

**..Title**

**Issuance of General Obligation Bonds and Bond Anticipation Notes** - For the purpose of authorizing and empowering the City of Annapolis (the "City") to issue and sell, upon its full faith and credit, (i) one or more series of its general obligation bonds in the aggregate principal amount not to exceed \$32,643,771 (the "Bonds"), pursuant to Sections 19-301 through 19-309, inclusive, of the Local Government Article of the Annotated Code of Maryland, as amended, and Article VII, Section 11 of the Charter of the City of Annapolis, as amended (the "Charter"), (ii) one or more series of its general obligation bond anticipation notes in anticipation of the issuance of the Bonds in the maximum aggregate principal amount equal to the maximum aggregate principal amount of the Bonds (the "Notes"), pursuant to Sections 19-211 through 19-221, inclusive, of the Local Government Article of the Annotated Code of Maryland, as amended and the Charter and (iii) one or more series of its general obligation bonds to refund specified bonds previously issued by the City in the aggregate principal amount not to exceed 120% of the principal amount of bonds to be refunded (the "Refunding Bonds"), pursuant to Section 19-207 and Sections 19-301 through 19-309, inclusive, of the Local Government Article of the Annotated Code of Maryland, as amended, and the Charter; providing that the Bonds, Notes and Refunding Bonds shall be issued and sold for the public purpose of financing and refinancing certain capital projects of the City as provided in this Ordinance; prescribing the form and tenor of the Bonds, Notes and Refunding Bonds; providing for the method of sale of the Bonds, Notes and Refunding Bonds and other matters relating to the issuance and sale thereof; providing for the disbursement of the proceeds of the Bonds, Notes and Refunding Bonds; covenanting to levy and collect all taxes necessary to provide for the payment of the principal of and interest on the Bonds, Notes and Refunding Bonds; and generally providing for and determining various matters relating to the issuance, sale and delivery of the Bonds, Notes and Refunding Bonds.

**..Body**

**CITY COUNCIL OF THE  
City of Annapolis**

**Ordinance 43-22**

**Introduced by: Alderman Schandelmeier**

**Co-sponsored by:**

**Referred to**

**Financial Advisory Commission**

**Finance Committee**

**AN ORDINANCE concerning**

**Issuance of General Obligation Bonds and Bond Anticipation Notes**

**FOR** the purpose of authorizing and empowering the City of Annapolis (the "City") to issue and sell, upon its full faith and credit, (i) one or more series of its general obligation bonds in the aggregate principal amount not to exceed \$32,643,771 (the "Bonds"), pursuant to Sections 19-

1 301 through 19-309, inclusive, of the Local Government Article of the Annotated Code of  
2 Maryland, as amended, and Article VII, Section 11 of the Charter of the City of Annapolis, as  
3 amended (the “Charter”), (ii) one or more series of its general obligation bond anticipation notes  
4 in anticipation of the issuance of the Bonds in the maximum aggregate principal amount equal to  
5 the maximum aggregate principal amount of the Bonds (the “Notes”), pursuant to Sections 19-  
6 211 through 19-221, inclusive, of the Local Government Article of the Annotated Code of  
7 Maryland, as amended and the Charter and (iii) one or more series of its general obligation bonds  
8 to refund specified bonds previously issued by the City in the aggregate principal amount not to  
9 exceed 120% of the principal amount of bonds to be refunded (the “Refunding Bonds”), pursuant  
10 to Section 19-207 and Sections 19-301 through 19-309, inclusive, of the Local Government  
11 Article of the Annotated Code of Maryland, as amended, and the Charter; providing that the  
12 Bonds, Notes and Refunding Bonds shall be issued and sold for the public purpose of financing  
13 and refinancing certain capital projects of the City as provided in this Ordinance; prescribing the  
14 form and tenor of the Bonds, Notes and Refunding Bonds; providing for the method of sale of  
15 the Bonds, Notes and Refunding Bonds and other matters relating to the issuance and sale  
16 thereof; providing for the disbursement of the proceeds of the Bonds, Notes and Refunding  
17 Bonds; covenanting to levy and collect all taxes necessary to provide for the payment of the  
18 principal of and interest on the Bonds, Notes and Refunding Bonds; and generally providing for  
19 and determining various matters relating to the issuance, sale and delivery of the Bonds, Notes  
20 and Refunding Bonds.

#### 21 22 RECITALS

23  
24 For convenience of reference, the City of Annapolis, a municipal body corporate and politic of  
25 the State of Maryland, is hereinafter sometimes referred to as the “City” or as “Annapolis”.

26  
27 The authority for the powers herein exercised with respect to the City’s bonds is contained in  
28 Article VII, Section 11 of the Charter of the City (the “Charter”) and Sections 19-301 through  
29 19-309, inclusive, of the Local Government Article of the Annotated Code of Maryland, as  
30 amended (the “Bond Enabling Act”); the authority for the powers herein exercised with respect  
31 to the City’s bond anticipation notes is contained in the Charter and Sections 19-211 through  
32 19-221, inclusive, of the Local Government Article of the Annotated Code of Maryland, as  
33 amended (the “Bond Anticipation Note Act”); and the authority for the powers herein exercised  
34 with respect to the City’s refunding bonds is contained in the Charter, the Bond Enabling Act  
35 and Section 19-207 of the Local Government Article of the Annotated Code of Maryland, as  
36 amended (the “Refunding Act”).

37  
38 The Charter and the Bond Enabling Act authorize and empower the City to borrow money for  
39 any proper public purpose and to evidence such borrowing by the issuance and sale of its general  
40 obligation bonds in accordance with the procedure prescribed by the Charter and the Bond  
41 Enabling Act, subject to the limitation imposed by the Charter, as modified by Chapter 80, Acts  
42 of 2000 by the Maryland General Assembly, that no bonds shall be issued by the City if, by the  
43 issuance thereof, the total bonded indebtedness of the City incurred, less the amount of sinking  
44 funds established for the retirement thereof, would then exceed the sum of (i) 4% of the assessed  
45 value of all real property in the City taxable for municipal purposes and (ii) 10% of the assessed  
46 value of all personal property in the City taxable for municipal purposes. The Charter further

1 provides that, in computing compliance with such limitation, outstanding bonds or other  
2 indebtedness of the City issued pursuant to the authority of any public local law enacted by the  
3 General Assembly of Maryland prior to January 1, 1955, or pursuant to the authority of any  
4 public general law of the State of Maryland, other than the Bond Enabling Act, together with  
5 tax anticipation notes issued pursuant to the Charter and applicable State law, revenue bonds  
6 payable as to principal and interest solely from the revenues from revenue-producing projects,  
7 and short-term obligations issued pursuant to certain sections of the Charter, shall not be taken  
8 into account.

9  
10 Pursuant to Article VII, Section 11 of the Charter, the City Council of the City (the “City  
11 Council”) may in its discretion hold a referendum on any such bond issue or may be required to  
12 do so as a result of a proper petition of registered voters filed for the purpose after the giving of  
13 notice to the City as prescribed in the Charter.

14  
15 The City proposes to spend the proceeds of the Bonds and Notes authorized pursuant to this  
16 Ordinance to (i) finance and refinance the costs of certain public projects of the City, subject to  
17 the provisions of this Ordinance and (ii) pay (A) the costs of issuing the Bonds and Notes, (B)  
18 capitalized interest on the Bonds and the Notes and (C) other related costs. The City proposes  
19 to spend the proceeds of the Refunding Bonds authorized pursuant to this Ordinance to (i) refund  
20 all or a portion of some or all of the bonds listed on Exhibit II to this Ordinance and (ii) pay the  
21 costs of issuing the Refunding Bonds and other related costs.

22  
23 The Refunding Act authorizes the City to issue bonds for the purpose of refunding outstanding  
24 bonds issued by the City in order to realize debt service savings on either a direct comparison  
25 or present value basis, or restructure debt that (1) in the aggregate effects such a reduction in the  
26 cost of debt service or (2) is determined to be in the best interests of the City, to be consistent  
27 with the City’s long-term financial plan, and to realize a financial objective of the City including  
28 improving the relationship of debt service to a source of payment such as taxes, assessments or  
29 other charges.

30  
31 The Charter contains no limitations upon the rate at which ad valorem taxes may be levied by  
32 the City for the payment of the principal of and interest on said indebtedness.

33  
34 Since the adoption of Article XI-E as an amendment of the Constitution of Maryland, the  
35 General Assembly of Maryland has passed no law proposing a limitation upon the rate at which  
36 taxes may be levied by the City or a limitation upon the amount of bonded indebtedness which  
37 may be incurred by the City different from that set forth in the Charter.

38  
39 **NOW, THEREFORE, BE IT ESTABLISHED AND ORDAINED BY THE ANNAPOLIS**  
40 **CITY COUNCIL, that:**

41  
42 SECTION 1. All terms used herein which are defined in the Recitals hereof shall have  
43 the meanings given such terms therein.

44

1 SECTION 2. It is in the best interest of the City to borrow money and incur  
2 indebtedness, and the City is authorized and empowered to issue and sell upon its full faith and  
3 credit one or more series of its general obligation, fully-registered bonds in the aggregate  
4 principal amount not to exceed \$32,643,771, to be known as the “Public Improvements Bonds,  
5 Series \_\_\_” (the “Bonds”), with the year in which the Bonds are issued in the foregoing blank,  
6 or such other designation as deemed appropriate by the Mayor of Annapolis (the “Mayor”) for  
7 the purposes of financing and refinancing the costs of the public projects set forth in the table  
8 attached to this Ordinance as Exhibit I and incorporated herein (the “Projects”) and costs of  
9 issuance of and capitalized interest on the Bonds and other costs and expenses related to the  
10 Bonds.

