, as amended, Bill No. 55-07, as
12 amended, Bill No. 57-08, as amended, Bill No. 51-09 as amended or Bill No. 53-10, as amended.
13

14 Bonds and bond anticipation notes may be issued under this Ordinance to pay bond
15 anticipation notes issued pursuant to and in accordance with the Note Order provided that such
16 bonds or bond anticipation notes are authorized to be issued hereunder for projects financed by
17 such bond anticipation notes issued pursuant to and in accordance with the Note Order.

18 SECTION 11. *And be it further enacted*, That, the County Council hereby affirmatively
19 approves the exercise of eminent domain in the acquisition of any land parcels acquired for the
20 projects hereinbefore described in this Ordinance.
21

22 SECTION 12. *And be it further enacted*, That, notwithstanding any other provisions of this
23 Ordinance, in order (i) to comply with the bond registration requirements of, and to conform
24 with, developing practices in the municipal bond market, including practices of bond registrars
25 and paying agents, (ii) to facilitate generally the issuance and sale of general obligation bonds and
26 bond anticipation notes by the County, including compliance with disclosure and similar
27 requirements and (iii) insofar as possible, to simplify issuance procedures, the County Executive,
28 or the Chief Administrative Officer if authorized by the County Executive, as the case may be, is
29 hereby authorized (a) to apply the provisions of this Ordinance, (b) to make determinations and
30 decisions required by this Ordinance, (c) to make such insertions, modifications and corrections
31 to the forms of bonds, the forms of notes, form of notice of sale and form of proposal for bonds
32 authorized hereby, including modifications to the method of publication in connection with the
33 redemption of any bonds, (d) to enter into agreements on behalf of the County and (e) to take all
34 and any other actions under this Ordinance in the manner and to the extent that the County
35 Executive or the Chief Administrative Officer, as the case may be, may deem necessary or
36 appropriate to accomplish the stated purposes, taking into account the recommendations of bond
37 counsel and financial advisor to the County, including the making of agreements to facilitate the
38 foregoing.
39

40 SECTION 13. *And be it further enacted*, That, the Budget Officer and the Controller are
41 hereby designated as the authorized deputies of the Chief Administrative Officer for the purpose
42 of authenticating any bonds or bond anticipation notes issued hereunder. In addition, the County
43 Executive may deliver a written certificate at or prior to the time of the issuance of any bonds or
44 bond anticipation notes issued hereunder designating such other person or persons as he shall
45 deem appropriate as an authorized deputy or deputies of the Chief Administrative Officer for the
46 purpose of authenticating any bonds or bond anticipation note issued hereunder.
47

48 SECTION 14. *And be it further enacted*, That the County is hereby authorized to borrow
49 money and incur indebtedness otherwise authorized to be borrowed and incurred hereunder in the
50 form of bonds or bond anticipation notes by obtaining a loan (a "Water Quality Loan") from the
51 Maryland Water Quality Financing Administration (the "Administration") pursuant to and in
52 accordance with Sections 9-1601 to 9-1622, inclusive, of the Environment Article of the

1 Annotated Code of Maryland (2007 Replacement Volume and 2010 Supplement) (the “Act”).
2 Such Water Quality Loans may be obtained by the County hereunder from time to time. Any
3 such Loan shall be evidenced by a loan agreement (a “Water Quality Loan Agreement”) between
4 the County and the Administration and a bond issued by the County (a “Water Quality Bond”).
5

6 It is acknowledged that the proceeds of any Water Quality Loan will be used for the public
7 purposes of financing a portion of the costs of acquiring, constructing and equipping certain
8 wastewater facilities or water supply systems, each as defined in the Act (collectively, the “Water
9 Quality Facilities”), including the development of property, the acquisition and installation of
10 equipment and furnishings and any architectural, financial, legal, planning and engineering
11 expenses. It is intended that the proceeds of any Water Quality Loan undertaken by the County
12 pursuant to this Section 14 may be expended on the applicable Water Quality Facility and any
13 related costs, including costs of the Administration and the funding of reserves, to the extent
14 permitted by the Act and to the extent provided in the applicable Water Quality Loan Agreement
15 or Water Quality Bond. It is acknowledged that Water Quality Facilities as defined above may
16 include projects that the County classifies as wastewater projects, water projects or under some
17 other classification.
18

