

COUNTY COUNCIL OF PRINCE GEORGE'S COUNTY, MARYLAND

2000 Legislative Session

Resolution No. CR-21-2000

Proposed by The Chairman (by request – County Executive)

Introduced by Council Members Bailey and Shapiro

Co-Sponsors _____

Date of Introduction April 25, 2000

RESOLUTION

1 RESOLUTION concerning

2 Recycling and Disposal System Revenue Bonds--

3 Maryland Water Quality Financing Administration Loan

4 For the purpose of authorizing Prince George's County, Maryland (the "County") (i) to
 5 borrow money and incur indebtedness in a principal amount not exceeding \$1,900,000 under a
 6 loan agreement (the "Loan Agreement") between the County and the Maryland Water Quality
 7 Financing Administration (the "Water Quality Administration"), to be evidenced and secured by
 8 the County's Solid Waste Management System Revenue Refunding Bond, Series 2000 (the
 9 "Series 2000 Revenue Refunding Bonds") in principal amount equal to the amount of the loan
 10 (the "Loan") under the Loan Agreement and (ii) to apply the proceeds of such loan in order to
 11 partially refund or refinance the new money portion of the \$64,915,000 Prince George's County,
 12 Maryland Solid Waste Management System Revenue Bonds, Series 1993 (the "Series 1993
 13 Bonds") originally issued pursuant to Council Bill CB-57-1990, passed by the County Council
 14 on July 31, 1990, and approved by the County Executive on August 13, 1990 (the "Ordinance"),
 15 Council Resolution CR-112-1992, passed by the County Council of the County on November 24,
 16 1992 (the "Resolution"), the Maryland Water Quality Financing Administration Act, Sections 9-
 17 1601 to 9-1622, inclusive, of the Maryland Annotated Code, Environment Article (1996
 18 Replacement Volume and 1999 Supplement) (the "Water Quality Act") and the Amended and
 19 Restated Trust Indenture dated as of June 15, 1993 (the "Restated Indenture"), between the
 20 County and NationsBank Trust Company, N.A., predecessor-in-interest to The Bank of New
 21 York, as trustee, in order to finance or refinance certain facilities of the County's recycling and
 22 solid waste disposal system; describing the new money portion of the Series 1993 Bonds to be

1 partially refunded or refinanced with the proceeds of the Loan; approving the form and
 2 authorizing and providing for the execution of the Loan Agreement; approving the form and
 3 authorizing and providing for the execution of a Second Supplemental Amended and Restated
 4 Trust Indenture (the "Second Supplemental Indenture and, collectively with the Restated
 5 Indenture, the "Indenture"); approving the form and authorizing and providing for the execution
 6 of an Escrow Deposit Agreement; prescribing the form and tenor of the Series 2000 Revenue
 7 Refunding Bonds and the terms and condition for the issuance and sale thereof at private sale to
 8 the Water Quality Administration; providing that the Loan and the Series 2000 Revenue
 9 Refunding Bonds and the interest and any premium on them shall be limited obligations of the
 10 County payable solely from and secured by (i) the revenues of the System pledged under the
 11 Indenture and (ii) to the extent provided in the Indenture, any monies that the County is entitled
 12 to receive from the State of Maryland pledged pursuant to the Water Quality Act and shall never
 13 constitute an indebtedness or charge against the full faith and credit or taxing powers of the
 14 County within the meaning of any constitutional or charter provision or statutory limitation;
 15 providing for the preparation and distribution of a preliminary official statement and a final
 16 official statement to be used in connection with the sale of the Series 2000 Revenue Refunding
 17 Bonds, and generally providing for and determining various matters in connection with the
 18 authorization, issuance, sale, delivery and payment of the Series 2000 Revenue Refunding Bonds
 19 and the consummation of the transactions contemplated by the Indenture and the Water Quality
 20 Act.

21 SECTION 1. BE IT RESOLVED by the County Council of Prince George's County,
 22 Maryland, that pursuant to (i) the Ordinance; (ii) Article 25A of the Annotated Code of Maryland
 23 (1998 Replacement Volume and 1999 Cumulative Supplement); (iii) Section 24 of Article 31 of
 24 the Annotated Code of Maryland (1997 Replacement Volume and 1999 Cumulative
 25 Supplement)(the "Refunding Act"); and (iv) the Water Quality Act (collectively, the "Enabling
 26 Legislation"), the County is hereby authorized (i) to borrow money and incur indebtedness in the
 27 maximum principal amount not to exceed \$1,900,000 under the Loan Agreement between the
 28 County and the Water Quality Administration, which loan shall be evidenced and secured by the
 29 County's Solid Waste Management System Revenue Bonds, Series 2000 (the "Series 2000
 30 Revenue Refunding Bonds") authorized to be issued in a principal amount equal to the amount
 31 of the Loan and (ii) to apply the proceeds of the Loan in order to partially refund or refinance