11  
12 The table attached to this Ordinance as Exhibit I lists (a) certain capital projects including  
13 capital projects that appear in the capital budget of the City for fiscal year ending June 30, 2023  
14 or in the capital budgets for prior fiscal years, which are to be financed in whole or in part with  
15 the proceeds of the Bonds or Notes authorized hereunder, (b) the portion of the costs of each  
16 Project to be financed hereunder, (c) the source or sources of other funds to finance a portion of  
17 the cost of each such Project and (d) the average useful life of each such Project. Totals listed  
18 in Exhibit I may not foot due to rounding.

19  
20 SECTION 3. The City hereby covenants that any Bonds issued hereunder shall comply  
21 with all limitations of the Charter and that no Bonds shall be issued by the City if, by the issuance  
22 thereof, the total bonded indebtedness of the City incurred, less the amount of sinking funds  
23 established for the retirement thereof, would then exceed the sum of (i) 4% of the assessed value  
24 of all real property in the City taxable for municipal purposes and (ii) 10% of the assessed value  
25 of all personal property in the City taxable for municipal purposes.

26  
27 SECTION 4. The Bonds authorized by this Ordinance shall be dated the date of their  
28 delivery, shall be fully-registered bonds without coupons in the denomination of Five Thousand  
29 Dollars (\$5,000) each or any integral multiple thereof and shall bear interest at the interest rate  
30 or rates fixed at the time of the awarding of the Bonds in accordance with an executive order of  
31 the Mayor and the provisions of this Ordinance as hereinafter provided. Interest on the Bonds  
32 shall be payable semiannually on the dates and in the years as may be determined by the Mayor  
33 in an executive order. The Bonds shall mature, subject to the option of prior redemption, in  
34 annual installments, including any mandatory sinking fund installments, in the years as shall be  
35 determined by the Mayor pursuant to an executive order; provided however, that the final  
36 maturity of the Bonds shall not exceed 30 years from the date of delivery of the Bonds. Each  
37 Bond shall bear interest from the interest payment date next preceding the date on which it is  
38 authenticated, unless authenticated upon an interest payment date, in which event it shall bear  
39 interest from such interest payment date, or unless authenticated prior to the first interest  
40 payment date, in which event it shall bear interest from the date of the Bonds; provided,  
41 however, that if at the time of authentication any bond interest is in default, such bond shall bear  
42 interest from the date to which interest has been paid.

43  
44 SECTION 5. Certain of the Bonds may be subject to redemption prior to maturity as  
45 may be determined by the Mayor in an executive order. The Bonds so subject to redemption, if

1 any, the redemption dates and the redemption prices shall be specified in an executive order by  
2 the Mayor.

3  
4 The Bonds shall be redeemed only in integral multiples of \$5,000. If less than all of the  
5 outstanding Bonds shall be called for optional redemption, the City shall choose the maturities  
6 of the Bonds to be redeemed and the principal amount of each such maturity to be redeemed, in  
7 its sole discretion; and if any such maturity consists of term Bonds, the City shall choose the  
8 mandatory sinking fund redemption installments of such term Bonds to be reduced and the  
9 amount of each such reduction, in its sole discretion. If less than all of the Bonds of any one  
10 maturity are called for redemption, the particular bonds to be redeemed from such maturity shall  
11 be selected by lot by the bond registrar for the Bonds (the "Bond Registrar") in such manner as  
12 the Bond Registrar in its sole discretion may determine or under the procedures for book-entry  
13 bonds if the Bonds are under a book-entry system.

14  
15 When less than all of a Bond in a denomination in excess of \$5,000 shall be so redeemed,  
16 then upon the surrender of such Bond, there shall be issued to the registered owner thereof,  
17 without charges, for the unredeemed balance of the principal amount of such Bond, at the option  
18 of such owner, Bonds in any of the authorized denominations, the aggregate face amount of  
19 such Bonds not to exceed the unredeemed balance of the Bond so surrendered, and to bear the  
20 same interest rate and to mature on the same date as said unredeemed balance.

21  
22 If the City elects to redeem all or a portion of the Bonds outstanding, it shall give or cause  
23 to be given a redemption notice by first class mail, postage prepaid, at least 20 days prior to the  
24 date fixed for redemption to each registered owner appearing on the books kept by the Bond  
25 Registrar. Notwithstanding the foregoing, so long as all of the Bonds are registered in the name  
26 of Cede & Co., as nominee for the Depository Trust Company, New York, New York ("DTC"),  
27 such notice shall be given by a secure means (e.g., legible facsimile transmission, registered or  
28 certified mail or overnight express delivery) in a timely manner designed to assure that such  
29 notice is in DTC possession no later than the close of business on such 20th day; provided,  
30 however, that the failure to mail the redemption notice or any defect in the notice so mailed or  
31 in the mailing thereof shall not affect the validity of the redemption proceedings. The  
32 redemption notice shall state (i) whether the Bonds are to be redeemed in whole or in part and,  
33 if in part, the maturities and numbers of the Bonds to be redeemed, (ii) the date fixed for  
34 redemption and the redemption price or prices, (iii) that the Bonds to be redeemed shall be  
35 presented for redemption at the office of the Bond Registrar, (iv) that interest on the Bonds  
36 called for redemption shall cease to accrue on the date fixed for redemption and (v) other  
37 conditions, if any, for the redemption on the date fixed for redemption, including but not limited  
38 to the availability of funds for such redemption.

39  
40 From and after the date fixed for redemption, if notice has been duly and properly given  
41 and if funds sufficient for the payment of the redemption price of the Bonds called for  
42 redemption plus accrued interest due thereon are available on such date, the Bonds so called for  
43 redemption shall become due and payable at the redemption price or prices provided for  
44 redemption of such Bonds on such date, interest on the Bonds shall cease to accrue and the  
45 registered owners of the Bonds so called for redemption shall have no rights in respect thereof  
46 except to receive payment of the redemption price plus accrued interest to the date fixed for

1 redemption. Upon presentation and surrender of a Bond called for redemption in compliance  
2 with the redemption notice, the Bond Registrar shall pay the redemption price of such bond plus  
3 accrued interest thereon to the date fixed for redemption. If bonds so called for redemption are  
4 not paid upon presentation and surrender as described above, such bonds shall continue to bear  
5 interest at the rates stated therein until paid.  
6

7 SECTION 6. The Bonds shall be executed in the name of the City and on its behalf by  
8 the Mayor. The signature of the Mayor shall be imprinted or otherwise included on the Bonds  
9 manually or by facsimile and a facsimile of the corporate seal of Annapolis shall also be  
10 imprinted thereon, attested by the manual or facsimile signature of the City Clerk of Annapolis  
11 (the "City Clerk").  
12

13 In the event any official whose signature shall appear on the Bonds shall cease to be such  
14 official prior to the delivery of the Bonds, or in the event any such official whose signature shall  
15 appear on the Bonds shall have become such after the date of issue thereof, the Bonds shall  
16 nevertheless be valid and legally binding obligations of Annapolis in accordance with their  
17 terms.  
18

19 No Bond shall be valid or obligatory for any purpose unless and until the certificate of  
20 authentication substantially in the form set forth in the form of the Bonds in Section 8 of this  
21 Ordinance shall have been duly executed by the Bond Registrar, and such executed certificate  
22 of the Bond Registrar upon any such Bond shall be conclusive evidence that such Bond has been  
23 authenticated and delivered pursuant to this Ordinance. The Bond Registrar's certificate of  
24 authentication on any Bond shall be deemed to have been executed by it if manually signed by  
25 an authorized signer of the Bond Registrar, but it shall not be necessary that the same person  
26 sign the certificate of authentication on all of the Bonds issued hereunder.  
27

28 All Bonds shall be issued as fully-registered bonds without coupons and shall be registered  
29 in the name or names of the owner or owners thereof, on books kept for such purpose at the  
30 principal office of the Bond Registrar. Unless the Mayor otherwise elects, the Bonds initially  
31 will be issued in book-entry form without any physical distribution of certificates made to the  
32 public. DTC will act as securities depository for the Bonds and the Bonds will be registered in  
33 the name of DTC's partnership nominee, Cede & Co. The City reserves the right to terminate  
34 maintenance of the Bonds in a book-entry only system and to issue fully certificated bonds. The  
35 Mayor or his or her designee is hereby authorized to appoint a financial institution to act as the  
36 Bond Registrar and as paying agent (the "Paying Agent") for the Bonds, unless the Mayor  
37 determines after consulting with the financial advisor to the City (the "Financial Advisor") that  
38 the City shall act as the Bond Registrar or the Paying Agent or both. Payment of the principal  
39 of and interest on the Bonds shall be made to the person appearing on the registration books  
40 maintained by the Bond Registrar as the registered owner thereof, such principal to be payable  
41 at the principal office of the Paying Agent upon presentation and surrender of such bonds as the  
42 same become due and payable, and such interest to be payable by check mailed by the Paying  
43 Agent to the persons in whose names the bonds are registered on the regular record date which  
44 shall be the 15th day of the month immediately preceding each regular interest payment date, or  
45 such other day specified in the bond (the "Regular Record Date"), at the registered owner's  
46 address as shown on the registration books maintained by the Bond Registrar.