19 Unless otherwise provided in this Section 14, limitations, procedures or requirements set
20 forth in this Ordinance for the issuance, sale and delivery of bonds or bond anticipation notes, as
21 applicable, to the extent practicable, shall apply to obtaining any Water Quality Loan and to the
22 execution and delivery of any Water Quality Loan Agreement or Water Quality Bond.
23

24 The County Executive, or the Chief Administrative Officer, if authorized by the County
25 Executive, is hereby authorized to approve the form of any Water Quality Loan Agreement or
26 Water Quality Bond, the terms thereof, including the interest rate, maturity schedule, redemption
27 provisions and covenants to be set forth therein, and the manner of executing and authenticating
28 the same. The form of Water Quality Bond need not conform to the forms otherwise provided in
29 this Ordinance.
30

31 Notwithstanding any other provision to the contrary in this Ordinance:
32

33 (a) Any Water Quality Loan (including any Water Quality Loan Agreement and Water
34 Quality Bond) need not be in denominations of \$5,000 or any integral multiple thereof, nor in a
35 serial maturity format, provided, however, borrowings and evidences thereof shall be on an
36 installment basis with annual principal payments beginning not more than two years from the date
37 of issue;
38

39 (b) Any Water Quality Loan (including any Water Quality Loan Agreement and Water
40 Quality Bond) may be sold at less than par and without regard to any limitation set forth in
41 Section 2(1) hereof or Section 6(7) hereof, as applicable;
42

43 (c) Any Water Quality Loan (including any Water Quality Loan Agreement and Water
44 Quality Bond) may provide for interest payments on other than a semiannual basis;
45

46 (d) Paying agents and registrars may be provided for in the discretion of the County
47 Executive, or the Chief Administrative Officer, if authorized by the County Executive;
48

49 (e) The County is hereby authorized to sell any Water Quality Loan (including any Water
50 Quality Loan Agreement and Water Quality Bond) at private (negotiated) sale to the
51 Administration, public advertisement and sale of the same not being required by the terms of the
52 Act and the best interests of the County being hereby declared to be served by such private sale;
53

1 (f) Provisions for the redemption of any Water Quality Loan (including any Water Quality
2 Loan Agreement and Water Quality Bond) may be provided for in the discretion of the County
3 Executive, or the Chief Administrative Officer, if authorized by the County Executive; and
4

5 (g) Any signature required in connection with the issuance and sale of any Water Quality
6 Loan (including any Water Quality Loan Agreement and Water Quality Bond) may be manual
7 and any affixing of the County Seal may be accomplished by impressing the same on the
8 applicable document.
9

10 The County Executive, or the Chief Administrative Officer, if authorized by the County
11 Executive, is hereby authorized to take any and all actions in the manner and to the extent that the
12 County Executive or the Chief Administrative Officer, as the case may be, may deem necessary
13 or appropriate to accomplish the purposes of this Section.

14 Any Water Quality Loan (including any Water Quality Loan Agreement and Water Quality
15 Bond) shall be secured as provided in Section 2(6) of this Ordinance.
16

