



**MAYOR**

Brian K. Grim

**CITY ADMINISTRATOR**

Jeff Rhodes

**CITY SOLICITOR**

Michael Scott Cohen

**COUNCIL**

Seth D. Bernard

David Caporale

Richard J. "Rock" Cioni

Eugene T. Frazier

**CITY CLERK**

Marjorie A. Woodring

## AGENDA

**Mayor and City Council of Cumberland  
City Hall Council Chambers  
Room 212  
6:15 P.M.**

DATE 6/6/2017

**\*Pledge of Allegiance**

**I. ROLL CALL**

**II. PROCLAMATIONS**

(A) Proclaiming Tuesday, August 1, 2017 as National Night Out in Cumberland

**III. DIRECTOR'S REPORT**

(A) Administrative Services

1. Administrative Services monthly report for April, 2017

(B) Public Works

1. Engineering Division Capital Projects and Program Projects monthly report for May, 2017

**IV. APPROVAL OF MINUTES**

(A) Routine

1. Approval of the Town Hall Meeting Minutes of April 12, 2017 and the Public Meeting Minutes of April 18, 2017

(B) Administrative / Executive

1. Summary Statement of the Closed Session held June 6, 2017 at 5:30 p.m.

**V. PUBLIC HEARINGS**

(A) Public Hearing to consider an Ordinance authorizing the issuance and sale of general obligation bond debt not to exceed \$1,200,000 in aggregate principal amount to be issued under the MD Local Government Infrastructure Financing Program and known as "**Mayor and City Council of Cumberland Infrastructure Bonds, 2017 Series A,**" to finance or refinance the purchase of IT

improvements, equipment and software, vehicles and equipment including heavy-duty vehicles and equipment, to fund a portion of the capital reserve fund, and to pay costs related to the bonds

## **VI. UNFINISHED BUSINESS**

### **(A) Ordinances**

1. Ordinance (*2nd and 3rd readings*) - providing for the issuance and sale of general obligation bond debt not to exceed \$1,200,000 in aggregate principal amount to be issued under the MD Local Government Infrastructure Financing Program and known as "**Mayor and City Council of Cumberland Infrastructure Bonds, 2017 Series A,**" to finance or refinance the purchase of IT improvements, equipment and software, vehicles and equipment including heavy-duty vehicles and equipment, to fund a portion of the capital reserve fund, and to pay costs related to the bonds

## **VII. NEW BUSINESS**

### **(A) Ordinances**

1. Ordinance (*1st reading*) - providing for the City Tax Levy for FY 2018; Real Estate = 1.0595 per \$100 of assessed value / Personal Property = 2.648 per \$100 of assessed value
2. Ordinance (*1st reading*) - providing for the annual appropriation for the FY18 General Fund
3. Ordinance (*1st reading*) - providing for the annual appropriation for the FY18 Water Fund
4. Ordinance (*1st reading*) - providing for the annual appropriation for the FY18 Sewer Fund
5. Ordinance (*1st reading*) - providing for the annual appropriation for the FY18 Special Purpose Funds
6. Ordinance (*1st reading*) - providing that no levy of a special ad valorem tax in the Shades Lane Development District be imposed for FY18

### **(B) Resolutions**

1. Resolution approving an application to the MD DHCD for up to \$6,000 in grant funding to support a shopping and dining brochure guide project for the Main Street District in partnership with the Downtown Development Commission (DDC) and the Main Street Program.
2. Resolution authorizing the issuance and sale of two separate series of General Obligation Bonds designed "**Mayor and City Council of Cumberland Taxable Redevelopment and Pension Contribution Refunding Bonds of 2017**" and "**Mayor and City Council of Cumberland Tax-Exempt Public Improvement Refunding Bonds of 2017**"
3. Resolution supporting the Housing Authority of the City of Cumberland's application for \$365,700 in Strategic Demolition and Smart Growth Impact Fund financing for the demolition and redevelopment of targeted properties within the community

### **(C) Orders (Consent Agenda)**

1. Order authorizing the Chief of Police to accept a GOCCP Sex Offender Compliance and Enforcement in Maryland Grant titled "Monitoring Sex Offender Compliance" for FY18 in the amount of \$20,800 to provide personnel, operating, and equipment support to confirm sex offenders are living where they are reporting and other ordered conditions

2. Order authorizing the execution of Change Order No. 1 to the current contract with Shaffer Construction for the Cavanaugh Ball Field Renovations (01-17-RE) in the increased amount of \$18,500.00, bringing the new contract total to an amount not to exceed \$77,240
3. Order accepting the Sole Source proposal of Gwin, Dobson & Foreman, Inc. for Water Filtration Plant (WFP) & Wastewater Treatment Plant (WWTP) Facility Evaluations in the estimated not-to-exceed cost of \$133,600
4. Order authorizing the City Administrator to execute FY18 Employment Agreements for part-time employees
5. Order authorizing the execution of a Memorandum of Understanding with the MD Department of Housing and Community Development for the administration of the federally funded Section 8 Housing Choice Voucher Program
6. Order approving a STAR District Tax Incentive Application for 302 N. Centre Street, owned by Arnold D'Epagnier, to provide a 7-year property tax assessment freeze beginning with the 2012 tax year based on an investment of 14.5% of the 2012 pre-improvement value of the property

#### **VIII. PUBLIC COMMENTS**

All public comments are limited to 5 minutes per person

#### **IX. ADJOURNMENT**



Regular Council Agenda  
June 6, 2017

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**Description**

Proclaiming Tuesday, August 1, 2017 as National Night Out in Cumberland

**Approval, Acceptance / Recommendation**

Budgeted

1st Reading

2nd Reading

3rd Reading

**Value of Award (if applicable)**

**Source of Funding (if applicable)**

City of Cumberland  
- MARYLAND -

# Proclamation

- WHEREAS,** *the National Association of Town Watch (NATW) is sponsoring a unique, nationwide crime, drug and violence prevention program on August 1, 2017 entitled "National Night Out;" and*
- WHEREAS,** *the 34rd annual "National Night Out" provides a unique opportunity for the neighborhoods of Cumberland to join forces with thousands of other communities across the country in promoting cooperative, police-community crime prevention efforts; and*
- WHEREAS,** *the Neighborhood Advisory Commission plays a vital role in assisting the Cumberland Police Department through joint crime, drug and violence prevention efforts in Cumberland and is supporting "National Night Out 2017" locally; and*
- WHEREAS,** *it is essential that all citizens of Cumberland be aware of the importance of crime prevention programs and impact that their participation can have on reducing crime, drugs and violence in Cumberland; and*
- WHEREAS,** *police-community partnerships, neighborhood safety, awareness and cooperation are important themes of the "National Night Out" program.*

**Now, Therefore, the Mayor and City Council of Cumberland,**  
*do hereby proclaim Tuesday, August 1st, 2017 in Cumberland as*

## **"National Night Out"**

*and do hereby call upon all citizens of Cumberland to join with the Neighborhood Advisory Commission, the Cumberland Police Department, and the National Association of Town Watch in supporting this event.*

**Given under our Hands and Seals this 6<sup>th</sup> day of June, in the year 2017,  
with the Corporate Seal of the City of Cumberland hereto attached,  
duly attested by the City Clerk.**

**ATTEST:**

**MAYOR AND CITY COUNCIL  
OF CUMBERLAND**

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*Marjorie A. Woodring*  
**City Clerk**

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*Brian K. Grim*  
**Mayor**



Regular Council Agenda  
June 6, 2017

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**Description**

Administrative Services monthly report for April, 2017

**Approval, Acceptance / Recommendation**

Budgeted

1st Reading

2nd Reading

3rd Reading

**Value of Award (if applicable)**

**Source of Funding (if applicable)**

May 31, 2017

Honorable Mayor and City Council  
City Hall  
Cumberland, Maryland 21502

Re: Administrative Services Monthly Report for April, 2017

Dear Mayor and City Council Members:

The following report is submitted by the Department of Administrative Services for the month of April, 2017.