1  
2 SECTION 7. Any interest on any Bond which is payable but is not punctually paid or  
3 provision for the payment of which has not been made (“Defaulted Interest”) shall forthwith  
4 cease to be payable to the registered owner of such Bond on the relevant Regular Record Date  
5 solely by virtue of such registered owner having been such registered owner; and such Defaulted  
6 Interest may be paid by the City, at its election in each case, as provided in paragraph (1) or (2)  
7 below:  
8

9 (1) The City may elect to make payment of any Defaulted Interest on the Bonds  
10 to the persons in whose names such Bonds are registered at the close of business on a record  
11 date for the payment of such Defaulted Interest (the “Special Record Date”), which shall be  
12 fixed in the following manner. The City shall notify the Paying Agent in writing of the amount  
13 of Defaulted Interest proposed to be paid on the Bonds and the date of the proposed payment  
14 (which date shall be such as will enable the Paying Agent to comply with the next sentence  
15 hereof), and at the same time the City shall deposit or cause to be deposited with the Paying  
16 Agent an amount of money equal to the aggregate amount proposed to be paid in respect of such  
17 Defaulted Interest or shall make arrangements satisfactory to the Paying Agent for such deposit  
18 prior to the date of the proposed payment, such money when deposited to be held in trust for the  
19 benefit of the persons entitled to such Defaulted Interest as provided in this paragraph.  
20 Thereupon the Paying Agent shall fix a Special Record Date for the payment of such Defaulted  
21 Interest which shall be not more than 15 nor less than 10 days prior to the date of the proposed  
22 payment after the receipt by the Paying Agent of the notice of the proposed payment. The Paying  
23 Agent shall promptly notify the City of such Special Record Date and, in the name of the City,  
24 shall cause notice of the proposed payment of such Defaulted Interest and the Special Record  
25 Date therefor to be mailed, first-class postage prepaid, to each registered owner at his or her  
26 address as it appears in the registration books maintained by the Bond Registrar not less than 10  
27 days prior to such Special Record Date. The Paying Agent may, in its discretion, in the name of  
28 the City, cause a similar notice to be published at least once in a newspaper of general circulation  
29 in Annapolis, Maryland but such publication shall not be a condition precedent to the  
30 establishment of such Special Record Date. Notice of the proposed payment of such Defaulted  
31 Interest and the Special Record Date therefor having been mailed as aforesaid, such Defaulted  
32 Interest shall be paid to the registered owners of the Bonds as of the close of business on such  
33 Special Record Date.  
34

35 (2) The City may make payment of any Defaulted Interest in any other lawful  
36 manner not inconsistent with the requirements of any securities exchange on which the Bonds  
37 may be listed, and upon such notice as may be required by such exchange, if after notice given  
38 by the City to the Paying Agent of the proposed payment pursuant to this paragraph, such  
39 payment shall be deemed practicable, and approved in writing, by the Paying Agent.  
40

41 SECTION 8. Except as provided hereinafter or in other ordinances of the City adopted prior to  
42 the issuance and delivery of the Bonds, all Bonds shall be substantially in the following form,  
43 with appropriate insertions as therein indicated and such other modifications as shall be approved  
44 by the Mayor, which form and all of the covenants therein contained are hereby adopted by  
45 Annapolis as and for the form of obligation to be incurred by Annapolis, and said covenants and

1 conditions are hereby made binding upon Annapolis, including the promise to pay therein  
2 contained:

3  
4 No. R-\_\_\_\_\_ \$ \_\_\_\_\_  
5

6 UNITED STATES OF AMERICA  
7 STATE OF MARYLAND  
8 CITY OF ANNAPOLIS, MARYLAND  
9

10 GENERAL OBLIGATION BOND

11 PUBLIC IMPROVEMENTS BOND  
12 \_\_\_\_\_ SERIES  
13

14  
15 Interest Rate Per Annum Maturity Date Date of Original Issue CUSIP

16 REGISTERED OWNER:

17 PRINCIPAL AMOUNT: DOLLARS  
18

19  
20  
21 CITY OF ANNAPOLIS (the "City"), a municipal corporation created and existing under the  
22 laws of the State of Maryland, hereby acknowledges itself indebted, and, for value received,  
23 promises to pay to the Registered Owner shown above or registered assigns or legal  
24 representatives on the Maturity Date shown above (unless this bond shall be redeemable, shall  
25 have been called for prior redemption and payment of the redemption price made or provided  
26 for), the Principal Amount shown above or so much thereof as shall not have been paid upon  
27 prior redemption in any coin or currency which, at the time of payment, is legal tender for the  
28 payment of public and private debts upon presentation and surrender of this bond on the date  
29 such principal is payable or if such date is not a Business Day (hereinafter defined) then on the  
30 next succeeding Business Day at the principal office of the Paying Agent, and to pay to the  
31 registered owner hereof by check or draft, mailed to such registered owner at his or her address  
32 as it appears on said registration books (the "Bond Register") maintained by the Bond Registrar  
33 interest on said principal amount at the Interest Rate shown above until payment of such  
34 principal amount, or until the prior redemption hereof, such interest being payable semiannually  
35 on the days of and in each year, in like coin or currency to the registered owner in whose name  
36 this bond is registered on the Bond Register as of the close of business on the regular record date,  
37 which shall be the fifteenth day of the month immediately preceding each regular interest  
38 payment date (the "Regular Record Date"). Any such interest not so punctually paid or duly  
39 provided for shall forthwith cease to be payable to the registered owner on the Regular Record  
40 Date, and may be paid to the person in whose name this bond is registered at the close of  
41 business on a date fixed by the Paying Agent for such defaulted interest payment (the "Special  
42 Record Date"), notice of which is given to the registered owner hereof not less than 10 days prior  
43 to such Special Record Date, or may be paid at any time in any other lawful manner not  
44 inconsistent with the requirement of any securities exchange on which the bonds of this series  
45 may be listed and upon such notice as may be required by such exchange.  
46



1 “Business Day” means a day other than a Saturday, Sunday or day on which banking institutions  
2 under the laws of the state governing the Paying Agent are authorized or obligated by law or  
3 required by executive order to remain closed.

4  
5 This bond shall not be valid or become obligatory for any purpose until this bond shall have  
6 been authenticated by an authorized officer of the Bond Registrar.

7  
8 This bond is one of a duly authorized issue of general obligation bonds of the City aggregating  
9 \_\_\_\_\_ Dollars (\$ \_\_\_\_\_) in principal amount (the “Bonds”).

10  
11 The Bonds are numbered from one consecutively upwards prefixed by the letter “R”, are in  
12 denominations of \$5,000 or any integral multiple thereof and are of like tenor and effect except  
13 as to maturity, number, interest rate, denomination and redemption provisions, and are issued  
14 pursuant to and in full conformity with the provisions of Sections 19-301 through 19-309,  
15 inclusive, of the Local Government Article of the Annotated Code of Maryland, as amended,  
16 and Article VII, Section 11 of the Charter of the City of Annapolis, as amended, and by virtue  
17 of due proceedings had and taken by the Mayor and Aldermen/Alderwomen of the City of  
18 Annapolis, particularly Ordinance No. \_\_\_\_\_ adopted on the \_\_\_ day of \_\_\_\_\_, 2022  
19 (approved \_\_\_\_\_, 2022) (the “Ordinance”).

20  
21 The Bonds which mature on or before \_\_\_\_\_ are not subject to redemption prior to  
22 their maturities. The Bonds which mature on or after \_\_\_\_\_ are subject to redemption  
23 prior to their maturities on or after \_\_\_\_\_ at the option of the City either as a whole or  
24 in part at any time, in any order of maturities, at a redemption price expressed as a percentage  
25 of the principal amount of the Bonds to be redeemed, set forth in the table below, together with  
26 interest accrued to the date fixed for redemption:

27  
28 Redemption Period (both dates inclusive) Redemption Price

29  
30  
31 If less than all of the outstanding Bonds shall be called for optional redemption, the City shall  
32 choose the maturities of the Bonds to be redeemed and the principal amount of each such  
33 maturity to be redeemed, in its sole discretion. If less than all of the Bonds of any one maturity  
34 of this issue shall be called for redemption, the Bonds to be redeemed shall be selected by lot  
35 by the Bond Registrar in such manner as, in its discretion, it shall determine.

36  
37 When less than all of a bond in a denomination in excess of \$5,000 shall be so redeemed, then,  
38 upon the surrender of such bond, there shall be issued to the registered owner thereof, without  
39 charge, for the unredeemed balance of the principal amount of such bond, at the option of such  
40 owner, Bonds in any of the authorized denominations, the aggregate face amount of such  
41 Bonds not to exceed the unredeemed balance of the bond so surrendered, and to bear the same  
42 interest rate and to mature on the same date as said unredeemed balance.

43  
44 If the City elects to redeem all or a portion of the Bonds outstanding, it shall give a redemption  
45 notice by first class mail, postage prepaid, at least 20 days prior to the date fixed for redemption  
46 to each registered owner appearing on the books kept by the Bond Registrar. Notwithstanding

1 the foregoing, so long as all of the Bonds are registered in the name of Cede & Co., as nominee  
2 for the Depository Trust Company, New York, New York (“DTC”), such notice shall be given  
3 by a secure means (e.g. legible facsimile transmission, registered or certified mail or overnight  
4 express delivery) in a timely manner designed to assure that such notice is in DTC possession no  
5 later than the close of business on such 20th day; provided, however, that the failure to mail the  
6 redemption notice or any defect in the notice so mailed or in the mailing thereof shall not affect  
7 the validity of the redemption proceedings. The redemption notice shall state (i) whether the  
8 Bonds are to be redeemed in whole or in part and, if in part, the maturities and numbers of the  
9 Bonds to be redeemed, (ii) the date fixed for redemption and the redemption price or prices, (iii)  
10 that the Bonds to be redeemed shall be presented for redemption at the office of the Bond  
11 Registrar and (iv) that interest on the Bonds called for redemption shall cease to accrue on the  
12 date fixed for redemption.

13  
14 From and after the date fixed for redemption, if notice has been duly and properly given and if  
15 funds sufficient for the payment of the redemption price of the Bonds called for redemption plus  
16 accrued interest due thereon are available on such date, the Bonds so called for redemption shall  
17 become due and payable at the redemption price or prices provided for redemption of such  
18 Bonds, on such date interest on the Bonds shall cease to accrue and the registered owners of the  
19 Bonds so called for redemption shall have no rights in respect thereof except to receive payment  
20 of the redemption price plus accrued interest to the date fixed for redemption. Upon presentation  
21 and surrender of a bond called for redemption in compliance with the redemption notice, the  
22 Bond Registrar shall pay the redemption price of such Bond plus accrued interest thereon to the  
23 date fixed for redemption. If Bonds so called for redemption are not paid upon presentation and  
24 surrender as described above, such Bonds shall continue to bear interest at the rates stated  
25 therein until paid.