17 With respect to any Water Quality Loan authorized by this Section or by similar authority
18 contained in a prior ordinance of the County, the County Executive, or the Chief Administrative
19 Officer if authorized by the County Executive, may, in accordance with Paragraph 4 of Section II
20 of the Findings of Fact, apply to any project authorized to be financed with a Water Quality Loan
21 the balance remaining to any completed or abandoned project previously financed with the
22 proceeds of a Water Quality Loan. In exercising such authority, the County Executive, or the
23 Chief Administrative Officer if authorized by the County Executive, may enter into such
24 amendments of Water Quality Loan Agreements and related documents as he deems necessary or
25 appropriate in the exercise of the authority granted hereby. In lieu of applying the balance of any
26 completed or abandoned project financed with a Water Quality Loan to new or additional
27 projects, the County Executive, or the Chief Administrative Officer if authorized by the County
28 Executive, may determine to prepay or otherwise effect a reduction in the stated principal amount
29 or permitted maximum principal amount any such Water Quality Loan as permitted in the Water
30 Quality Loan Agreement and the Water Quality Bond or as otherwise permitted and, in
31 connection therewith, may take such action and make such amendments to the Water Quality
32 Loan Agreement and Water Quality Bond as he deems necessary or appropriate to permit the
33 reamortization of the principal amount outstanding and to effect such prepayment or reduction in
34 stated principal amount.
35

36 Following the execution and delivery of any written commitment specifying the material
37 terms of any Water Quality Loan, or if no such written commitment is entered into, following the
38 execution and delivery of any Water Quality Loan (including any Water Quality Loan Agreement
39 and Water Quality Bond), the County Executive, or the Comptroller, if authorized by the County
40 Executive, shall report the terms thereof in writing at the next meeting of the County Council.
41

42 SECTION 15. *And be it further enacted*, that the County is hereby authorized to borrow
43 money and incur indebtedness in a maximum aggregate principal amount of Six Million Seven
44 Hundred Seventy-Four Thousand Eighty-Four Dollars (\$6,774,084), otherwise authorized to be
45 borrowed or incurred hereunder in accordance with Title 20 of Article 24 of the Annotated Code
46 of Maryland (2005 Replacement Volume and 2010 Supplement, as amended). Title 20 of Article
47 24 of the Annotated Code of Maryland (2005 Replacement Volume and 2010 Supplement, as
48 amended) authorizes the County to enter into an agreement to purchase development rights (an
49 "Installment Purchase Agreement") which is a general obligation of the County to which its full
50 faith and credit and taxing power is pledged. Such pledge is hereby made subject to the limitation
51 imposed by Section 710(d) of the County Charter.
52

1 Each Installment Purchase Agreement shall be executed and delivered by the County to
2 effect, together with direct cash payments, where applicable, the purchase by the County of
3 development rights easements (the “Development Rights Easements”) for the protection and
4 preservation of agricultural land and woodlands in accordance with Sections 17-10-201 through
5 17-10-212, inclusive, of the Subdivision and Development Article, of the Anne Arundel County
6 Code (2005, as amended), as the same may be amended from time to time (the “Agricultural Land
7 and Woodland Preservation Act”).

8
9 Properties for which the County intends to purchase Development Rights Easements shall be
10 designated from time to time by resolution (an “Easement Schedule Resolution”). The Easement
11 Schedule Resolution with respect to each Development Rights Easement to be purchased shall
12 designate (i) the maximum purchase price for such Development Rights Easements, (ii) the
13 maximum principal amount payable under the Installment Purchase Agreement pertaining to such
14 Development Rights Easement and (iii) the provisions, terms, conditions and duration of such
15 Installment Purchase Agreement.

16
17 The County hereby determines that the issuance and sale of indebtedness in connection with
18 the purchase by the County of Development Rights Easements is in the public interest.

19
20 The issuance of indebtedness authorized hereby pertains to the project designated in the
21 County’s capital budget as Agricultural Easement Program, Capital Project No. C443400.

22
23 Unless otherwise provided in this Section 15, limitations, procedures or requirements set
24 forth in this Ordinance for the issuance, sale and delivery of indebtedness shall apply to the
25 issuance of any indebtedness under this Section 15 and to the execution and delivery of any
26 Installment Purchase Agreement.