### **Management Information Systems**

Management Information Systems reports the following activities for the month of April, 2017:

#### **Statistics**

174 completed help desk requests  
243 open help desk requests

#### **Activities**

Major department initiatives in the past month include:

- Continued working with public works and other departments on combined vehicle maintenance software solution
- Work with Tyler Technologies/New World Systems on Tyler Cashiering and Community Development modules
- Deploy new Minolta copiers in various departments
- Began working with Crossmatch on new Livescan fingerprinting machine
- Updated equipment at Martin's police substation

### **Parks and Recreation**

Parks and Recreation reports the following information for the month of April, 2017:

#### **Parks & Recreation Department:**

**Reservations** for the six covered Pavilions at Constitution Park continue to be taken for the 2016 season. Rental Fees are \$ 100.00 for the Large Pavilion and \$ 75.00 for the Small Pavilion.

26 Reservations were received in the month of April.

**Usage of the Pavilions – Month of April – 9 pavilions reserved and used  
2 Rental of the Activities Building April 8 and April 23**

Item # 2

**Annual Easter egg Hunt** – Held Friday April 14 –Coordinated by the Parks & Recreation Department assisted by Allegany County Maryland Extension Office staff and Intern, and FSU students from Dr. Gray’s Introduction to Recreation class. Eggs filled by volunteers from the Finan Center. Prizes awarded in age groups for prize eggs. Prizes donated by local businesses and individuals. 4-H youth provided a petting zoo of bunnies, and other farm animals.  
Approximately 500 Children ages 12 and under participated.

**Amusement Park Tickets** received in Mid- April for sale – Major Amusement park tickets are sold at a reduced price; this is a fund raiser for the State Recreation Association – MRPA

The **Ballfield Supervisor** seasonal employee began working to supervise the ball fields at Mason Sports Complex April 1. Restrooms are now open and cleaned on a daily basis for participants using the complex. (Weather permitting all other restroom facilities will be open and available for use on a daily basis Constitution Park, Cavanaugh and Jaycee fields)

**Field and court usage for the month of April:**

Middle School and College:

Allegany College of MD women’s softball (Long Field)  
Washington Middle School – Girls Softball (Mason Fields)

Spring Soccer Leagues:

Allegany Soccer Alliance  
YMCA Youth Soccer League

Tennis Teams:

Bishop Walsh Boys – Park Courts

Practices

Dapper Dan League began practices at Long and Al Abrams Fields  
The Girls Softball League began practices at Jaycee and Mason Fields

Adult Leagues at Mason Complex

Most Leagues began practice in April:

Christian League – (regular league play began May 2, 2017)  
Coed Softball League (regular league play began April 1, 2017)  
Industrial League – (regular league play begins May 1, 2017)

***\*Note -Cavanaugh Field – Under renovation for March, April and May – the Cumberland Girls Softball League, Washington Middle School Girls and AC Women’s teams are all using the fields at Mason Complex***

**School marble tournament** play continues in local schools to determine school champions to participate in the City tournament May 15 –Girls, May 16 – Boys, at the Constitution Park Marble Ring area. Six Elementary and Middle schools are participating this year.

**Co-ed Volleyball League** - 6 teams, 42 participants, games are played weekly on Wednesday nights at South Penn Elementary School. Play is under the direction of Carol Brown. 4 weeks of tournament play in April concluded the league for the season.  
Attendance 135

**Meetings attended:**

- Regular Monthly Meeting of the Recreation Advisory Board -4/3/17
- Regular Thursday staff meetings
- Meeting with Co-ed Softball League
- The meeting for Lunch program training was held in Columbia on April 26.
- D.S.S. representatives related to Summer Day Camp participation

**Areas of work**

- Continue to coordinate league and field usage between leagues, maintenance, and department office.
- Park Pool 2017 season – continue to work with Amy Nazelrod. Summer Day camp program planning and interviews
- Summer Lunch program coordination
- Daily Pavilion reservation
- 69<sup>th</sup> Annual Battie Mixon Fishing Rodeo
- Outdoor movies in the park schedule
- “Sunday in the Park Concert Series”

**Upcoming – for May**

- Constitution Park Watchman begin work May 5 with weekends only until pool opening
- Pool season preparation – Pool opening set for Saturday May 27 (pending due to renovations completed)
- Staff meeting for pool staff Sunday May 21
- City Marble Tournament May 15 & 16
- Recreation Advisory Board May Meeting (May 1)
- Prepare for Constitution Park Day Camp program
- 69<sup>th</sup> Annual Battie Mixon Fishing Rodeo – Saturday June 3
- Upcoming School visits to promote summer programs
- Day of Caring and Sharing Friday May 12
- Sunday in the Park Concert Series begins Sunday May 28 with The Potomac Concert Band

## Community Development

The Community Development Department reports the following activities for the month of April, 2017:

### CODE COMPLIANCE

#### **Code Enforcement:**

<u>Nuisance &amp; Junk Vehicle Complaints</u>		<u>Property Maintenance Complaints</u>		<u>Building Code Complaints</u>	
Received:	n/a	Received:	n/a	Received:	n/a
Corrected:	n/a	Corrected:	n/a	Corrected:	n/a

<u>Housing Code Complaints</u>		<u>Zoning Complaints</u>	
Received:	n/a	Received:	n/a
Corrected:	n/a	Corrected:	n/a

#### Permits, Applications, and Licenses:

<u>Building Permits</u>		<u>Residential Rental License</u>		<u>Plan Reviews</u>	
Received:	6	Received:	6	Received:	0
Issued:	2	Issued:	6	Issued:	0

<u>Occupancy Permit</u>	
Received:	4
Issued:	1

<u>Housing Inspections</u>	
Conducted:	47
Passed:	47

<u>Revenue</u>	
Building Permits:	\$ 2,097.00
Miscellaneous Permits:	180.30
Occupancy Permits:	120.00
Utility Permits:	0.00
Reviews, Amendments, and Appeals:	0.00
Rental Licenses:	900.00
Paid Inspections:	0.00
Municipal Infractions:	<u>0.00</u>
TOTAL	\$3,297.30

Demolition Permit (Bonds)	0.00
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## **COMMUNIT DEVELOPMENT**

### **Historic Planning/Preservation:**

The Cumberland Historic Preservation Commission met on Wednesday April 12, 2017 at 4pm in the City Hall Council Chambers. There was one Certificate of Appropriateness reviewed and approved for 129 Baltimore Street for facade improvements related to the planned opening of a new restaurant at this location. Additionally, the Historic Preservation Commission recommended the approval of the application for 2 Howard Street for the Historic District Tax Incentive Program that includes a real estate property tax credit and an property tax assessment freeze.

There were no administrative reviews or Section 106 reviews processed during the month.

Notification was received from the Maryland Department of Housing and Community Development that the City of Cumberland was approved for a five-year renewal of its Sustainable Communities designation. This designation provides access to numerous State of Maryland financial assistance programs for the local government, citizens, and property owners.

The Pirates Charities Fields for Kids program announced that \$10,000 was awarded for improvements to Abrams Field. The charity is sending a funding agreement and a publicity packet so that a public announcement can be made.

Planning has begun to prepare this year's Community Legacy application. Potential projects and funding needs are being evaluated by the application workgroup. A list of prioritized projects will be submitted for comment by the public and the Mayor and City Council in mid-May. The application is due to the Maryland Department of Housing and Community Development by June 8th.

Community Development and CEDC staff continues to work with property owners for predevelopment work related to the Leasehold Improvement Program and Upper Story Redevelopment Program project locations.

Routine grant administration reports were submitted to the Maryland Historical Trust, and Department of Housing and Community Development.

### **CDBG:**

- Provided April 2017 Fair Housing Month Seminar for the public at ACM, several planning meetings in April
- Environmental Reviews-Goethe Street, Prepare/post NOI/RROF for 16-18 Arch Street, 3 HRDC rental rehabilitations
- Completed audit question review for 2 sub recipients
- Provided old project T/A; Animal Shelter and 2016 Rental Rehabs
- Participated in several Homesteading fact-finding and meetings to discuss funds and alternative activities

- Planned June Fair Housing Event with BNI/WMHS
- Processing of revenue and CDBG budget accounts; invoices/correcting invoice errors
- Participated in Transportation Planning Committee of Bridges
- Began compiling the 2017 Annual Action Plan in IDIS, research and creating the plan
- Completed two CDBG draws in IDIS
- Attended HUD Annual Action Plan webinar
- Provided technical assistance to new CDBG sub-recipients
- Entered CDBG quarterly report data into IDIS (8 activities), completed two activities in IDIS, hold a third for processing of the last invoice
- Provided in depth technical assistance to CNHS-grant, quarterly reports, invoice issues

**Community Services Activity:**

- Continued normal job duties and provided staff monthly report to direct supervisor.
  - Attended teleconference with Governor's Grant office on April 12 in Program Manager's absence. Introduced to the Intergovernmental Team. Gained access to Maryland Grant Opportunities link and Grant News emails. One grant possibility forwarded to CPD.
  - Attended New World/LOGOS Software training on April 18 - 20. Began to create permit and licensing templates for new program. Worked as liaison between SDAT and Tyler to gather property information for easier downloading.
  - NAC met April 24 and the next meeting is scheduled for June 26 at city Hall.
  - NNO Planning Committee met April 26, next meeting is scheduled for May 24. Mailed sponsorship requests letter and gained a few more participants for this year.
  - New copier training with Document Solutions.
  - Completed second online survey with ARC regarding Virginia Avenue Corridor Revitalization Initiative for 2010 & 2011.
  - Prepared demolition spreadsheet update for Code Enforcement Manager.
  - Preliminary conversation with CSX representative regarding future coordination with Community Development and the City as their land development survey in the Roberts St. area becomes complete.