26  
27 This bond is transferable only upon the registration books kept at the principal office of the Bond  
28 Registrar, by the registered owner hereof in person, or by his or her attorney duly authorized in  
29 writing, upon surrender hereof together with a written instrument of transfer in the form attached  
30 hereto and satisfactory to the Bond Registrar duly executed by the registered owner or his or her  
31 duly authorized attorney, and thereupon, within a reasonable time, the City shall issue in the  
32 name of the transferee a new registered bond or bonds of any authorized denominations in  
33 aggregate principal amount equal to the principal amount of this bond or the unredeemed portion  
34 hereof, and maturing on the same date and bearing interest at the same rate. Said new bond or  
35 bonds shall be delivered to the transferee only after payment of any tax or governmental charge  
36 required to be paid with respect to and any shipping expenses or insurance relating to, such  
37 transfer and only after due authentication thereof by an authorized officer of the Bond Registrar.  
38 The City shall not be required to issue, transfer or exchange any bond during the period  
39 beginning fifteen days before any selection of Bonds to be redeemed and ending on the day of  
40 publication and mailing of the notice of redemption or to transfer or exchange any bond called or  
41 being called for redemption in whole or in part. The City may deem and treat the person in  
42 whose name this bond is registered as the absolute owner hereof for the purpose of receiving  
43 payment of or on account of the principal or redemption price hereof and interest due hereon and  
44 for all other purposes.

45

1 The full faith and credit and unlimited taxing power of the City are hereby irrevocably pledged  
2 to the prompt payment of the principal of and interest on this bond according to its terms, and  
3 the City does hereby covenant and agree to pay the principal of this bond and the interest thereon  
4 at the dates and in the manner mentioned herein, according to the true intent and meaning hereof.  
5

6 It is hereby certified and recited that all conditions, acts and things required by the Constitution  
7 or statutes of the State of Maryland, the Charter of the City and the Ordinance to exist, to have  
8 happened or to have been performed precedent to or in the issuance of this bond, exist, have  
9 happened and have been performed, and that the issue of Bonds of which this is one, together  
10 with all other indebtedness of the City, is within every debt and other limit prescribed by said  
11 Constitution or statutes or Charter, and that due provision has been made for the levy and  
12 collection of an ad valorem tax or taxes upon all legally assessable property within the corporate  
13 limits of the City in rate and amount sufficient to provide for the payment, when due, of the  
14 principal of and interest on this bond.  
15

16 IN WITNESS WHEREOF, this bond has been executed by the manual or facsimile signature  
17 of the Mayor of the City, which signature has been imprinted hereon, a facsimile of the  
18 corporate seal of the City has been imprinted hereon, attested by the manual or facsimile  
19 signature of the City Clerk as of the \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_.  
20

21 ATTEST: CITY OF ANNAPOLIS

22  
23  
24 \_\_\_\_\_ By: \_\_\_\_\_  
25 City Clerk Mayor  
26  
27

28  
29 CERTIFICATION OF AUTHENTICATION

30  
31 The undersigned hereby certifies that this bond is one of the registered Bonds of the City of  
32 Annapolis.  
33

34  
35  
36 [Authorized Officer of Bond Registrar]

37 Date of Authentication: \_\_\_\_\_  
38  
39

40 (Form of Assignment)  
41

42 FOR VALUE RECEIVED the undersigned hereby sells, assigns and transfers unto \_\_\_\_\_  
43 the within bond and all rights thereunder, and does hereby constitute and appoint \_\_\_\_\_  
44 to transfer the within bond on the books kept for the registration thereof, with full power of  
45 substitution in the premises.  
46

1 Dated:  
2 \_\_\_\_\_  
3  
4

5 In the presence of:  
6 \_\_\_\_\_  
7  
8

9 Notice: The signature to this assignment must correspond with the name as it appears upon the  
10 face of the within bond in every particular, without alteration or enlargement or any change  
11 whatever.  
12

13 SECTION 9. All of the Bonds authorized by this Ordinance may be sold by solicitation  
14 of competitive sealed proposals at public sale in accordance with the provisions of the following  
15 Notice of Sale at the principal office of the City, on such date as may be selected by the Mayor,  
16 for cash at no less than par, to the bidder therefor whose bid is deemed to be for the best interests  
17 of Annapolis. Bids shall be received as provided in the Notice of Sale. The Bonds authorized  
18 by this Ordinance may also be sold, if the Mayor, after consultation with the Finance Director  
19 of Annapolis (the "Finance Director") and the City's Financial Advisor, determines that it would  
20 be in the best interest of the City, at private (negotiated) sale without advertisement, publication,  
21 notice of sale, or solicitation of competitive bids. The Mayor shall award the Bonds by  
22 executive order.  
23

24 Unless the Bonds are sold at private (negotiated) sale, the City Clerk is authorized and  
25 directed to publish a notice of sale at least twice in a daily or weekly newspaper having general  
26 circulation in Annapolis. The first publication of such notice of sale shall be made at least 10  
27 days prior to the date of sale. The City Clerk may give such other notice of the sale of the  
28 Bonds, within or without this State, by publication or otherwise, as the Mayor may deem  
29 appropriate.  
30

31 The Finance Director is hereby authorized and directed to make all necessary  
32 arrangements for the tabulation and comparison of the proposals received, including the  
33 employment of specially qualified personnel, if necessary, so that he or she will be able  
34 promptly to advise the Mayor as to the proposal which produces the lowest true interest cost for  
35 the Bonds sold.  
36

37 The Mayor and the Finance Director are hereby authorized to prepare and distribute a  
38 preliminary official statement and final official statement in connection with the sale of the  
39 Bonds.  
40

41 The Notice of Sale, if used for the issue of the Bonds authorized by this Ordinance, shall  
42 be in substantially the form hereinafter set forth, with the insertions therein indicated. The terms  
43 and conditions stated in such Notice of Sale are hereby adopted and approved as the terms and  
44 conditions under which and the manner in which the Bonds shall be sold, issued and delivered  
45 at public sale, subject to such insertions, alterations, additions or deletions as the Mayor may

1 deem advisable due to financial or market conditions or other circumstances prevailing at the  
2 time based upon the advice of the Financial Advisor.

3  
4 NOTICE OF SALE

5  
6 \$ \_\_\_\_\_  
7 CITY OF ANNAPOLIS, MARYLAND  
8 General Obligation Bonds  
9 Public Improvements Bonds, \_\_\_\_\_ Series

10  
11 Electronic bids via the BiDCOMP/Parity Competitive Bidding System (“PARITY”) will be  
12 received until \_\_\_\_\_, prevailing Eastern time, on \_\_\_\_\_ (unless such date or time is  
13 changed as described herein) by City of Annapolis (the “City”) for the City of Annapolis,  
14 Maryland Public Improvements Bonds, \_\_\_\_\_ Series (the “Bonds”).

15  
16 Terms of the Bonds

17  
18 The Bonds shall be dated the date of their delivery and in the denomination of Five Thousand  
19 Dollars (\$5,000) each or any integral multiple thereof.

20  
21 Interest on the Bonds is payable on \_\_\_\_\_, 202\_ and semiannually thereafter on \_\_\_\_\_  
22 \_\_\_ and \_\_\_\_\_ until maturity. The Bonds will mature on \_\_\_\_\_, \_\_\_ in the  
23 following respective years and principal amounts:

24				
25	Maturing	Principal	Maturing	Principal
26	_____	<u>Amount</u>	_____	<u>Amount</u>
27				

28  
29  
30 The proceeds of the Bonds will be used to finance the costs of certain public projects of the City  
31 and to pay costs of issuance of and capitalized interest on the Bonds and other costs and expenses  
32 related to the Bonds.

33  
34 Authority

35  
36 The Bonds are issued pursuant to Sections 19-301 through 19-309, inclusive, of the Local  
37 Government Article of the Annotated Code of Maryland, as amended, and Article VII, Section  
38 11 of the Charter of the City of Annapolis, as amended. The Bonds are authorized pursuant to  
39 Ordinance No. \_\_\_\_\_. The Bonds are general obligations of the City and will constitute an  
40 irrevocable pledge of its full faith and credit and unlimited taxing power.

41  
42 Book-Entry System

43  
44 One bond representing each maturity of the Bonds will be issued to and registered in the name  
45 of Cede & Co., as nominee of The Depository Trust Company, New York, New York (“DTC”),  
46 as registered owner of the Bonds and each such bond shall be held in the custody of DTC. DTC

1 will act as securities depository for the Bonds. Individual purchases will be made in book-entry  
2 form only, in the principal amount of \$5,000 or any integral multiple thereof. Purchasers will  
3 not receive physical delivery of certificates representing their interest in the Bonds purchased.  
4 The winning bidder, as a condition to delivery of the Bonds, will be required to deposit the bond  
5 certificates representing each maturity with DTC.

6  
7 Interest on the Bonds shall be payable when due and the principal or redemption price of the  
8 Bonds shall be payable at maturity or upon earlier redemption to DTC or its nominee as  
9 registered owner of the Bonds. Transfer of principal and interest payments to beneficial owners  
10 of the Bonds by participants of DTC (“Participants”) will be the responsibility of Participants  
11 and other nominees of beneficial owners. The City shall not be responsible or liable for such  
12 transfers of payments or for maintaining, supervising or reviewing the records maintained by  
13 DTC, Participants or persons acting through Participants.

#### 14 15 Optional Redemption

16  
17 Bonds maturing on or before \_\_\_\_\_, \_\_\_\_\_ are not subject to redemption prior to their  
18 stated maturities. Bonds maturing on or after \_\_\_\_\_, \_\_\_\_\_ are subject to redemption  
19 prior to their maturities at the option of the City on or after \_\_\_\_\_, \_\_\_\_\_ either as a whole  
20 or in part at any time in any order of maturity at the option of the City, at par plus accrued  
21 interest thereon to the date fixed for redemption.