27
28 The County Executive is hereby authorized to determine the form of Installment Purchase
29 Agreements and the execution and delivery thereof shall be conclusive evidence of the approval
30 of the form of such Installment Purchase Agreements on behalf of the County. Installment
31 Purchase Agreements shall be executed by the County Executive, and the seal of the County shall
32 be affixed or imprinted thereon, attested by the Secretary to the County Executive. Each
33 Installment Purchase Agreement, when properly executed and delivered in the manner prescribed
34 for the execution and delivery of bonds in this Ordinance shall be deemed to constitute
35 unconditional general obligations of the County, to the payment of which, in accordance with the
36 terms thereof, its full faith and credit are pledged, and all the covenants and conditions contained
37 in such Installment Purchase Agreements shall be deemed to be binding upon the County in
38 accordance therewith. In accordance with Section 2-207(d) of the Agricultural Land and
39 Woodland Preservation Act, it is hereby otherwise provided that payments of amounts payable
40 under an Installment Purchase Agreement shall be payable in accordance with Section 2(6) hereof
41 and shall not be required to be fully available or encumbered in the fiscal year that the
42 Development Rights Easement relating to such Installment Purchase Agreement is purchased.

43
44 Subject to and in accordance with the provisions of this Ordinance, the County Executive
45 shall determine by order, for each and every Installment Purchase Agreement, all matters relating
46 thereto, including (without limitation) the purposes for which such Installment Purchase
47 Agreement is issued, the prepayment provisions, if any, thereof, the manner of authentication of
48 such Installment Purchase Agreement, if any, the date from which interest on such Installment
49 Purchase Agreement shall accrue, the rate or rates of interest borne by such Installment Purchase
50 Agreement or the method of determining the same, the interest payment and maturity dates
51 thereof, the denomination of the Installment Purchase Agreement, and the provisions for the
52 registration of Installment Purchase Agreements.

1 In making the determinations described above, the County Executive shall consider the
2 recommendation of the Planning and Zoning Officer, or such officer as shall be designated by
3 ordinance from time to time, with the advice of the Controller, concerning the appropriate terms
4 of an Installment Purchase Agreement and the Officer's determination, with the advice of the
5 Controller, that the face value of the Installment Purchase Agreement is less than or
6 commensurate with the value of the Development Rights Easement based on an appraisal and
7 taking into account the amount of any cash payment made by the County. Notwithstanding the
8 foregoing, upon the execution and delivery of an Installment Purchase Agreement in the manner
9 prescribed herein, such Installment Purchase Agreement shall constitute a binding general
10 obligation of the County in accordance with its terms without regard to any determination,
11 dispute or contrary assertion, report or finding regarding the value of the Development Rights
12 Easement or Installment Purchase Agreement or the appropriateness of the terms set forth in any
13 Installment Purchase Agreement.

14
15 Notwithstanding any other provision to the contrary in this Ordinance:

16
17 (a) any indebtedness issued under this Section 15 may be sold in denominations as shall be
18 prescribed by the County Executive by executive order as described above;

19
20 (b) any indebtedness issued under this Section 15 may be sold at less than par and without
21 regard to any limitation set forth in Section 2(1) hereof;

22
23 (c) any indebtedness issued under this Section 15 may provide for interest payments other
24 than on a semiannual basis;

25
26 (d) the final maturity date of any Installment Purchase Agreement shall not be later than thirty
27 (30) years from the date of the execution and delivery of such Installment Purchase Agreement;

28
29 (e) the maximum principal amount of each Installment Purchase Agreement executed and
30 delivered by the County in connection with the County's purchase of a Development Rights
31 Easement shall be the amount set forth in the Easement Schedule Resolution; provided, however,
32 that the County Executive may by executive order as described above reduce such principal
33 amount;

34
35 (f) Paying Agents and Registrars may be provided for in the discretion of the County
36 Executive, or the Chief Administrative Officer, if authorized by the County Executive;

37
38 (g) the County is hereby authorized to sell any indebtedness issued under this Section 15 at
39 private (negotiated) sale; and

40
41 (h) the Installment Purchase Agreements may be issued as a separate series of indebtedness.