1 certain callable maturities of the County's new money portion of the Series 1993 Bonds (the
2 "Refunded Bonds"). A new money portion of the Series 1993 Bonds was originally issued to
3 finance all or a portion of the costs of design, acquisition, construction, equipping, installation,
4 expansion and improvement of certain facilities constituting a part of the County's recycling and
5 solid waste disposal system.

6 SECTION 2. BE IT FURTHER RESOLVED that the County Executive, or if so
7 provided by order of the County Executive, the Chief Administrative Officer or Deputy Chief
8 Administrative Officer, is authorized to identify those maturities and portions of the Series 1993
9 Bonds which are to be refunded and are to be the Refunded Bonds. In making such
10 determination, the County Executive, or by order of the County Executive, the Chief
11 Administrative Officer or Deputy Chief Administrative Officer is hereby authorized to identify
12 the projects originally financed with proceeds from the Refunded Bonds (the "Projects") and the
13 probable average useful life of these Projects. The County Executive, or if so provided by order
14 of the County Executive, the Chief Administrative Officer or the Deputy Chief Administrative
15 Officer, must provide, by order dated and delivered prior to closing, that the Series 2000
16 Revenue Refunding Bonds shall be made payable within the probable useful life of the Projects.
17 The Projects shall each constitute a "wastewater facility" as that term is defined in the Water
18 Quality Act and the Loan Agreement.

19 SECTION 3. BE IT FURTHER RESOLVED that prior to execution and delivery of the
20 Loan Agreement and the issuance of the Series 2000 Revenue Refunding Bonds, the County
21 Executive, by order, or if so provided by order of the County Executive, the Chief
22 Administrative Officer or Deputy Chief Administrative Officer shall specify, prescribe,
23 determine, provide for or approve all matters, details, documents and procedures in connection
24 with, subject to the limitations of the Enabling Legislation and this Resolution, including,
25 without limitation, the dates of the Series 2000 Revenue Refunding Bonds, their maturity dates,
26 the interest rates payable on them (or the method of determining the same and the date or dates
27 of payment thereof), provisions for the prepayment or purchase thereof (if any) prior to maturity,
28 the provision of supporting credit or liquidity arrangements for such Series 2000 Revenue
29 Refunding Bonds, the form of such Series 2000 Revenue Refunding Bonds and all other terms
30 and details of such Series 2000 Revenue Refunding Bonds. The Series 2000 Revenue Refunding
31 Bonds are intended to be issued as part of a comprehensive financing and refinancing of certain

1 qualified projects through the Water Quality Administration and the County Executive, or if so
 2 provided by order of the County Executive, the Chief Administrative Officer or Deputy Chief
 3 Administrative Officer, by order, may evidence the County's debt, as evidenced in the Loan
 4 Agreement, by issuing separate series of bonds, including the Series 2000 Revenue Refunding
 5 Bonds or, alternatively, the County Executive or if so provided by order of the County
 6 Executive, the Chief Administrative Officer or Deputy Chief Administrative Officer, may, by
 7 order, evidence the County's obligation to the Water Quality Administration through the
 8 issuance of a single bond or a combination of bonds with designations to be determined by the
 9 County Executive or if so provided by order of the County Executive, the Chief Administrative
 10 Officer or Deputy Chief Administrative Officer.

11 SECTION 4. BE IT FURTHER RESOLVED that the form of the Loan Agreement, a
 12 copy of which is appended hereto as Exhibit 1 and made a part hereof by reference, to be entered
 13 into by the County and the Water Quality Administration providing for the Loan to the County
 14 and the terms and provisions of such Loan is hereby approved. The County is hereby authorized
 15 to execute and deliver the Loan Agreement on behalf of the County in substantially the form
 16 hereby approved, with such insertions as are therein and in this Resolution indicated and with
 17 such changes as are approved by the County Executive, or if so provided by order of the County
 18 Executive, the Chief Administrative Officer or Deputy Chief Administrative Officer, consistent
 19 with the Enabling Legislation and this Resolution. The Loan Agreement and all the covenants
 20 and conditions set forth therein, including, without limitation, payment to the Water Quality
 21 Administration of the annual Administrative Fee (as defined in the Loan Agreement), are hereby
 22 approved and adopted as the obligation of the County.