#### 22 23 Change of Bid Date or Time and Closing Date

24  
25 The City reserves the right to change, from time to time, the date or time established for the  
26 receipt of bids and will undertake to notify prospective bidders via notification published on  
27 TM3. A change of the bid date or time will be announced via TM3 not later than \_\_\_\_\_ p.m.,  
28 prevailing Eastern Time, on the last business day prior to any announced date for receipt of bids,  
29 and an alternative sale date and time will be announced via TM3 at that time or at a later date.  
30 On any such alternative date and time for receipt of bids, the City will accept electronic bids for  
31 the purchase of the Bonds, such bids to conform in all respects to the provisions of this Notice  
32 of Sale, except for the changes in the date and time for receipt of bids and any other changes  
33 announced via TM3. The City reserves the right to change the scheduled delivery date for the  
34 Bonds. See “Delivery” below.

#### 35 36 Bid Parameters

37  
38 No bid of less than 100% of par or more than \_\_\_\_\_% on an “all-or-none” basis, no oral bid and  
39 no bid for less than all of the Bonds described in this Notice of Sale, will be considered. The  
40 Bonds are expected to be awarded by approximately \_\_\_\_\_ p.m., prevailing Eastern Time, on  
41 \_\_\_\_\_, \_\_\_\_\_. All proposals shall remain firm until the time of award.

42  
43 Bidders are requested to name the interest rate or rates in multiples of 1/8 or 1/20 of 1%, the  
44 highest rate may not exceed the lowest rate by more than \_\_\_\_\_% and no interest rate may exceed  
45 \_\_\_\_\_%. A zero rate may not be named. No Bond shall bear more than one rate of interest which  
46 rate shall be uniform for the life of such Bond.

1  
2 Basis of Award

3  
4 The Mayor of the City shall not accept and shall reject any bid for less than all of the Bonds.  
5 The City shall award all of the Bonds to one bidder. The City reserves the right to reject any  
6 and all bids and to waive any irregularities in any of the bids. The judgment of the City shall  
7 be final and binding upon all bidders with respect to the form and adequacy of any proposal  
8 received and as to its conformity with the terms of this Notice of Sale. The Bonds shall be  
9 awarded to the bidder naming the lowest true interest cost (TIC) for the Bonds in any legally  
10 acceptable proposal and offering to pay not less than par. The lowest true interest cost with  
11 respect to the Bonds shall be determined by doubling the semiannual interest rate, compounded  
12 semiannually, necessary to discount the debt service payments from the payment dates to the  
13 date of the Bonds and to the amount bid.

14  
15 Where the proposals of two or more bidders result in the same lowest true interest cost for any  
16 Bonds, such Bonds may be apportioned between such bidders, but if this shall not be acceptable,  
17 the City shall have the right to award all of such Bonds to one bidder. There will be no auction.  
18 The right is reserved to the City to reject any or all proposals and to waive any irregularity or  
19 informality in any proposal. The City's judgment shall be final and binding upon all bidders  
20 with respect to the form and adequacy of any proposal received and as to its conformity to the  
21 terms of this Notice of Sale. Any award of the Bonds may be made as late as \_\_\_ p.m.,  
22 prevailing Eastern Time, on the sale date. All bids remain firm until an award is made. Upon  
23 notice of such award, the winning bidder shall advise the City of the initial reoffering prices to  
24 the public of each maturity of the Bonds and the names of the members of the underwriting  
25 groups.

26  
27 Procedures for Electronic  
28 Bidding

29  
30 Bidders to Submit Bids by PARITY

31  
32 Bids for the Bonds must be submitted electronically via PARITY pursuant to this Notice of Sale  
33 until \_\_\_\_, prevailing Eastern time, on the sale date but no bid will be received after the time  
34 for receiving bids specified above. To the extent any instructions or directions set forth in  
35 PARITY conflict with this Notice of Sale, the terms of this Notice of Sale shall control. For  
36 further information about PARITY, potential bidders may contact i-Deal LLC at 1359  
37 Broadway, 2nd Floor, New York, New York 10018, telephone (212) 849-5021.

38  
39 Disclaimer

40  
41 Each prospective electronic bidder shall be solely responsible to submit its bid via PARITY as  
42 described above. Each prospective electronic bidder shall be solely responsible to make  
43 necessary arrangements to access PARITY for the purpose of submitting its bid in a timely  
44 manner and in compliance with the requirements of this Notice of Sale. Neither the City nor  
45 PARITY shall have any duty or obligation to provide or assure access to PARITY to any  
46 prospective bidder, and neither the City nor PARITY shall be responsible for proper operation

1 of, or have any liability for any delays or interruptions of, or any damages caused by PARITY.  
2 The City is using PARITY as a communication mechanism, and not as the City's agent, to  
3 conduct the electronic bidding for the Bonds. The City is not bound by any advice and  
4 determination of PARITY to the effect that any particular bid complies with the terms of this  
5 Notice of Sale and in particular the "Bid Parameters" set forth herein. All costs and expenses  
6 incurred by prospective bidders in connection with their submission of bids via PARITY are the  
7 sole responsibility of the bidders; the City is not responsible, directly or indirectly, for any of  
8 such costs or expenses. If a prospective bidder encounters any difficulty in submitting,  
9 modifying, or withdrawing a bid for the Bonds, such bidder should telephone i-Deal LLC at  
10 ( ) - and notify \_\_\_\_\_ by facsimile at ( ) - .

#### 11 12 Electronic Bidding Procedures

13  
14 Electronic bids must be submitted for the purchase of the Bonds (all or none) via PARITY.  
15 Bids will be communicated electronically to the City at \_\_\_\_\_, prevailing Eastern time, on  
16 \_\_\_\_\_, \_\_\_\_\_. Prior to that time, a prospective bidder may (1) submit the proposed terms  
17 of its bid via PARITY, (2) modify the proposed terms of its bid, in which event the proposed  
18 terms as last modified will (unless the bid is withdrawn as described herein) constitute its bid  
19 for the Bonds or (3) withdraw its proposed bid. Once the bids are communicated electronically  
20 via PARITY to the City, each bid shall constitute an irrevocable offer to purchase the Bonds  
21 on the terms therein provided. For purposes of the electronic bidding process, the time as  
22 maintained on PARITY shall constitute the official time.

#### 23 24 Good Faith Deposit

25  
26 A good faith deposit in the amount of \$ \_\_\_\_\_ is required of the winning bidder for the  
27 Bonds. The winning bidder for the Bonds is required to submit such good faith deposit payable  
28 to the order of the City in the form of a wire transfer in federal funds as instructed by  
29 \_\_\_\_\_, the City's Financial Advisor. The winning bidder shall submit the good faith  
30 deposit not more than two hours after verbal award is made. The winning bidder should provide  
31 as quickly as it is available, evidence of wire transfer by providing the City the federal funds  
32 reference number. If the winning bidder fails to comply with the good faith deposit requirement  
33 as described herein, that bidder is nonetheless obligated to pay to the City the sum of  
34 \$ \_\_\_\_\_ as liquidated damages due to the failure of the winning bidder to timely deposit  
35 the good faith deposit.

36  
37 Submission of a bid to purchase the Bonds serves as acknowledgement and acceptance of the  
38 terms of the good faith deposit requirement.

39  
40 The good faith deposit will be retained by the City until the delivery of the Bonds, at which  
41 time the good faith deposit will be applied against the purchase price of the Bonds or the good  
42 faith deposit will be retained by the City as partial liquidated damages in the event of the failure  
43 of the successful bidder to take up and pay for such Bonds in compliance with the terms of this  
44 Notice of Sale and of its bid. No interest on the good faith deposit will be paid by the City. The  
45 balance of the purchase price must be wired in federal funds to the account detailed in the  
46 closing memorandum, simultaneously with delivery of the Bonds.



1  
2 Approving Legal Opinion  
3

4 The approving legal opinion of \_\_\_\_\_, Bond Counsel, will be furnished to the  
5 purchasers without cost. There will also be furnished the usual closing papers and, in addition,  
6 a certificate signed by appropriate officers of the City, certifying that there is no litigation  
7 pending or, to the knowledge of the signers of such certificate, threatened affecting the validity  
8 of the Bonds and that on the date of the Official Statement mentioned below and at the time of  
9 delivery of the Bonds the statements and information contained in such Official Statement  
10 which are made and provided by the City are and will be true, correct and complete in all  
11 material respects and the Official Statement does not and will not omit any statement or  
12 information which is required to be stated therein or necessary to make the statements and  
13 information therein, in the light of the circumstances under which they were made, not  
14 misleading or incomplete in any material respect.  
15

16 Preliminary Official Statement; Continuing Disclosure  
17

18 The City has deemed the Preliminary Official Statement with respect to the Bonds dated \_\_\_\_\_  
19 \_\_\_\_, \_\_\_\_ (the "Preliminary Official Statement") to be final as of its date for purposes of Rule  
20 15c2-12 of the United States Securities and Exchange Commission (the "Rule"), except for the  
21 omission of certain information permitted to be omitted by the Rule. The City agrees to deliver  
22 to the successful bidder for its receipt no later than seven business days after the date of sale of  
23 the Bonds such quantities of the final official statement as the successful bidder shall request;  
24 provided, that the City shall deliver up to \_\_\_\_ copies of such official statement without charge to  
25 the successful bidder.  
26

27 The City has made certain covenants for the benefit of the holders from time to time of the Bonds  
28 to provide certain continuing disclosure, in order to assist bidders for the Bonds in complying  
29 with the Rule. Such covenants are described in the Preliminary Official Statement.  
30

31 Delivery  
32

33 The Bonds will be delivered on or about \_\_\_\_\_, \_\_\_\_ through the facilities of DTC in  
34 New York, New York, against payment therefor in federal or other immediately available funds.  
35

36 Issue Price Determination  
37

38 The City expects and intends that the bid for the Bonds will satisfy the federal tax requirements  
39 for a qualified competitive sale of bonds, including, among other things, receipt of bids for the  
40 Bonds from at least three underwriters, who have established industry reputations for  
41 underwriting new issuances of municipal bonds (a "Qualified Competitive Bid"). The Mayor or  
42 his or her designee will advise the successful bidder as promptly as possible after the bids are  
43 opened whether the bid constitutes a Qualified Competitive Bid, or, in the alternative, a bid that  
44 fails to satisfy such requirements (a "Nonqualified Competitive Bid").  
45

1 If the bid is a Qualified Competitive Bid, as promptly as possible after the bids are opened, the  
2 Mayor or his or her designee will notify the successful bidder, and such bidder, upon such notice,  
3 shall advise the Mayor or his or her designee of the reasonably expected initial offering price to  
4 the public of each maturity of the Bonds. In addition, the winning bidder shall be required to  
5 provide to the City information to establish the initial expected offering price for each maturity  
6 of the Bonds for federal income tax purposes by completing a certificate acceptable to Bond  
7 Counsel to the City, on or before the date of issuance of the Bonds, substantially in the form set  
8 forth in Appendix \_\_\_ to the Preliminary Official Statement, with appropriate completions,  
9 amendments and attachments.