42
43 The County Executive, or the Chief Administrative Officer, if authorized by the County
44 Executive, is hereby authorized to take any and all actions in the manner and to the extent that the
45 County Executive or the Chief Administrative Officer, as the case may be, may deem necessary
46 or appropriate to accomplish the purposes of this Section 15.

47
48 Any indebtedness issued under this Section 15 shall be secured as provided in Section 2(6) of
49 this Ordinance.

50
51 Following the execution and delivery of any Installment Purchase Agreement, the County
52 Executive, or the Controller, if authorized by the County Executive, shall report the terms thereof
53 in writing at the next meeting of the County Council.

1
2 SECTION 16. *And be it further enacted*, That the County is hereby authorized to borrow
3 money and incur indebtedness for shore erosion control projects hereinafter specified by
4 obtaining a loan (a “Shore Erosion Control Construction Loan”) from the Shore Erosion Control
5 Construction Loan Fund pursuant to and in accordance with Sections 8-1001 to 8-1008, inclusive,
6 of the Natural Resources Article of the Annotated Code of Maryland (2007 Replacement Volume
7 and 2010 Supplement) (the “Soil Erosion Control Act”). Each Shore Erosion Control
8 Construction Loan shall be evidenced by a loan agreement (a “Shore Erosion Control
9 Construction Loan Agreement”) between the County and the Department of Natural Resources
10 (“DNR”) in a form determined by order of the County Executive as hereinafter provided.
11

12 Shore Erosion Control Construction Loans may be repaid from benefit charges levied on
13 benefited property and may be further secured by a pledge of the full faith and credit of the
14 County, as determined by order of the County Executive as hereinafter provided. It is
15 acknowledged and declared that the levy of any ad valorem taxes by the County to provide for
16 repayment of the Shore Erosion Control Construction Loans shall be subject to the limitation on
17 the tax levy set out in Section 710(d) of the County Charter.
18

19 Pursuant to and in accordance with requirements of this Ordinance and the Shore Erosion
20 Control Act, the County Executive by order is hereby authorized to approve the form of any
21 Shore Erosion Control Construction Loan Agreement, the terms thereof, including the source or
22 sources and security for repayment, the repayment schedule and covenants to be set forth therein,
23 and the manner of executing and authenticating the same. Pursuant to Section 8-1005(f) of the
24 Soil Erosion Control Act, the County may borrow interest-free funds and repay the funds at a
25 uniform rate over a period not exceeding 25 years.
26

27 The County Executive, or the Chief Administrative Officer, if authorized by the County
28 Executive, is hereby authorized to take any and all actions in the manner and to the extent that the
29 County Executive or the Chief Administrative Officer, as the case may be, may deem necessary
30 or appropriate to accomplish the purposes of this Section.
31

32 Without limitation, Shore Erosion Control Construction Loan Agreements by and between
33 the County and DNR in connection with a loan for Cape Holland Point SECD, Capital Project
34 No. Q537200 in the amount of \$1,105,320; a loan for Snug Harbor SECD, Capital Project No.
35 Q537300 in the amount of \$116,340; a loan for Camp Wabanna SECD, Capital Project No.
36 Q537400 in the amount of \$184,060; a loan for Elizabeth’s Landing SECD, Capital Project No.
37 Q541000 in the amount of \$153,262; a loan for Columbia Beach SECD, Capital Project
38 No. Q540500 in the amount of \$1,136,700; and a loan for Annapolis Cove SECD, Capital Project
39 No. Q547500 in the amount of \$228,000, are hereby approved and ratified as obligations of the
40 County without further action.
41