Only 10 remain unpaid Rental License accounts and 4 of those are vacant. Staff will attempt a call one more time to each.

## Comptroller's Office

The Comptroller's office reports the following information for the month of April, 2017:

### Cash Flow:

Attached for your review is a Cash Flow Summary for the month of April 2017.

On April 1, 2017 the City had a cash balance of \$6,349,795. Disbursements exceeded receipts by \$1,597,981 in April leaving the City with a cash balance of \$4,751,814 at April 30, 2017.

As of April 30, 2017, the significant balances were:

Taxes receivable ( General Fund)					\$ 1,643,485
	Mar Balance	New Billing	Collections	Bad Debt	April Balance
FY 2017	\$ 1,157,608	\$ -	\$ 199,952	\$ -	\$ 957,656
FY 2016	442,911	-	54,429	-	388,482
FY 2015	107,109	-	48,999	-	58,110
FY 2014	31,620	-	1,451	-	30,169
FY 2013	27,788	-	-	-	27,788
FY 2012	31,264	-	-	-	31,264
FY 2011	48,277	-	722	-	47,555
Prior FY's	103,829	-	-	-	102,461
	\$ 1,950,406	\$ -	\$ 305,553	\$ -	\$ 1,643,485

The current year tax receivable balance is comprised of the following:

Real property (non-owner occupied)		\$ 504,960
Non-Corp Personal Property		5,661
Corporate Personal Property		78,392
Real Property (semiannual payments)		362,493
Real Property (Half Year)		6,150
		\$ 957,656

May is a 2-pay month so the cash required to meet payroll is an estimated  
\$1,100,000.

The City cash position continues to be strong as illustrated in the cash and investments table following table. Restricted cash and investments are comprised primarily of invested bond proceeds restricted to associated capital projects and expenditures.

**Cash and Investment Summary****April 30, 2017**

	Cash	Investments
Beginning Balance	\$ 6,349,795	\$ 7,189,099
Add:		
Cash Receipts	3,238,437	4,122
Investment Transfer	-	-
Less:		
Disbursements	4,836,418	-
Investment Transfer	-	-
Ending Balance	\$ 4,751,814	\$ 7,193,221
Restricted	\$ 483,056	\$ 1,292,187

**Capital Projects and Associated Debt:**

The table below illustrates cash restrictions and balances of invested and available bond proceeds associated with capital projects.

**Restricted Cash**

	4/1/2017	Increase	Utilization	4/30/2017
Police Seizures	\$ 277,373	\$ 22	\$ 3,775	\$ 273,620
Bowers Trust	91,395	-	-	91,395
Restricted Lenders	106,341	-	-	106,341
Other	11,700	-	-	11,700
	\$ 484,211	\$ 22	\$ 3,775	\$ 483,056

**Restricted Investments**

	4/1/2017	Increase	Utilization	4/30/2017
DDC	\$ 6,669	\$ 4	\$ -	\$ 6,673
GOB 2013	1,088,382	613	-	1,088,995
BAN 2016	196,339	180	-	196,519
	\$ 1,290,649	\$ 797	\$ -	\$ 1,292,187

**Available Bond Proceeds**

	4/1/2017	Increase	Utilization	4/30/2017
CDA 2014	\$ 1,081,816	\$ -	\$ -	\$ 1,081,816
CDA 2015	2,516,268	-	-	2,516,268
	\$ 3,598,084	\$ -	\$ -	\$ 3,598,084

The DDC restricted investment was funded through donations and is restricted for the purpose of maintenance of the Wes Han Fountain in the Downtown Mall.

The GOB 2013 bond proceed investments were originally intended for the demolition of Memorial Hospital, with any remaining proceeds earmarked for street repairs and projects. \$415,000 was drawn in February to fund costs associated with the Washington Street Lighting project leaving a balance of \$1.088 million.

The Bond Anticipation Note (BAN 2016) for the Maryland Avenue Redevelopment Project was issued in June 2016. The balance of the bond proceeds is \$196,000. The final draw from CEDC occurred in May.

CDA 2014 and 2015 bond proceeds are intended for a variety of General Fund (\$1.8 million), Water Fund (\$434,000) and Sewer Fund (\$1.34 million) projects and are available to be drawn as required. In February the City drew \$370,000 from CDA 2014 proceeds to fund various street improvement projects that were completed in November and \$58,000 from CDA 2015 to fund various street and sewer improvements.

Respectfully submitted,

A handwritten signature in black ink, appearing to read 'JR', with a long horizontal flourish extending to the right.

Jeff Rhodes  
City Administrator



Regular Council Agenda  
June 6, 2017

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**Description**

Engineering Division Capital Projects and Program Projects monthly report for May, 2017

**Approval, Acceptance / Recommendation**

Budgeted

1st Reading

2nd Reading

3rd Reading

**Value of Award (if applicable)**

**Source of Funding (if applicable)**

## City of Cumberland, Maryland Engineering Division - Monthly Report

Capital Projects						May 31, 2017	
Order	Project No.	Project Name	Description	Phase	Comments	Updated By	Date of Update
2008	05-08-S	Evitts Creek CSO Upgrades Phase III (gravity sewer under railroad)	Replacement of CSO line connecting Evitts Creek Pump Station effluent with gravity line that parallels the Canal Towpath. Said gravity line is being replaced under project 17-03-S(1).	Design	<b>NO CHANGE</b> Despite efforts, the location of MH 4 has not been determined. No additional field work is currently planned.	PJD	5/16/2017
2010	01-10-WWTP	CSO Storage Facility At WWTP	CSO storage and handling facility in accordance with LTCP	Construction	Fiore has mobilized, construction fencing is in place, along with sediment and erosion controls, and a temporary road to allow access to public parking. Awaiting details of facility improvements Fiore proposes, in return for permitting an expanded workspace and excavation stockpile area. Fiore is also working with MDE to get a dewatering permit.	PJD	6/1/2017
2012	2-12-M	Baltimore Avenue Improvements	Resurfacing of Baltimore Ave. from Front Street to Marion Street; with ADA and bicycle safety improvements, water main replacement (Goethe St to Marion St), and traffic safety improvements.	Construction Closeout	most of the ADA waivers were approved, the contractor still has some repairs to complete.	JRD	5/30/2017
2012	10-12-M	Bike Improvements on Mechanic and Centre St	Bike Lane Markings and Signs on Centre and Mechanic Sts from Henderson Ave to Harrison St	Construction	PSI has started the installation of bicycle pavement markings and signs.	JRD	5/30/2017
2013	1-13-FPM	Misc Flood Control System Concrete Repairs	Repairs to various points of FCS system per USACOE inspection	Design	Working on "Bullpen" area design. Also working on bid specifications, and ascertaining if any permits are required, in addition to the Waterway Construction Permit.	PJD	6/1/2017
2013	4-13-SWM	Avirett Development at 12313 Messick Road	Development at Messick Road, north of the proposed Chessie Federal Credit Union site.	Design	<b>NO CHANGE</b> - Looking at installing sewer line.	PJD	6/1/2017
2013	11-13-M	Frederick & Bedford Sts. Bike Lane Improvements	Proposed bicycle safety improvements; including, bike lanes along Frederick Street and Bedford Street from the Mechanic Street to the City Limits, where possible, and traffic calming	Construction	PSI has started the installation of bicycle pavement markings and signs.	JRD	5/30/2017
2013	12-13-FPM	Flood Control Encroachment Tree Project	Removal of Trees along Flood Wall and Levees per requirements of US Army Corps of Engineers specifications	RFP	<b>NO CHANGE</b> Finalizing list of trees to send out for bids from contractors. Trees along flood wall will be removed and the stumps either ground or sprayed with herbicide to kill them.	PTE	5/18/2017
2014	04-14-WWTP	Sludge Screening Study/Design	Study to select the best alternative to keep rags out of the recently cleaned and modified digester because the modifications will make it impossible to	Design	<b>NO CHANGE</b> Need/Benefit of the project is being reevaluated, and for now the project is on hold. Design is complete and the project will remain on this report for the time being.	JDF	6/1/2017
2014	05-14-M	Mill Grind, patch and Resurface Pavements in accordance with MD SHA Contract	Belt Contract to mill and pave	Construction	<b>NO CHANGE</b> - A number of street have been paved in 2016 under this contract. The contract is still opened and some more work is expected to be done in 2017.	JDF	6/1/2017