23 SECTION 5. BE IT FURTHER RESOLVED that the form of the Second Supplemental
 24 Amended and Restated Trust Indenture ("Second Supplemental Indenture"), a copy of which is
 25 appended hereto as Exhibit 2 and made a part hereof by reference, to be entered into by the
 26 County and the Bank of New York and the terms and provisions of such Second Supplemental
 27 Indenture is hereby approved. The County is hereby authorized to execute and deliver the
 28 Second Supplemental Indenture on behalf of the County in substantially the form hereby
 29 approved, with such insertions as are therein and in this Resolution indicated and with such
 30 changes as are approved by the County Executive or if so provided by order of the County

1 Executive, the Chief Administrative Officer or Deputy Chief Administrative Officer, consistent
2 with the Enabling Legislation and this Resolution.

3 SECTION 6. BE IT FURTHER RESOLVED that the proceeds of the Series 2000
4 Revenue Refunding Bonds shall be advanced to the Director of Finance of the County (the
5 "Director of Finance") on the Closing Date in accordance with the Loan Agreement. A portion
6 of the proceeds of the Series 2000 Revenue Refunding Bonds shall be retained by the Director of
7 Finance to pay, or to reimburse the County for, costs, fees and expenses incurred in the issuance
8 of the Series 2000 Revenue Refunding Bonds (which funds are hereby authorized to be used for
9 such purpose), to the extent such costs of issuance are not paid from other sources. A remaining
10 portion of the proceeds of such Series 2000 Revenue Refunding Bonds shall be immediately
11 deposited by the Director of Finance in trust with The Bank of New York, as escrow deposit
12 agent (the "Escrow Deposit Agent") in a trust fund to be established in the name of the County
13 (the "Escrow Deposit Fund") pursuant to an escrow deposit agreement to be entered into between
14 the County and the Escrow Deposit Agent (the "Escrow Deposit Agreement"), in substantially
15 the form attached hereto as Exhibit 3 and made a part hereof. Any then-remaining proceeds shall
16 be deposited with The Bank of New York, as trustee, in accordance with the terms of the Second
17 Supplemental Indenture.

18 The Escrow Deposit Agent shall apply all or part of the funds deposited with it to the
19 purchase of tax-exempt securities (hereinafter "Escrow Securities") as permitted in the Escrow
20 Deposit Agreement, the principal of and interest on which will be sufficient, together with any
21 cash not so invested and without reinvestment, to pay in a timely manner the principal of the
22 Refunded Bonds and the redemption premium, if any, and interest accrued and to accrue thereon
23 to the applicable dates of maturity or redemption thereof. The County Executive, the Chief
24 Administrative Officer or the Director of Finance are hereby authorized to make such changes or
25 modifications to the form of the Escrow Deposit Agreement as may be required or deemed
26 appropriate by him or her; provided that such changes are within the scope of the transactions
27 authorized by this Resolution.

28 SECTION 7. BE IT FURTHER RESOLVED that the Series 2000 Revenue Refunding
29 Bonds shall be issued pursuant to the Restated Indenture and the Second Supplemental
30 Indenture. The County Executive, or if so provided by order of the County Executive, the Chief
31 Administrative Officer or Deputy Chief Administrative Officer, is hereby authorized from time

1 to time to enter into such amendments or supplements to the Indenture in connection with the
 2 incurrence or issuance of the Series 2000 Revenue Refunding Bonds as he shall deem to be
 3 necessary or desirable, consistent with the purpose and intent of, and within the limitations
 4 provided by, the Ordinance and this Resolution (each, a “Supplemental Indenture”). Without
 5 limiting the generality of the foregoing, the County Executive, or if so provided by order of the
 6 County Executive, the Chief Administrative Officer or Deputy Chief Administrative Officer, is
 7 authorized to enter Supplemental Indentures as shall be necessary to obtain the Loan, to obtain
 8 favorable ratings for any Series 2000 Revenue Refunding Bonds from the bond rating agencies,
 9 to obtain any credit enhancement for the Series 2000 Revenue Refunding Bonds or otherwise
 10 permit the sale of any Series 2000 Revenue Refunding Bonds upon terms that, taken as a whole,
 11 are deemed reasonable by the County Executive or if so provided by order of the County
 12 Executive, the Chief Administrative Officer or Deputy Chief Administrative Officer. The
 13 execution and delivery of any Supplemental Indenture by the County Executive, or if so
 14 provided by order of the County Executive, the Chief Administrative Officer or Deputy Chief
 15 Administrative Officer, shall constitute conclusive evidence of the approval by the County of any
 16 changes to the Indenture authorized hereby.