10  
11 If the bid is a Nonqualified Competitive Bid, as promptly as possible after the bids are opened,  
12 the Mayor or his or her designee will notify the successful bidder, and such bidder, upon such  
13 notice, shall advise the Mayor or his or her designee of the initial sale price or initial offering  
14 price to the public, as applicable, of each maturity of the Bonds. In addition, the winning bidder  
15 shall be required to provide to the City information and assurances to establish the initial sale  
16 price or the initial offering price to the public, as applicable, for each maturity of the Bonds for  
17 federal income tax purposes by completing a certification acceptable to Bond Counsel in  
18 substantially the form set forth in Appendix \_\_\_ to the Preliminary Official Statement, with  
19 appropriate completions, omissions and attachments. It is noted that procedures for a  
20 Nonqualified Competitive Bid may require the winning bidder and, if applicable, other  
21 underwriters of the Bonds, to hold the initial offering prices for certain maturities of the Bonds  
22 for up to five business days after the sale date, as further specified in the form of such certification.

23  
24 Miscellaneous

25  
26 It is expected that CUSIP numbers will be printed on the Bonds. However, the validity, sale,  
27 delivery or acceptance of the Bonds will not be affected in any manner by any failure to print,  
28 or any error in printing, the CUSIP numbers on the Bonds, or any of them.

29  
30 The right to reject any or all bids, or to waive any irregularity or informality in any bid, is  
31 reserved.

32  
33 CITY OF ANNAPOLIS, MARYLAND

34  
35  
36 By: /s/ \_\_\_\_\_  
37 Mayor

38  
39  
40 By: /s/ \_\_\_\_\_  
41 Finance Director

42  
43  
44  
45 SECTION 10. If any Bonds are sold pursuant to the foregoing Notice of Sale, the award  
46 shall be made by order of the Mayor. Such action of the Mayor shall also fix the final principal

1 amount of each maturity of the Bonds and the interest rate or rates payable on the Bonds in  
2 accordance with the accepted proposal. The Mayor shall also be authorized to make all changes  
3 necessary to the form of the Bonds to comply with a book-entry only system.  
4

5 SECTION 11. The proceeds of the Bonds shall be paid to the Finance Director. If  
6 applicable, the first proceeds of the Bonds in anticipation of the sale of which Notes were issued  
7 shall be applied to the payment of the principal of and interest on such Notes. Upon approval of  
8 the appropriate vouchers, in accordance with the established procedure of the City, the Finance  
9 Director shall pay, from the proceeds of the Bonds in his or her hands, all expenses incurred in  
10 the issuance of the Bonds, including costs of advertising, printing, document reproduction and  
11 counsel fees and expenses. The balance of such proceeds shall be credited by the Finance  
12 Director to the several accounts on his or her books for the Projects described above and the  
13 Finance Director shall make disbursements for such Projects in accordance with the established  
14 procedure of Annapolis. Prior to expenditure of such proceeds, the same or any part thereof shall  
15 be invested by the Finance Director, with the approval of the Mayor, in any authorized  
16 investment of the City. If the funds derived from the sale of the Bonds shall exceed the amount  
17 needed to finance any of the Projects described in this Ordinance, or if the City Council  
18 determines that the public interest requires a change in the capital improvements program of  
19 Annapolis, the funds so borrowed and not expended for the public improvements and other costs  
20 provided by this Ordinance shall be set apart in a separate fund by the Finance Director and  
21 applied in payment of the debt service on the Bonds, unless the City Council shall adopt an  
22 ordinance allocating such funds to some other public capital improvement project or projects of  
23 the City.  
24

25 SECTION 12. In order to provide for the payment of the principal of and interest on the  
26 Bonds hereby authorized when due, there shall be appropriated in the next ensuing fiscal year  
27 of Annapolis and in each fiscal year thereafter, so long as any of the Bonds are outstanding and  
28 unpaid, or until sufficient funds have been accumulated and irrevocably set aside for the  
29 purpose, an amount sufficient to meet the debt service on the Bonds coming due in such fiscal  
30 year and there shall be levied ad valorem taxes upon all property within the corporate limits of  
31 the City subject to assessment for full City taxes, in rate and amount sufficient in each such year  
32 to fund such appropriations and to provide for the payment when due of the principal of and  
33 interest on all Bonds maturing in each such fiscal year. In the event the proceeds from the taxes  
34 so levied in each such fiscal year shall prove inadequate for the above purposes, additional taxes  
35 shall be levied in the subsequent fiscal year to make up any deficiency.  
36

37 Thereafter, prior to each interest payment date, the Finance Director shall deposit with  
38 the Paying Agent, from the tax proceeds above described, the amounts needed to pay the  
39 principal of and interest on the Bonds coming due on each such interest payment date, all  
40 moneys so deposited with the Paying Agent shall be deemed and treated by the Paying Agent  
41 as trust funds for the use and benefit of the holders from time to time of the Bonds hereby  
42 authorized. Any such trust funds so held by the Paying Agent for the payment of particular  
43 Bonds for periods of more than two years from the payment dates of such Bonds shall, upon the  
44 expiration of any such two-year period and the failure of the holders of such Bonds to present  
45 the same for payment within such period, be returned by the Paying Agent to the City and,

1 thereafter, the holders of any such Bonds shall have claims only against the City for payment of  
2 the obligations held by them and the Paying Agent shall be relieved of the trust hereby imposed.

3  
4 To assure the performance by the City of the provisions of this Section, the full faith and  
5 credit and unlimited taxing power of the City are hereby irrevocably pledged to the payment to  
6 maturity of the principal of and interest on the Bonds as and when the same respectively mature  
7 and become payable and to the levy and collection of the taxes hereinabove described as and  
8 when such taxes may become necessary in order to provide sufficient funds to meet the debt  
9 service requirements of the Bonds. This pledge is made hereby for the benefit of the holders,  
10 from time to time, of the Bonds.

11  
12 The City hereby solemnly covenants and agrees with each holder of any of the Bonds to  
13 levy and collect the taxes hereinabove described and to take any other action that may be  
14 appropriate from time to time during the period that any of the Bonds remain outstanding and  
15 unpaid to provide the funds necessary to make principal and interest payments thereon when  
16 due.

17  
18 SECTION 13. This Ordinance and the question of the issuance of Bonds hereunder shall  
19 not be submitted to a referendum of the registered voters of Annapolis, as permitted by law,  
20 unless, within 10 days after the passage of this Ordinance, there shall be served upon the Mayor  
21 a notice signed by not fewer than 200 of the registered voters of Annapolis, advising that a  
22 petition for a referendum on the issuance of the Bonds is being circulated by one or more of the  
23 persons signing said notice and unless, within 20 days after the delivery of such notice, there  
24 shall also be filed with the Mayor a petition or petitions requesting the holding of such a  
25 referendum, properly signed as required by the Charter, by not fewer than 25% of the registered  
26 voters of Annapolis, as shown by the registered voters books of Annapolis, maintained by the  
27 Board of Supervisors of Elections of the City (the "Board of Supervisors"). In view of the  
28 foregoing, no action shall be taken by Annapolis pursuant to this Ordinance for a period of 10  
29 days following its passage. If, within such ten-day period, the notice above described is filed as  
30 aforesaid, then no action shall be taken by Annapolis pursuant to this Ordinance for a period of  
31 20 days following the filing of such notice. If, within such twenty-day period, a petition for  
32 referendum, as above-described, shall be filed as aforesaid, then no action shall be taken by  
33 Annapolis under this Ordinance unless and until the Mayor shall receive written advice from  
34 the City Attorney and the Board of Supervisors that such referendum petition does not meet the  
35 requirements of the Charter or unless and until the referendum requested in such petition shall  
36 be duly held in accordance with law and the Board of Supervisors shall certify to Annapolis  
37 that, in the election at which such referendum is held, a majority of the registered voters of  
38 Annapolis voting on the question referred duly cast their ballots in favor of the issuance of the  
39 Bonds hereby authorized. If this Ordinance shall be ratified or approved on any such  
40 referendum, then the Mayor and the City Clerk may proceed with the issuance of the Bonds  
41 hereby authorized, without further action by Annapolis.

42  
43 SECTION 14. CUSIP numbers may be printed on the Bonds; provided, however, that the  
44 printing of CUSIP numbers on the Bonds (even if incorrect) shall have no legal effect and shall  
45 not in any way affect the enforceability or validity of any Bond. Any expenses in relation to the  
46 printing of CUSIP numbers on the Bonds, including any CUSIP Service Bureau charge for the

1 assignment of such numbers, in the discretion of the Finance Director, may be paid for by the  
2 City from the proceeds of the Bonds.