## City of Cumberland, Maryland Engineering Division - Monthly Report

Capital Projects						May 31, 2017	
Order	Project No.	Project Name	Description	Phase	Comments	Updated By	Date of Update
2014	10-14-M	Amtrak Station Streetscape Improvements - Baltimore Street Rail Connection	ADA improvements to curbs and sidewalks along Baltimore Street from George Street to Chessie System Railroad Tracks.	Construction Bidding	<b>NO CHANGE</b> - The contractor was give Notice To Proceed, on or before May 15, 2017. The contractor has been making source of supply and material submittals to SHA, and are preparing a work schedule.	JDF	6/1/2017
2014	13-14-M	Mechanic Street Access Road Improvement Project	Repaving and ADA ramp improvements to the section Mechanic Street from I-68 to Bedford Street. Includes improvements to the block of Bedford Street from N. Centre to N. Mechanic Street and Baltimore Street to the Bridge.	Design	Project documentation has been reviewed by SHA, SHA comments were forwarded to the consultant, the consultant prepared revised document based on the SHA review, and the consultant has submitted documents to the City for review prior to submittal to SHA. However, SHA has revised its Standard Specifications for Construction and Materials	JRD	5/30/2017
2014	18-14-SWM	New HS at site of SHH - SWM	SWM for new Allegany High School	Construction	Work continues.	PJD	6/1/2017
2014	19-14-M	Greene Street Complete Street Plan	Planning Study for Greene Street	Planning	<b>NO CHANGE</b> - The Design Report from Alta Planning + Design was submitted and presented to the Mayor and City Council. The plan to start work on Construction Funding Applications has been delayed because of the Baltimore Street Project, which would have been competing for the same funds. This project still needs to be done and should be a priority in the future.	JDF	6/1/2017
2015	1-15-M	Maryland Smart Energy Communities 2015 & 2016	Designation and Grant for energy reduction improvements. Also required 3 deliverables in 2015: Energy Reduction and Renewable Energy Policies, Energy Baseline, and an energy reduction plan.	Planning	<b>UPDATE</b> No projects all completed for FY16.	RJK	4/4/2016
2015	9-15-M	Potomac River Walk	The Study Phase of this project is being done through the Cumberland MPO and consists of a Walk / Trail for pedestrians and bikes along the Potomac River between Wills Creek and the YMCA	Study	<b>NO CHANGE</b> - This project should become a Canal Place Project. There has not been much activity on this project recently, however we will keep it here until it is either dropped or started by Canal Place.	JDF	6/1/2017
2015	13-15-SWM	Sheetz Improvement at Greene Street - SWM	Complete revamp of the facility at Greene Street	Construction	Complete. Awaiting SWM system as-builts.	PJD	6/1/2017
2015	14-15-SWM	Hampton Inn - Welton Drive	New Hampton Inn off Welton Drive	Construction	Construction is underway.	PJD	6/1/2017
2015	15-15-P	Mill Grind, patch and Resurface Pavements in accordance with MD SHA Contract	A similar contract had been awarded to Belt Paving in 2014, however Belt could not provide City work, so other paving contractors were asked to provide the work. Only IA Construction responded with a proposal	Construction	<b>NO CHANGE</b> - A number of paving projects were completed in 2016. The contract is still opened and some work may be done 2017.	JDF	6/1/2017

## City of Cumberland, Maryland Engineering Division - Monthly Report

Capital Projects						May 31, 2017	
Order	Project No.	Project Name	Description	Phase	Comments	Updated By	Date of Update
2015	18-15-S	CSO Water Quality Analysis	Base line data collection for analysis of future CSO needs after CSO Storage is on line.	Study	<b>UPDATE</b> Stream sampling ongoing throughout the completion of the storage facility to ID baseline stream data for bacteria.	RJK	11/30/2016
2015	19-15-M	WWTP & Collection System Asset Management Plan	Development of an Asset Management Plan	Planning	<b>NO CHANGE</b> Asset Management Program/Capital Improvement Planning Ongoing.	RJK	5/23/2016
2015	21-15-M	Washington Street Lighting	Install decorative lighting along Washington Street	Design	<b>UPDATE</b> -First Phase of project complete. Electric Counduit has been installed. Street has been milled and paved. Reimbursement was submitted to MD for the release of State Bind Funds.	KAR	6/1/2017
2015	23-15-M	Flood Insurance Rate Map (FIRM) Modernization and Implementation	Update FIRMs and the Floodplain Ordinance, and conduct an outreach to the community to apprise landowners of the impact of those changes.	Planning	<b>NO CHANGE</b> - Letter of Final Determination from MDE is now due mid-July, 2017. The current 'effective date' will be 6 months later, January, 2018.	PJD	6/1/2017
2016	5-16-SWM	Gasoline and Manual Car Wash Station - Willowbrook Road	L.C. Nixon Development Company Car Wash and Gas Station development of an existing property into a Gas Station and manual car wash.	Design	Work can start as soon as the Owner desires.	PJD	6/1/2017
2016	11-16-SWM	Site Modifications to MacDonald's on the Industrial Boulevard	Drive-thru modification to a side-by-side configuration	Construction Closeout	As-builts received. This will be the last report for this project.	PJD	5/16/2017
2016	12-16-M	Baltimore Street Access Improvement - Final Design	The purpose of the New Baltimore Street Town Center project is to reopen and improve Baltimore Street, which is currently configured as a pedestrian mall, to vehicular traffic while maintaining elements of the mall.	RFP	Funding agency comments on the revised consultant RFP expected in June, 2017.	PJD	6/1/2017
2016	13-16-RE	Constitution Park Pool - Liner and Main Drain Improvements	The main drain is being installed by Carl Belt, Inc. and the Liner is being done by RenoSys under two separate contracts	Construction	Work proceeding. Expected pool opening date is 9 June 2017	JDF	6/1/2017
2016	1-16-W	Willowbrook Road 12" Waterline Replacement	Replacement of 12" waterline along the NE side of Willowbrook Rd from the roundabout (Main Hospital Entrance) through the intersection of Country Club	Planning	Working on funding to supplement the SRF award, and on initiating preparation of bid-ready documents.	PJD	6/1/2017
2016	16-16-SWM	The Final Touch Building Addition	Addition of a 5,000 SF building and new parking lot at the Kelly Road facility	Construction	Construction Complete. Awaiting as-builts.	PJD	6/1/2017
2016	17-16-M	Stage Renovations at Liberty Street Stage	Replace wood stage with Concrete	Design	<b>NO CHANGE</b> -Plans need to be modified and the project bid, but it is important to hold this work until the New Baltimore Street Town Centre Project is started to make sure that the design is compatible.	JDF	6/1/2017