17 SECTION 8. BE IT FURTHER RESOLVED that the Series 2000 Revenue Refunding
 18 Bonds and the interest and premium, if any, on them shall be payable from and secured by (i) the
 19 pledge and assignment under the Indenture of the System Revenues (as defined in the Indenture)
 20 and (ii) to the extent provided in the Indenture, the pledge and assignment pursuant to Section 9-
 21 1606(d) of the Act of any moneys that the County is entitled to receive from the State of
 22 Maryland (the “State”), including (without limitation) the County’s share of the State income
 23 tax. The Series 2000 Revenue Refunding Bonds shall never constitute an indebtedness or charge
 24 against the full faith and credit or taxing powers of the County within the meaning of any
 25 constitutional or charter provision or statutory limitation.

26 SECTION 9. BE IT FURTHER RESOLVED that, as authorized and contemplated by the
 27 Enabling Legislation, the Series 2000 Revenue Refunding Bonds shall be sold to the Water
 28 Quality Administration at private (negotiated) sale at, above or below par as shall be determined
 29 by the County Executive or if so provided by order of the County Executive, the Chief
 30 Administrative Officer or Deputy Chief Administrative Officer. The County Executive, or if so
 31 provided by order of the County Executive, the Chief Administrative Officer or Deputy Chief

1 Administrative Officer, is expressly authorized and empowered to take any and all action
2 necessary to complete and close the award, sale and delivery of the Series 2000 Revenue
3 Refunding Bonds to the Water Quality Administration, including (without limitations) making
4 such changes or modifications in the form of the Series 2000 Revenue Refunding Bonds as may
5 be necessary or appropriate to comply with Water Quality Administration practices and policies
6 applicable from time to time.

7 SECTION 10. BE IT FURTHER RESOLVED that the County Executive or the Chief
8 Administrative Officer or Deputy Chief Administrative Officer of the County if the County
9 Executive shall so authorize in writing, is hereby authorized to cause to be prepared and
10 distributed on behalf of the County in connection with the sale of any Series 2000 Revenue
11 Refunding Bonds a preliminary official statement and a final official statement (or, alternatively,
12 a preliminary and final private placement memorandum) in such forms as shall be approved by
13 the County Executive or the Chief Administrative Officer or the Deputy Chief Administrative
14 Officer, respectively.

15 SECTION 11. BE IT FURTHER RESOLVED that the County Executive, the Chief
16 Administrative Officer, the Deputy Chief Administrative Officer, the Director of Finance, the
17 Deputy Director of Finance, the Clerk of the County Council and such other officers and officials
18 of the County as may be appropriate are hereby authorized to execute and deliver, for and on
19 behalf of the County, any and all additional certificates, documents or other papers and to do any
20 and all things deemed necessary or appropriate in order to effect the issuance and sale of the
21 Series 2000 Revenue Refunding Bonds and the execution and delivery of the Loan Agreement
22 and any Supplemental Indenture and to implement and carry out matters authorized by the
23 provisions of the Enabling Legislation and this Resolution.

24 SECTION 12. BE IT FURTHER RESOLVED that the provisions of this Resolution are
25 severable, and if any provision, sentence, clause, section or part hereof is held illegal, invalid,
26 unconstitutional or inapplicable to any person or circumstances, such illegality invalidity,
27 unconstitutionality or inapplicability shall not affect or impair any of the remaining provisions,
28 sentences, clauses, sections or parts of this Resolution or their application to other persons or
29 circumstances. It is hereby declared to be the legislative intent that this Resolution would have
30 been adopted if such illegal, invalid, unconstitutional or inapplicable provision, sentence, clause,

1 section or part had not been included herein and as if the person or circumstances to which this
2 Resolution or any part hereof is inapplicable had been specifically exempted therefrom.

3 SECTION 13. BE IT FURTHER RESOLVED that this Resolution shall take effect from
4 the date of its adoption.

Adopted this 16th day of May, 2000.

COUNTY COUNCIL OF PRINCE
GEORGE'S COUNTY, MARYLAND

BY: _____
Dorothy F. Bailey
Chair

ATTEST:

Joyce T. Sweeney
Clerk of the Council

Exhibits 1, 2 & 3 available in hard copy only

**Exhibit 1–
Loan Agreement**

**Exhibit 2–
Second Supplemental Indenture**

**Exhibit 3–
Escrow Deposit Agreement**