3  
4 SECTION 15. In addition to the insertions and variations prescribed by this Ordinance,  
5 the Mayor is hereby authorized to make such further modifications in such forms as will not  
6 materially alter the substance of such forms. In connection with the issuance of any Bonds  
7 pursuant to this Ordinance, the City is hereby authorized to enter into one or more agreements  
8 as the Mayor shall deem necessary or appropriate for the issuance, sale, delivery or security of  
9 such Bonds, which may include (without limitation) (i) underwriting, purchase or placement  
10 agreements for Bonds sold at private (negotiated) sale in accordance with the provisions of this  
11 Ordinance; (ii) trust agreements with commercial banks or trust companies providing for the  
12 issuance and security of such Bonds; (iii) any dealer, remarketing or similar agreements  
13 providing for the placement or remarketing of such Bonds; (iv) agreements providing for any  
14 credit or liquidity facilities supporting any Bonds; (v) agreements with commercial banks or  
15 trust companies providing for the deposit of proceeds of any Bonds; and (vi) continuing  
16 disclosure agreements, including any such agreements required to enable the underwriters of  
17 any Bonds to meet the requirements of paragraph (b)(5) of Rule 15c2-12 promulgated by the  
18 United States Securities and Exchange Commission (the "Rule"). Each such agreement shall be  
19 in such form as shall be determined by the Mayor by executive order. The execution and  
20 delivery of each such agreement by the Mayor shall be conclusive evidence of the approval of  
21 the form of such agreement on behalf of the City.

22  
23 SECTION 16. The provisions of this Section 16 shall only be applicable with respect to  
24 Bonds and Notes (collectively, "Tax-Exempt Obligations") which are issued pursuant to this  
25 Ordinance with the expectation that interest on such Tax-Exempt Obligations will be excludable  
26 from gross income for federal income tax purposes.

27  
28 The Mayor and the Finance Director shall be the officers of the City responsible for the  
29 issuance of such Tax-Exempt Obligations within the meaning of the "Arbitrage Regulations"  
30 (defined herein).

31  
32 The Mayor and the Finance Director shall also be the officers of the City responsible for  
33 the execution and delivery (on the date of issuance of such Bonds) of a certificate of the City  
34 (the "Tax and Section 148 Certificate") which complies with the requirements of Section 148  
35 of the Internal Revenue Code of 1986, as amended ("Section 148"), and the applicable  
36 regulations thereunder (the "Arbitrage Regulations"), and such officials are hereby authorized  
37 and directed to execute the Tax and Section 148 Certificate and to deliver the same to Bond  
38 Counsel on the date of the issuance of such Bonds.

39  
40 The City shall set forth in the Tax and Section 148 Certificate its reasonable expectations  
41 as to relevant facts, estimates and circumstances relating to the use of the proceeds of such Tax-  
42 Exempt Obligations, or of any moneys, securities or other obligations to the credit of any  
43 account of the City which may be deemed to be proceeds of such Tax-Exempt Obligations  
44 pursuant to Section 148 or the Arbitrage Regulations (collectively, "Tax-Exempt Proceeds").  
45 The City covenants with each of the holders of any of such Tax-Exempt Obligations that the  
46 facts, estimates and circumstances set forth in the Tax and Section 148 Certificate will be based

1 on the City's reasonable expectations on the date of issuance of such Tax-Exempt Obligations  
2 and will be, to the best of the certifying officials' knowledge, true and correct as of that date.  
3

4 The City covenants with each of the registered owners of any of such Tax-Exempt  
5 Obligations that it will not make, or (to the extent that it exercises control or direction) permit  
6 to be made, any use of the Tax-Exempt Proceeds which would cause such Tax-Exempt  
7 Obligations to be "arbitrage bonds" within the meaning of Section 148 and the Arbitrage  
8 Regulations. The City further solemnly covenants that it will comply with Section 148 and the  
9 regulations thereunder which are applicable to such Tax-Exempt Obligations on the date of  
10 issuance of such Tax-Exempt Obligations and which may subsequently lawfully be made  
11 applicable to such Tax-Exempt Obligations as long as such Tax-Exempt Obligations remain  
12 outstanding and unpaid. The Mayor and the Finance Director are hereby authorized and directed  
13 to prepare or cause to be prepared and to execute any certification, opinion or other document,  
14 including, without limitation, the Tax and Section 148 Certificate, which may be required to  
15 assure that such Tax-Exempt Obligations will not be deemed to be "arbitrage bonds" within the  
16 meaning of Section 148 and the regulations thereunder.  
17

18 The City further covenants with each of the registered owners of any of such Tax-Exempt  
19 Obligations (i) that it will not take any action or (to the extent that it exercises control or  
20 direction) permit any action to be taken that would cause such Tax-Exempt Obligations or a  
21 portion of such Tax-Exempt Obligations to be "federally guaranteed" within the meaning of  
22 Section 149(b) of the Internal Revenue Code of 1986, as amended, and (ii) that it will not make,  
23 or (to the extent that it exercises control or direction) permit to be made, any use of the proceeds  
24 of such Tax-Exempt Obligations or a portion of such proceeds that would cause such Tax-  
25 Exempt Obligations or a portion of such Tax-Exempt Obligations to be "private activity bonds"  
26 within the meaning of Section 141 of the Internal Revenue Code of 1986, as amended.  
27

28 The Mayor may make such covenants or agreements in connection with the issuance of  
29 such Tax-Exempt Obligations as he or she shall deem advisable in order to assure the registered  
30 owners of such Tax-Exempt Obligations that interest thereon shall be and remain excludable  
31 from gross income for federal income tax purposes and such covenants or agreements shall be  
32 binding on the City so long as the observance by the City of any such covenants or agreements  
33 is necessary in connection with the maintenance of the exclusion of the interest on such Tax-  
34 Exempt Obligations from gross income for federal income tax purposes. The foregoing  
35 covenants or agreements may include such covenants or agreements on behalf of the City  
36 regarding compliance with the provisions of the Internal Revenue Code of 1986, as amended,  
37 as the Mayor shall deem advisable in order to assure the registered owners of such Tax-Exempt  
38 Obligations that the interest thereon is and shall remain excludable from gross income for  
39 federal income tax purposes, including (without limitation) covenants or agreements relating to  
40 the investment of Tax-Exempt Proceeds, the payment of certain earnings resulting from such  
41 investment to the United States, limitations on the times within which, and the purposes for  
42 which, Tax-Exempt Proceeds may be expended, or the use of specified procedures for  
43 accounting for and segregating Tax-Exempt Proceeds.  
44

45 Any covenant or agreement made by the Mayor pursuant to this section may be set forth  
46 in or authorized by the Tax and Section 148 Certificate or an order executed by the Mayor.

1  
2 SECTION 17. Bonds issued under this Ordinance are specifically exempted from the  
3 provisions of Sections 19-205 and 19-206 of the Local Government Article of the Annotated  
4 Code of Maryland.

5  
6 SECTION 18. Bonds authorized under this Ordinance may be combined for purposes of  
7 sale with bonds of the City authorized under other prior or future ordinances of the City.  
8

9 SECTION 19. The City is also hereby authorized, pursuant to the Bond Anticipation Note  
10 Act and Article VII, Section 11 of the Charter, to issue and sell one or more series of its general  
11 obligation bond anticipation notes (the "Notes"). The maximum aggregate principal amount of  
12 Notes outstanding hereunder shall not exceed the maximum aggregate principal amount of the  
13 Bonds authorized and unissued under this Ordinance. The proceeds of the Notes shall be applied  
14 to finance or refinance the Projects, and to pay costs of issuance of the Notes, not more than 12  
15 months' interest on the Notes and other related costs in anticipation of the issuance of the Bonds  
16 authorized to be issued and sold under this Ordinance, subject to the provisions of this  
17 Ordinance.  
18

19 SECTION 20. Except as otherwise expressly provided in this Ordinance, the Notes shall  
20 be issued in the same manner as the Bonds issued pursuant to this Ordinance and shall have the  
21 terms and provisions determined in an executive order of the Mayor, and the Mayor is hereby  
22 authorized to make the determinations with respect to any Notes as if such Notes were Bonds.  
23

24 All Notes authorized hereby shall mature on or before that date which is 30 years after  
25 the date of the first Note issued pursuant to this Ordinance.  
26

27 The Mayor is hereby authorized to determine the form of any Notes issued hereunder.  
28 The execution and delivery of the Notes as herein provided shall be conclusive evidence of the  
29 approval of the form of such Notes on behalf of the City.  
30

31 SECTION 21. The Notes hereby authorized may be sold for cash at no less than par, plus  
32 accrued interest to the date of delivery. The Notes may bear interest at fixed or variable rates as  
33 determined by executive order of the Mayor. Authority is hereby conferred on the Mayor to sell  
34 the Notes through a public sale or through a private (negotiated) sale, without solicitation of  
35 competitive bids, as the Mayor, after consultation with the Finance Director and the City's  
36 Financial Advisor, shall determine to be in the best interests of the City. Any sale of the Notes  
37 hereunder by private negotiation is hereby determined to be in the best interests of the City.  
38

39 If the Mayor shall determine in accordance with this Section to sell any Notes at a public  
40 sale through the solicitation of competitive bids, then the Mayor may sell such Notes in  
41 accordance with such procedures as shall be determined by the Mayor.  
42

43 SECTION 22. Notes issued under this Ordinance are specifically exempted from the  
44 provisions of Sections 19-205 and 19-206 of the Local Government Article of the Annotated  
45 Code of Maryland.  
46

1 SECTION 23. The City hereby covenants and agrees with the holders of the Notes issued  
2 under this Ordinance to issue the Bonds in anticipation of the sale of which such Notes are issued  
3 when, and as soon as, the reason for deferring the issuance thereof no longer exists, and to pay  
4 the principal of and interest on such Notes from the first proceeds of such Bonds. This covenant  
5 shall be binding upon the City notwithstanding any limitation set forth in this Ordinance. If the  
6 City shall not, for any reason, issue and sell such Bonds as aforesaid, or if the proceeds from the  
7 sale of such Bonds shall be insufficient to pay the principal of and interest on any Notes, then  
8 the tax or other revenue which the City Council shall have previously determined to apply to the  
9 payment of such Bonds and the interest thereon shall be applied to the payment of the interest  
10 on and principal of such Notes. The foregoing provisions shall not be construed so as to prohibit  
11 the City from paying the principal or redemption price of and interest on any Note issued  
12 hereunder from the proceeds of the sale of any other Note issued hereunder or from any other  
13 funds legally available for that purpose.  
14