**City of Cumberland, Maryland**  
**Engineering Division - Monthly Report**

<b>Capital Projects</b>						<b>May 31, 2017</b>	
<b>Order</b>	<b>Project No.</b>	<b>Project Name</b>	<b>Description</b>	<b>Phase</b>	<b>Comments</b>	<b>Updated By</b>	<b>Date of Update</b>
2016	18-16-BR	John J. McMullen, Bridge No. A-C-01 Repairs	Bridge Repair	Design	Needed repairs were identified in the latest Bridge Inspection Report. We asked for a price, but in that process it was determined that we needed additional Engineering to prepare the specifications for the needed repairs. This work needs to be done and we are working on funding.	JDF	6/1/2017
2017	1-17-M	Cavanaugh Ball Field Concession Renovations	Gut and rebuild of interior concession structure at Cavanaugh Ball Field. To include new electric 200 amp service and new plumbing. Interior will be ADA accessible with ADA Compliant bathrooms. New Score Board was purchased to be installed.	Construction	NEW- Project is well underway. Interior of the building has been gutted and redone. Electric service has been installed waiting for PE to renew service. All plumbing and plumbing fixtures have been installed. Change Order for field drainage improvements and new roof will be requested.	KAR	6/1/2017
2017	09-17-M	Non Residential Grass Mowing	Contract for mowing the Commerical and Public Owned Properties within the City Limits. To include water tanks, City Hall, Public Safety and several others.	Construction Bidding	NEW- Project is out to bid with bids due June 7 for an award recommentaion of June13. New contract will begin July 1, 2017.	KAR	6/1/2017
2017	10-17-M	Residential Grass Mowing	Contract for mowing the resiendial properties within the City Limits which include blighted properties and recent demos.	Construction Bidding	NEW- Project is out to bid with bids due June 7 for an award recommentaion of June13. New contract will begin July 1, 2017.	KAR	6/1/2017
2017	12-17-M	Computer Aided Design Services	Computer Aided Design (CAD) Services to prepare several AutoCAD Templates, to convert existing standard construction details to CAD, and to create several new standard construction details.	Design	The contract was awarded to SPECS, Inc., and the kick-off meeting was held. SPECS, Inc. is currently working on this contract.	JRD	5/30/2017

## City of Cumberland, Maryland Engineering Division - Monthly Report

Program Projects Update							May 31, 2017	
Order	Department	Program/Project Name	Description	Phase	Comments	Updated By	Date of Update	
	PUBLIC WORKS	Curbside Recycling	Curbside recycling program started in the City of Cumberland July 1, 2014	Ongoing	<b>UPDATE</b> Continued Public Outreach.	RJK	30-May-16	
	WWTP	Cumberland Pretreatment Program	City Ordinance No. 3251 regulates industrial and significant dischargers to Cumberland's sewer and POTW. There are 4 Significant Industrial Users (SIUs)	Regulatory	<b>UPDATE</b> Annual Inspections to started in April with Fibred-MD. Other inspections scheduled; FCI June 7th. Q2 report due July 20.	RJK	30-May-16	
	WWTP	POTW NPDES Permit	Requirements for compliance		<b>UPDATE</b> Sludge Permit Inspection took place April 12, 2017. In compliance as per report May 18, 2017.	RJK	30-May-16	
	WWTP/CSO	CSO Consent Decree Compliance Reporting	Reporting/Inspections	Semi-Annual/As Needed	<b>UPDATE</b> CSO water quality analysis ongoing, sampling 1 per month throughout and beyond CSO Storage Facility installation.	RJK	30-May-16	
	WFP	NPDES Permit	Requirements for compliance		<b>NO CHANGE</b>	RJK	29-Dec-16	
	Watershed	Evitts Creek Steering Committee	Cross-jurisdictional committee working on source water protection efforts.		<b>UPDATE</b> Steering Committee met April 13th. Discussed management plan and trail/mountain biking interest in the property.	PTE	18-May-17	
	STC	Shade Tree Commission	Care of trees along city rights of way and in parks.	NA	<b>UPDATE</b> Spring tree planting being completed by staff	PTE	18-May-17	
	Evitts Creek Water Company	Forest Stewardship Plan (aka Resource Management Plan)	Management of the forested property around Lakes Gordon and Koon	NA	<b>NO CHANGE</b> The Forest Management Plan is in the writing stage.	PTE	30-Dec-16	



Regular Council Agenda  
June 6, 2017

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**Description**

Approval of the Town Hall Meeting Minutes of April 12, 2017 and the Public Meeting Minutes of April 18, 2017

**Approval, Acceptance / Recommendation**

Budgeted

1st Reading

2nd Reading

3rd Reading

**Value of Award (if applicable)**

**Source of Funding (if applicable)**

# Mayor and City Council of Cumberland

## Town Hall Meeting

Fort Hill High School Auditorium  
500 Greenway Avenue  
Cumberland, MD 21502

Wednesday, April 12, 2017  
6:00 p.m.

**PRESENT:** Brian K. Grim, Mayor; Council Members Seth Bernard, David Caporale, Richard J. Cioni, and Eugene Frazier

**ALSO PRESENT:** Jeffrey D. Rhodes, City Administrator; Kenneth Tressler, City Comptroller; Sherri Nicol, Assistant to the City Clerk, media, and guests

The meeting convened at 6:00 PM

### **I. Welcome**

Mayor Grim welcomed all to the Town Hall Meeting and stated that this time would allow the Mayor and Council to listen to the citizens because it is a time of community importance and citizens need to be engaged in the process. He stated the title of the meeting, "Economics of Cumberland: Determining Community Priorities," introduced the panel, and thanked all for being there. City Administrator Jeff Rhodes and City Comptroller Ken Tressler provided presentation on the current financial status of the City and future direction and trends.

### **II. Current Financial Position of the City of Cumberland**

Mr. Rhodes provided information on the City's General Fund Balance from 2011 to the present, stating that the fund pays for recreation services, police and fire services, a significant portion of public works operations, and a significant portion of the Community Development Department. Mr. Rhodes added that in June 2011, the General Fund Balance sat at negative \$1.6 million, and as of June 30, 2016, it was a positive \$831,000. He said that today much has changed for the good and progress has been made. For the first time in a decade, all three major funds (General Fund, Water Fund, and Sewer Fund) had positive unrestricted fund balances or net positions as of June 30, 2016.

Mr. Rhodes discussed where the City has excelled, stating that the City has maintained an "A" bond rating with Fitch Ratings and Standard and Poor's, and that the City is investment-grade quality for those buying municipal bonds. Also discussed were the 18.5 miles of paved roads since 2013, recycling, Police Department Accreditation, the fact that over 7,000 fire and ambulance calls were responded to, as well as 27,000 police calls responded to. In addition, the City will have spent in excess of \$1 million by the end of FY18 to remove blighted properties.

Mr. Rhodes stated that these accomplishments occurred with a stagnant tax base that is less than it was in 2012. While Mr. Rhodes said the situation is not hopeless, he did encourage citizens to engage in helping to solve the problem, and to engage in supporting the solution when those decisions are made. However, he cautioned that the City's problem is very real, and it is not going away until a sustainable solution to financing the General Fund operations and living within our means is found.

Mr. Rhodes then turned the meeting over to City Comptroller, Ken Tressler.

### **III. General Fund Initial Budget Submission – FY18**

Mr. Tressler discussed the City's General Fund Initial Budget Submission for FY18. He said many changes will still be made to these numbers and a means to reduce expenditures will be figured out. Mr. Tressler provided attendees with a handout showing General Fund Budget, Assessable Tax Base, the City's Tax Dollar broken down, staffing levels, Major Fund Unrestricted/Unassigned Fund Balance, Annual ARC & CDBG Award amounts, and financial stressors and solutions.

The stressors included a stagnant tax base, blighted properties assumed by the City, health insurance increases, cost-of-living increase pressures, and General Fund expenditure requests of \$776,000.

Mr. Tressler added that the solutions included refinancing 2008 and 2009 debt, financing or cutting FY2018 Capital Expenditures, increasing health care deductibles, cutting personnel and/or services through terminations or attrition, increasing the tax rate, and transfers from other City funds.

### **IV. Efforts to Date**

Mayor Grim then reviewed the efforts to date, including efforts to raise the assessable tax rate, instituting Neighborhoods Matter, restructuring debt, reducing the size of city government, along with grants to assist in crime-fighting, blight removal efforts, encouraging business development, and energy efforts. He then stated that there have been no tax increases in almost a decade and none under his administration, and the General, Sewer, and Water Funds are all in the black for the first time in a decade.

In his closing comments before the public took the floor, the Mayor expressed the City's recognition of the challenge before them and reviewed the unpopular decision of having to cut services to residents or increase taxes. He stated it was very important to acknowledge that the City has exceptional individuals providing those services. The Mayor emphasized that none of the elected officials would have chosen to be in this position to have to make a difficult decision between cuts to services or increasing tax rate, but that City Officials were there for a listening session with citizens and stakeholders in Cumberland. He stated there would not be a vote on any issue this evening, but encouraged those attending to speak with consensus about the direction they wished to go, rather than leave the decision makers with unclear direction.