42 SECTION 17. *And be it further enacted*, That pursuant to the authority granted by Section 2D
43 of Article 31 of the Annotated Code of Maryland (2010 Replacement Volume), the County
44 Executive, or the Chief Administrative Officer if authorized by the County Executive, is hereby
45 authorized in connection with the issuance of any bonds or notes hereunder to (i) provide,
46 covenant or agree that, in the event that sufficient funds for the timely payment when due of
47 principal of or interest on bonds or notes issued pursuant to the authority of this Ordinance are
48 not available or in the event of a default in the payment of the principal of or interest on such
49 bonds or notes, the first general fund revenues of the County received thereafter shall be applied
50 to the payment when due of such principal or interest or to cure such default, as the case may be,
51 and (ii) pledge any of the County’s revenues to the payment of the principal of and interest on the
52 bonds and notes issued pursuant to the authority of this Ordinance. In the event that the County
53 Executive, or the Chief Administrative Officer if authorized by the County Executive, determines

1 to exercise all or any part of the authority granted under this Section, the County Executive, or
2 the Chief Administrative Officer if authorized by the County Executive, shall determine the form,
3 terms and provisions of any order, certificate, agreement or related documents as he shall deem
4 necessary or appropriate to evidence any agreement or pledge authorized hereby, including
5 (without limitation) terms and provisions regarding the application of such pledge or agreement
6 to borrowings of the County other than bonds or notes issued pursuant to the authority of this
7 Ordinance. Any such order, certificate, agreement or related document shall be executed by the
8 County Executive and the seal of the County shall be impressed thereon, attested by the County
9 Executive, the secretary to the County Executive, the Administrative Officer to the County
10 Council or such other officer as may be specified by ordinance of the County Council.

11
12 SECTION 18. *And be it further enacted,* That, as determined and specified in a certificate of
13 the County Executive, or of the Chief Administrative Officer if authorized by the County
14 Executive, executed and delivered prior to the issuance of bonds, notes or Variable Rate Demand
15 Obligations, such bonds, notes or Variable Rate Demand Obligations may be issued to provide
16 for the financing of one or more projects included within a specified class of projects set forth in
17 Exhibit I. In addition, the amount of proceeds allocated to projects included within a specified
18 class of projects financed by any issuance of bonds, notes or Variable Rate Demand Obligations
19 may be amended after the issuance of such bonds, notes or Variable Rate Demand Obligations, as
20 determined and specified in a certificate of the County Executive, or of the Chief Administrative
21 Officer if authorized by the County Executive.

22
23 In connection with the foregoing, the County Executive, or the Chief Administrative Officer
24 if authorized by the County Executive, shall execute a certificate demonstrating or determining,
25 as applicable:

26
27 (a) That all bonds, notes or variable demand obligations are payable within the probable
28 useful life of the improvement or undertaking being financed or, if the bonds, notes or variable
29 demand obligations are to be issued for several improvements or undertakings, then within the
30 average probable useful life of all such improvements or undertakings being financed;

31
32 (b) That the amount of bonds, notes or variable demand obligations to be applied to any
33 project to be financed shall not exceed the maximum amount set forth in Exhibit I authorized for
34 such project; and

35
36 (c) Such other matters as the County Executive or the Chief Administrative Officer (as
37 the case may be) deems appropriate to establish compliance with the provisions of the Charter
38 and this Ordinance in connection with the issuance of bonds, notes and variable demand
39 obligations to provide for the financing of one or more projects included within a specified class
40 or to provide for the amendment of the list of projects from the specified class of projects
41 financed by an issuance of bonds, note and variable demand obligations, as described above.

42
43 SECTION 19. *And be it further enacted,* That, if any one or more of the provisions of this
44 Ordinance, including any covenants or agreements provided herein on the part of the County to
45 be performed, should be contrary to law, then such provision or provisions shall be null and void
46 and shall in no way affect the validity of the other provisions of this Ordinance or of the bonds or
47 the bond anticipation notes.

48
49 SECTION 20. *And be it further enacted,* That, this Ordinance shall take effect 45 days from
50 the date it becomes law.