15 If the City shall not, for any reason, issue and sell any Bonds in anticipation of which any  
16 Notes are issued, or if the proceeds from the sale of such Bonds shall be insufficient to pay the  
17 principal of or interest on such Notes, then the City shall include in the levy in each and every  
18 fiscal year that any of such Notes are outstanding ad valorem taxes upon all property within the  
19 corporate limits of the City subject to assessment for full City taxes, in rate and amount sufficient  
20 in each such year to fund such appropriations and to provide for the payment when due of the  
21 principal of and interest on all Notes maturing in each such fiscal year. In the event the proceeds  
22 from the taxes so levied in each such fiscal year shall prove inadequate for the above purposes,  
23 additional taxes shall be levied in the subsequent fiscal year to make up any deficiency.  
24

25 To assure the performance by the City of the provisions of this Section, the full faith and  
26 credit and unlimited taxing power of the City are hereby irrevocably pledged to the payment to  
27 maturity of the principal of and interest on the Notes hereby authorized as and when the same  
28 respectively mature and become payable and to the levy and collection of the taxes hereinabove  
29 described as and when such taxes may become necessary in order to provide sufficient funds to  
30 meet the debt service requirements of the Notes hereby authorized to be issued. This pledge is  
31 made hereby for the benefit of the holders, from time to time, of the Notes hereby authorized.  
32

33 To the extent permitted by law, interest on the Notes hereby authorized may be capitalized  
34 and paid from the proceeds of the sale of such Notes or from the proceeds of the sale of the  
35 Bonds in anticipation of the sale of which such Notes are issued.  
36

37 SECTION 24. The proceeds of Notes issued pursuant to this Ordinance may be used to  
38 pay, at maturity, or at the time of redemption, the principal or redemption price of, or the  
39 principal or redemption price of and interest on, Notes ("Refinanced Notes") previously issued  
40 pursuant to this Ordinance. If, and to the extent that, the proceeds from the issuance and sale of  
41 Notes are used to repay the principal of Refinanced Notes, such Notes shall constitute a renewal,  
42 continuance and reissuance of the indebtedness represented by the Refinanced Notes and  
43 authorized by this Ordinance and shall not constitute additional indebtedness hereunder or under  
44 any other authority.  
45



1 SECTION 25. The City is hereby authorized to borrow money and incur indebtedness  
2 otherwise authorized to be borrowed and incurred hereunder in the form of bonds or bond  
3 anticipation notes by obtaining a loan (a “Water Infrastructure Loan”) from the Maryland Water  
4 Infrastructure Financing Administration (the “Administration”) pursuant to and in accordance  
5 with Sections 9-1601 through 9-1622, inclusive, of the Environment Article of the Annotated  
6 Code of Maryland (2014 Replacement Volume and 2021 Supplement) (the “Act”). Such Water  
7 Infrastructure Loans may be obtained by the City hereunder from time to time. Any such Water  
8 Infrastructure Loan shall be evidenced by a loan agreement (a “Water Infrastructure Loan  
9 Agreement”) between the City and the Administration and a bond issued by the City (a “Water  
10 Infrastructure Bond”).

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

24  
25 Unless otherwise provided in this Section, limitations, procedures or requirements set  
26 forth in this Ordinance for the issuance, sale and delivery of bonds or bond anticipation notes,  
27 as applicable, to the extent practicable, shall apply to obtaining any Water Infrastructure Loan  
28 and to the execution and delivery of any Water Infrastructure Loan Agreement or Water  
29 Infrastructure Bond.

30  
31 The Mayor is hereby authorized to approve the form of any Water Infrastructure Loan  
32 Agreement or Water Infrastructure Bond, the terms thereof, including the interest rate, maturity  
33 schedule, redemption provisions and covenants to be set forth therein, and the manner of  
34 executing and authenticating the same. The form of Water Infrastructure Bond need not  
35 conform to the forms otherwise provided in this Ordinance.

36  
37 Notwithstanding any other provision to the contrary in this Ordinance:

38  
39 (a) Any Water Infrastructure Loans (including any Water Infrastructure Loan Agreements  
40 and Water Infrastructure Bonds) need not be in denominations of \$5,000 or any integral multiple  
41 thereof, and borrowings and evidences thereof shall be on an installment basis with annual  
42 principal payments in the years as shall be determined by the Mayor pursuant to an executive  
43 order;

44

1 (b) Any Water Infrastructure Loan (including any Water Infrastructure Loan Agreement  
2 and Water Infrastructure Bond) may provide for interest payments on other than a semiannual  
3 basis;

4  
5 (c) Paying agents and registrars may be provided for in the discretion of the Mayor;

6  
7 (d) The City is hereby authorized to sell any Water Infrastructure Loan (including any  
8 Water Infrastructure Loan Agreement and Water Infrastructure Bond) at private (negotiated)  
9 sale to the Administration, public advertisement and sale of the same not being required by the  
10 terms of the Act and the best interests of the City being hereby declared to be served by such  
11 private sale;

12  
13 (e) Provisions for the redemption of any Water Infrastructure Loan (including any Water  
14 Infrastructure Loan Agreement and Water Infrastructure Bond) may be provided for in the  
15 discretion of the Mayor; and

16  
17 (f) Any signature required in connection with the issuance and sale of any Water  
18 Infrastructure Loan (including any Water Infrastructure Loan Agreement and Water  
19 Infrastructure Bond) may be manual and any affixing of the City Seal may be accomplished by  
20 impressing the same on the applicable document.

21  
22 The Mayor or his or her designee is hereby authorized to take any and all actions in the  
23 manner and to the extent that the Mayor or his or her designee, as the case may be, may deem  
24 necessary or appropriate to accomplish the purposes of this Section.

25  
26 In order to provide for the payment of the principal of and interest on the Water  
27 Infrastructure Loan (including any Water Infrastructure Loan Agreement and Water  
28 Infrastructure Bond) hereby authorized, there shall be appropriated in the next ensuing fiscal  
29 year of Annapolis and in each fiscal year thereafter, so long as the Water Infrastructure Loan is  
30 outstanding and unpaid, or until sufficient funds have been accumulated and irrevocably set  
31 aside for the purpose, an amount sufficient to meet the debt service on the Water Infrastructure  
32 Loan coming due in such fiscal year and there shall be levied ad valorem taxes upon all property  
33 within the corporate limits of the City subject to assessment for full City taxes, in rate and  
34 amount sufficient in each such year to fund such appropriations and to provide for the payment  
35 when due of the principal of and interest on any Water Infrastructure Loan maturing in each  
36 such fiscal year. In the event the proceeds from the taxes so levied in each such fiscal year shall  
37 prove inadequate for the above purposes, additional taxes shall be levied in the subsequent fiscal  
38 year to make up any deficiency.

39  
40 To assure the performance by the City of the provisions of this Section, the full faith and  
41 credit and unlimited taxing power of the City are hereby irrevocably pledged to the payment to  
42 maturity of the principal of and interest on any Water Infrastructure Loan as and when the same  
43 respectively mature and become payable and to the levy and collection of the taxes hereinabove  
44 described as and when such taxes may become necessary in order to provide sufficient funds to  
45 meet the debt service requirements of any Water Infrastructure Loan.

46

1 SECTION 26. Pursuant to the authority of the Bond Enabling Act, the Charter and the  
2 Refunding Act, the issuance and sale of general obligation bonds of the City (the “Refunding  
3 Bonds”) are hereby authorized for the purpose of refunding all or a portion of some or all of the  
4 outstanding issues of bonds of the City listed on Exhibit II attached hereto (the “Refunded Bonds”).  
5 The maximum aggregate principal amount of Refunding Bonds shall not exceed 120% of the  
6 principal amount of the Refunded Bonds. The proceeds of the Refunding Bonds shall be applied  
7 to (i) refund all or a portion of some or all of the Refunded Bonds and (ii) pay the costs of issuing  
8 the Refunding Bonds and other related costs. Except as otherwise expressly provided in this  
9 Ordinance, the Refunding Bonds shall be issued in the same manner as Bonds issued pursuant to  
10 this Ordinance and shall have the terms and provisions determined in an executive order of the  
11 Mayor, and the Mayor is hereby authorized to make the determinations with respect to any  
12 Refunding Bonds as if such Refunding Bonds were Bonds.  
13

14 The Mayor is hereby authorized to determine the form of any Refunding Bonds issued  
15 hereunder. The execution and delivery of the Refunding Bonds as herein provided shall be  
16 conclusive evidence of the approval of the form of such Refunding Bonds on behalf of the City.  
17 The Refunding Bonds hereby authorized may be sold for cash at no less than par, plus accrued  
18 interest to the date of delivery. Authority is hereby conferred on the Mayor to sell the Refunding  
19 Bonds through a public sale or through a private (negotiated) sale, without solicitation of  
20 competitive bids, as the Mayor, after consultation with the Finance Director and the City’s  
21 Financial Advisor, shall determine to be in the best interests of the City. Any sale of the  
22 Refunding Bonds hereunder by private negotiation is hereby determined to be in the best  
23 interests of the City. Refunding Bonds issued under this Ordinance are specifically exempted  
24 from the provisions of Sections 19-205 and 19-206 of the Local Government Article of the  
25 Annotated Code of Maryland.  
26

27 SECTION 27. This Ordinance shall take effect from the date of its approval by the  
28 Mayor, on or following the date of its final adoption and, thereafter, within not more than three  
29 calendar days of such approval, notice of the adoption of this Ordinance shall be duly given by  
30 publication of the title hereof at least once in “The Capital,” or another newspaper published  
31 and of general circulation in the City.  
32

### 33 EXPLANATION

34 CAPITAL LETTERS indicate matter added to existing law.

35 [brackets] indicate matter stricken from existing law.

36 Underlining indicates amendments.  
37  
38  
39  
40  
41  
42

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