## V. Public Comment

Twenty six (26) attendees spoke at the meeting, giving their opinions and choice of the options put before them. Many voiced their appreciation of the job that the Mayor and City Council and Administration does on a daily basis. Several individuals spoke of other areas that have had similar problems and have found a solution. Some individuals spoke of not wanting to see cuts in services or taxes raised. Many advocated for cuts to non-essential personnel, as well as cuts to services that seem to drain the City. A few had commented that the City has misappropriated its money, referring to salaries and attendance at out-of-state events. Others questioned the validity of the Maryland Avenue Development Project and whether it would bring in anything other than low-paying jobs.

Councilman Bernard replied that as an employee at IBM at Rocket Center, he knows that there are high-paying jobs nearby, but the jobs can't be filled because no one is able to pass a drug test or qualifications are lacking. He also mentioned that American Woodmark has job openings that can't be filled.

Most people were adamant about keeping fire and police personnel fully staffed due to drugs and crime and agreed their services were commendable.

Several speakers mentioned buying property in Cumberland, but now wanting to move back to where they used to live. Others mentioned raising children to leave Cumberland – children being the City's biggest export.

The issue of getting high-speed internet downtown to draw more businesses was raised. Mayor Grim offered that high-speed internet is coming to the downtown mall.

Speakers had issues with the City contracting out garbage collection as well as certain public works jobs. Obtaining more grants from Annapolis was also mentioned as a way to obtain funds, although dealing with the state would be another challenge, as the City is not top priority. A possible suggestion was giving tax breaks to new companies.

It was mentioned that Hagerstown, Frederick and Morgantown were all making more tax revenue, as well as Keyser and that more jobs would help the job problem go away.

Former Councilwoman Mary Beth Perlozzi spoke of the time and dedication the Mayor and City Council give, and said she would like to see crowds such as this at the public meetings. She stated that her belief is that the City needs 3 components: sustainable budget, collaboration of services rather than consolidation, and a regional economic development plan. She added that the City needs to look at what they do best, which is public safety. The City needs to call upon the County to come to the table to support citizen services on a regional basis.

Business owners spoke up about taxes, what the tax plan was, and rehabilitation of properties, and that police and fire department cuts in any way, shape, or form were the wrong thing to do.

After the last person spoke, the Mayor thanked all for being there and asked the citizens to continue to share their input by email or mail and encouraged their attendance at a Council Meeting. He added that he realized it was impossible to make a decision that will make everyone happy, and reiterated again that none of the Council members wanted to raise taxes or cut services.

**VI. ADJOURNMENT**

Mayor Grim thanked everyone for their input and the meeting was adjourned at 8:20 PM.

Respectfully submitted,

Sherri L. Nicol  
Assistant to the City Clerk

Minutes approved \_\_\_\_\_



**MAYOR**  
Brian K. Grim

**CITY ADMINISTRATOR**  
Jeffrey D. Rhodes

**CITY SOLICITOR**  
Michael Scott Cohen

**COUNCIL**  
Seth D. Bernard  
David J. Caporale  
Richard J. Cioni, Jr.  
Eugene T. Frazier

**CITY CLERK**  
Marjorie A. Woodring

## MINUTES

**MAYOR AND CITY COUNCIL OF CUMBERLAND**  
**City Hall Council Chambers**  
**Room 212**  
**6:15 p.m.**

DATE: 4/18/17

### **\*Pledge of Allegiance**

#### **I. ROLL CALL**

The meeting convened at 6:15 p.m.

PRESENT: Brian K. Grim, Mayor; Council Members David Caporale and Eugene T. Frazier

ABSENT: Councilmen Seth Bernard and Richard J. Cioni

ALSO PRESENT: City Solicitor Michael S. Cohen, Fire Chief Donald Dunn, Chief of Police Charles Hinnant, and Assistant to the City Clerk Sherri Nicol

Mayor Grim spoke of the attendance of 108 individuals at the April 12, 2017 Town Hall Meeting at Fort Hill High School, and welcomed input about the meeting, as well as questions on other matters of concern at the conclusion of the Public Meeting.

Mayor Grim informed those present that the Viaduct across from Mechanic and Centre Streets has been lighted blue for the past two weeks in recognition of Autism Awareness.

#### **II. PROCLAMATIONS**

(A) Proclaiming the month of May, 2017 as Let's Beautify Cumberland! Month

Let's Beautify Cumberland! Co-chairs Ginny Decker and Ed Mullaney accepted the Proclamation and spoke on the beauty of the City, especially in the springtime, projects that have been completed as well as those upcoming, and how everyone involved has played an important part. Thanks were given to all the volunteers, to the past and present Mayors and Council members, and to Butch Hendershot, who Mr. Mullaney dubbed "Mr. Let's Beautify Cumberland!"

#### **III. DIRECTOR'S REPORT**

(A) Police

1. Police Department monthly report for March 2017

**Item Action:** Approved

Motion to approve the report was made by Caporale, seconded by Frazier, and passed on a vote of 3-0.

(B) Fire

1. Fire Department monthly report for March, 2017

**Item Action:** Approved

Motion to approve the report was made by Caporale, seconded by Frazier, and was passed on a vote of 3-0

(C) Public Works

1. Maintenance Division monthly report for March 2017

**Item Action:** Approved

Motion to approve the report was made by Caporale, seconded by Frazier, and was passed on a vote of 3-0

2. Utilities Division & Central Services monthly reports for March, 2017

**Item Action:** Approved

Motion to approve the report was made by Caporale, seconded by Frazier, and was passed on a vote of 3-0

3. Engineering Division monthly report for March, 2017

**Item Action:** Approved

Motion to approve the report was made by Caporale, seconded by Frazier, and was passed on a vote of 3-0

**IV. NEW BUSINESS**

(A) Orders (Consent Agenda)

**Item Action:** Approved

Mayor Grim reviewed each item on the Consent Agenda prior to vote and called for questions or comments. Motion to approve Consent Agenda Items 1 - 3 was made by Caporale, seconded by Frazier, and was passed on a vote of 3-0.

1. Order approving the submission of a request to the Department of Housing and Community Development for 2017 CDBG entitlement funding in the amount of \$700,000

ORDER NO. 26,121

2. Order authorizing execution of Lease Agreements for the use of public space for outdoor dining and entertainment purposes with City Lights, Embassy Theater Corp., and Baltimore Street Grill

ORDER NO. 26,122

3. Order authorizing execution of a Lease Agreement with R&M Variety Store located at 100 Baltimore Street to allow for use of the public right-of-way for selling merchandise for the period retroactive to April 13, 2017 and extending through August 15, 2017

ORDER NO. 26,123

(B) Letters, Petitions

1. Letter from Kyle P. Blake, Secretary of the Tri-Valley Region Lambda Car Club International asking permission to use the top two levels of the George Street Garage on Friday, June 23, 2017 from 7:00 - 9:00 p.m. to host a private welcome party for the club's Hot Wheels 2017 car show

The letter was acknowledged and entered into public record. The Mayor questioned whether Council or Police Chief Hinnant had any objections. Council had no objections, and Chief Hinnant advised that he has been in communication with Mr. Blake regarding the event and had no issues.

A consensus from Council to approve the event was provided.

V. **PUBLIC COMMENTS**

All public comments are limited to 5 minutes per person

George Koontz, 15804 Patty Baker Road, Mt. Savage, President of the Western Maryland Central Labor Council, wished to inform Mayor and Council of their "Workers Memorial Day" program on April 28, 2017 at Noon, and to request the use of City Hall Plaza, weather permitting, or the City Hall rotunda if not. Mayor Grim responded that the City has always welcomed them and will continue to do so.

Mark Nelson, Cumberland, spoke regarding last week's Town Hall meeting and asked whether a more detailed budget had been placed on the City's website yet. Mayor Grim advised that he was not aware that it had been posted, but the budget was available to anyone upon request, though it was a draft document that changed from day to day. Mr. Nelson discussed his requests to City staff to release the Cumberland Economic Development Commission's (CEDC) contract with Cumberland Gateway Real Estate and commented on the relationship between the CEDC and the City. He suggested that the City have more transparency regarding the CEDC, pass an Order to make the CEDC contract public, and amend the MOU with the CEDC to require their compliance with the Open Meetings and Public Information Acts.

Mayor Grim offered comments on the Town Hall Meeting held April 12, 2017. He stated the meeting was attended by 108 individuals and 25 of those individuals provided comments. He stated that Council had been hoping to hear a public consensus on the matters presented, but instead heard a variety of thoughts from those in attendance, with most wanting to retain services without a tax hike. He stated that it would take a 20% tax hike to fill the budget shortfalls this year and the only way to keep the current service level was to impose a tax increase as no more cuts can be made. He stated that several individuals had accused the City of mismanagement of funds, but that was inconsistent with the fact that all three major funds were in the black. Mayor Grim provided numbers to illustrate what effect the proposed tax increase would have on a variety of home values.

VI. **ADJOURNMENT**

With no further business at hand, the meeting adjourned at 6:37 p.m.

Minutes approved on \_\_\_\_\_

Brian K. Grim, Mayor \_\_\_\_\_

ATTEST: Sherri Nicol, Assistant to the City Clerk \_\_\_\_\_



Regular Council Agenda  
June 6, 2017

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**Description**

Summary Statement of the Closed Session held June 6, 2017 at 5:30 p.m.

**Approval, Acceptance / Recommendation**

Budgeted

1st Reading

2nd Reading

3rd Reading

**Value of Award (if applicable)**

**Source of Funding (if applicable)**



Regular Council Agenda  
June 6, 2017

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**Description**

Public Hearing to consider an Ordinance authorizing the issuance and sale of general obligation bond debt not to exceed \$1,200,000 in aggregate principal amount to be issued under the MD Local Government Infrastructure Financing Program and known as "**Mayor and City Council of Cumberland Infrastructure Bonds, 2017 Series A,**" to finance or refinance the purchase of IT improvements, equipment and software, vehicles and equipment including heavy-duty vehicles and equipment, to fund a portion of the capital reserve fund, and to pay costs related to the bonds

**Approval, Acceptance / Recommendation**

The first reading of this Ordinance was approved on May 23, 2017.

Budgeted

1st Reading

2nd Reading

3rd Reading

**Value of Award (if applicable)**

**Source of Funding (if applicable)**



Regular Council Agenda  
June 6, 2017

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**Description**

Ordinance (*2nd and 3rd readings*) - providing for the issuance and sale of general obligation bond debt not to exceed \$1,200,000 in aggregate principal amount to be issued under the MD Local Government Infrastructure Financing Program and known as "**Mayor and City Council of Cumberland Infrastructure Bonds, 2017 Series A,**" to finance or refinance the purchase of IT improvements, equipment and software, vehicles and equipment including heavy-duty vehicles and equipment, to fund a portion of the capital reserve fund, and to pay costs related to the bonds

**Approval, Acceptance / Recommendation**

The first reading of this Ordinance was approved on May 23, 2017.

Budgeted

1st Reading

2nd Reading

3rd Reading

**Value of Award (if applicable)**

**Source of Funding (if applicable)**

**ORDINANCE NO. \_\_\_\_\_****MAYOR AND CITY COUNCIL OF CUMBERLAND  
INFRASTRUCTURE BONDS, 2017 SERIES A**

AN ORDINANCE OF THE MAYOR AND CITY COUNCIL OF CUMBERLAND ENTITLED AN ORDINANCE OF MAYOR AND CITY COUNCIL OF CUMBERLAND, A MUNICIPAL CORPORATION OF THE STATE OF MARYLAND (THE "ISSUER"), PROVIDING FOR THE ISSUANCE AND SALE OF AN AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED ONE MILLION TWO HUNDRED THOUSAND DOLLARS (\$1,200,000.00) OF GENERAL OBLIGATION BONDS OF MAYOR AND CITY COUNCIL OF CUMBERLAND, MARYLAND, TO BE KNOWN AS THE "MAYOR AND CITY COUNCIL OF CUMBERLAND INFRASTRUCTURE BONDS, 2017 SERIES A" (OR BY SUCH OTHER OR ADDITIONAL DESIGNATIONS AS REQUIRED BY THE COMMUNITY DEVELOPMENT ADMINISTRATION IDENTIFIED HEREIN, THE "BONDS"), TO BE ISSUED AND SOLD PURSUANT TO THE AUTHORITY OF SECTIONS 4-101 THROUGH 4-255 OF THE HOUSING AND COMMUNITY DEVELOPMENT ARTICLE OF THE ANNOTATED CODE OF MARYLAND, AS AMENDED, FOR THE PURPOSE OF PROVIDING ALL OR A PORTION OF THE FUNDS NECESSARY FOR THE (I) FINANCING OR REFINANCING OF THE COSTS OF ACQUISITION/PURCHASE OF (A) INFORMATION TECHNOLOGY IMPROVEMENTS, EQUIPMENT AND SOFTWARE, AND (B) NEW AND/OR REPLACEMENT VEHICLES AND EQUIPMENT (INCLUDING HEAVY DUTY VEHICLES AND EQUIPMENT), (II) FUNDING A PORTION OF A CAPITAL RESERVE FUND, AND/OR (III) PAYING ISSUANCE AND OTHER COSTS RELATED TO THE BONDS; PROVIDING THAT THE BONDS SHALL BE ISSUED UPON THE FULL FAITH AND CREDIT OF THE ISSUER; PROVIDING FOR THE DISBURSEMENT OF THE PROCEEDS OF THE SALE OF THE BONDS AND FOR THE LEVY OF ANNUAL TAXES UPON ALL ASSESSABLE PROPERTY WITHIN THE CORPORATE LIMITS OF THE ISSUER FOR THE PAYMENT OF THE PRINCIPAL OF AND INTEREST ON THE BONDS AS THEY SHALL RESPECTIVELY COME DUE; PROVIDING FOR THE FORMS, TENOR, DENOMINATIONS, MATURITY DATE OR DATES AND OTHER PROVISIONS OF THE BONDS; PROVIDING FOR THE SALE OF THE BONDS; AND PROVIDING FOR RELATED PURPOSES, INCLUDING, WITHOUT LIMITATION, THE METHOD OF FIXING THE INTEREST RATE OR RATES TO BE BORNE BY THE BONDS, THE APPROVAL, EXECUTION AND DELIVERY OF DOCUMENTS, AGREEMENTS, CERTIFICATES AND INSTRUMENTS, AND THE MAKING OF OR PROVIDING FOR THE MAKING OF REPRESENTATIONS AND COVENANTS CONCERNING THE TAX STATUS OF INTEREST ON THE BONDS.

Underlining = Indicates material added by amendment after introduction

~~Strike through~~ = Indicates material deleted by amendment after introduction

## RECITALS

**WHEREAS**, Mayor and City Council of Cumberland (the “Issuer”) is a municipal corporation of the State of Maryland organized and operating under a charter (the “Charter”) adopted in accordance with Article XI-E of the Constitution of Maryland and Article 23A of the Annotated Code of Maryland (or predecessor provisions), as amended (now codified in pertinent part in the Local Government Article of the Annotated Code of Maryland, as amended); and

**WHEREAS**, Sections 4-101 through 4-255 of the Housing and Community Development Article of the Annotated Code of Maryland, as amended (the “Act”), authorizes the Community Development Administration (the “Administration”), a governmental unit in the Division of Development Finance of the Department of Housing and Community Development, a principal department of the government of the State of Maryland, to provide financial assistance to political subdivisions and municipal corporations to finance, among other things, infrastructure projects and to establish a capital reserve fund in connection therewith; and

**WHEREAS**, pursuant to the authority of the Act, the Issuer has determined to issue its general obligation bonds in the aggregate principal amount not to exceed One Million Two Hundred Thousand Dollars (\$1,200,000.00) (the “Bonds”, as defined herein) for the purpose of providing all or a portion of the funds necessary for the (i) financing or refinancing of the costs of the Project (as defined herein), (ii) funding a portion of a capital reserve fund, and/or (iii) paying issuance and other costs related to the Bonds; and

**WHEREAS**, the Issuer proposes to issue and sell the Bonds to the Administration, in connection with the Local Government Infrastructure Financing Program of the Administration (the “Program”); and

**WHEREAS**, it is the intention of the Issuer by this Ordinance to provide for the issuance and sale of the aforementioned Bonds and to obtain a loan or loans from the Administration pursuant to the Program (collectively, the “Loan”); and

**WHEREAS**, the Issuer intends to authorize the execution and delivery of the Bonds and all other documents, agreements, certificates and other materials related to the issuance, sale and delivery of the Bonds and the Loan; and

**WHEREAS**, the Administration intends to issue one or more series of its Local Government Infrastructure Bonds to finance the Loan and other loans to be financed pursuant to the Program.

Underlining = Indicates material added by amendment after introduction

~~Strike through~~ = Indicates material deleted by amendment after introduction

**BE IT ORDAINED BY THE MAYOR AND CITY COUNCIL OF CUMBERLAND:**

**Section 1. Authorization, Terms, Form of Bonds.**

(a) Mayor and City Council of Cumberland (the “Issuer”) shall borrow upon its full faith and credit and shall issue and sell upon its full faith and credit an aggregate principal amount not to exceed One Million Two Hundred Thousand Dollars (\$1,200,000.00) of its general obligation bonds, to be issued pursuant to the authority of Sections 4-101 through 4-255 of the Housing and Community Development Article of the Annotated Code of Maryland, as amended (the “Act”), to be known as the “Mayor and City Council of Cumberland Infrastructure Bonds, 2017 Series A” or by such other or additional designation or designations as required by the Administration (as defined herein), including, without limitation, to identify separate series or subseries (collectively, the “Bonds”). The proceeds from the sale of the Bonds shall be used for the purpose of providing all or a portion of the funds necessary for the (i) financing or refinancing of the costs of the purchase/acquisition of (A) information technology improvements, equipment and software, and (B) new and/or replacement vehicles and equipment (including heavy duty vehicles and equipment) (collectively, the “Project”), (ii) funding a portion of a capital reserve fund, and/or (iii) paying issuance and other costs related to the Bonds. Notwithstanding the foregoing description of the Project, the Mayor of the Issuer (the “Mayor”), in consultation with the City Administrator of the Issuer (the “City Administrator”), any other appropriate officials of the Issuer, and the Community Development Administration (the “Administration”), is hereby authorized and empowered, on behalf of the Issuer, to determine prior to the sale of the Bonds not to apply Bond proceeds to finance or refinance costs of any one or more components of the Project due to tax, budgetary or other concerns.

(b) The Bonds shall be issued as one or more fully registered bond certificate(s) in the aggregate principal amount not to exceed One Million Two Hundred Thousand Dollars (\$1,200,000.00) payable to the Administration as the registered owner thereof. The Bonds shall be issued in such aggregate principal amount or such lesser aggregate principal amount as determined by the Mayor pursuant to subsection (g) below, which shall be equal to the aggregate principal amount of the loan or loans to the Issuer from the Administration (collectively, the “Loan”) under the Local Government Infrastructure Financing Program of the Administration (the “Program”).

(c) The Bonds shall be dated as of the date of issue, or as of such other date as is specified by the Administration; shall be numbered from R-1 upward or as otherwise required by the Administration; shall be initially registered in the name of the Administration or its designee; shall bear interest from the date of issuance of the Local Government Infrastructure Bonds issued by the Administration (the “Administration’s Bonds”), payable semiannually on April 1 and October 1 or on such other days as the Administration may require in connection with the Program, at such annual rate or rates and be payable in annual principal installments at the designated office of the Administration or of the trustee for the Administration’s Bonds.

Underlining = Indicates material added by amendment after introduction

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(d) The Bonds shall bear interest at an aggregate rate or rates of interest for a total interest cost (expressed as a yield) not to exceed 3.10 percent for a loan with a maturity of more than five years but not more than ten years, and 3.65 percent for a loan with a maturity in excess of ten years but not more than fifteen years, the actual rate or rates of interest to be borne by the Bonds to be determined and established by the Mayor acting pursuant to Section 1(g) of this Ordinance.

(e) The Bonds shall be in substantially the form set forth on Exhibit A attached hereto and made a part hereof, which form, together with all of the covenants and conditions therein contained, is hereby adopted by the Issuer as and for the form of obligation or obligations to be incurred by the Issuer and such covenants and conditions are hereby made binding upon the Issuer, including the promise to pay therein contained.

(f) The Bonds are to be issued in connection with the Program in order to provide all or a portion of the funds needed to (i) finance or refinance the costs of the Project, (ii) fund a portion of a capital reserve fund, and/or (iii) pay costs of issuance and other related costs of the Bonds. Under the Program, the Issuer will enter into a Repayment Agreement and a Pledge Agreement with the Administration (respectively, the “Repayment Agreement” and the “Pledge Agreement”). The Issuer also will execute and deliver in connection with the issuance of the Bonds and the Program any additional documents, agreements, instruments and certificates requested by the Administration (which, together with the Repayment Agreement and the Pledge Agreement, are herein referred to as the “Program Documents”). The Program Documents shall be in such forms and shall contain such terms and conditions as shall be approved by the Mayor and/or the City Administrator and acceptable to, and otherwise approved by, the Administration.

(g) Because this Ordinance is being passed before the details have been finalized for the financing pursuant to which the Administration will issue the Administration’s Bonds (the “Administration Financing”) that will fund the Loan to the Issuer under the Program, the Mayor is hereby authorized to make such changes to the amount and form of the Bonds, including insertions therein or additions or deletions thereto, as may be necessary or appropriate to conform the terms of the Bonds to the terms of the financing to be provided to the Issuer under the Program. Without limiting the foregoing, it is presently contemplated that the Loan will be in an amount not to exceed \$1,200,000.00 in aggregate principal amount hereby authorized, subject to final approval by the Administration; accordingly, the Mayor is specifically authorized: (i) to make changes to the aggregate principal amount of the Bonds in order to reflect the final aggregate principal amount of the Loan not to exceed \$1,200,000.00 as approved by the Administration and accepted by the Issuer, and (ii) to authorize and approve an interest rate or rates and payment schedule(s) reflecting the principal and interest payments with respect to the Bonds but not to exceed the maximum total interest cost to be borne by the Bonds as set forth in subsection (d) above.

(h) This borrowing is in conformance with and does not exceed any and all applicable debt limitations under the Charter of the Issuer (the “Charter”).

Underlining = Indicates material added by amendment after introduction

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**Section 2. Execution and Completion of Documents.** The Bonds shall be executed on behalf of the Issuer by the manual or facsimile signature of the Mayor, and the seal of the Issuer shall be affixed thereto or reproduced thereon and attested by the manual signature of the City Clerk of the Issuer (the "City Clerk"). The Program Documents shall be executed on behalf of the Issuer by the Mayor and/or the City Administrator. In the event any official whose signature appears on any of the Bonds or the Program Documents shall cease to be an official prior to the delivery of the Bonds or the Program Documents, or, in the event any official whose signature appears on any of the Bonds or the Program Documents becomes an official after the date of the issue, the Bonds or the Program Documents shall nevertheless be valid and binding obligations of the Issuer in accordance with their terms. The Mayor is hereby authorized, empowered and directed to complete the applicable forms of the Bonds and to make modifications, deletions, corrections or other changes thereto in any manner which the Mayor, in the Mayor's discretion, shall deem necessary or appropriate in order to complete the issuance and sale of the Bonds, as will not alter the substance thereof. The Mayor and/or the City Administrator are hereby authorized, empowered and directed to complete the applicable forms of the Program Documents and to make modifications, deletions, corrections or other changes thereto in any manner which such official, in the discretion of such official, shall deem necessary or appropriate in order to complete the execution and delivery of the Program Documents in accordance with the provisions of this Ordinance, as will not alter the substance thereof. The execution and delivery of the Bonds by the Mayor and the execution and delivery of the Program Documents by one or more of the duly authorized officials provided for in this Section 2 shall be conclusive evidence of such official's or officials' approval of the forms and substance thereof. To the extent appropriate, additional officials of the Issuer and the City Solicitor to the Issuer may be signatories to the Program Documents with respect to facts, representations, certifications, covenants and agreements within the scope of their respective responsibilities or authority.

**Section 3. Registration of Bonds.** The City Clerk shall act as registrar for the Bonds and shall maintain registration books for the registration and registration of transfer of the Bonds. No security or bond shall be required of the City Clerk in the performance of the duties of registrar for the Bonds.

The Issuer may deem and treat the person in whose name any Bond shall be registered upon the books of the Issuer as the absolute owner of such Bond, whether such Bond shall be overdue or not, for the purpose of receiving payment of, or on account of, the principal of, premium, if any, and interest on such Bond and for all other purposes.

**Section 4. Prepayment.** The Bonds are being issued in connection with the Program and will secure payment of the Administration's Bonds, which are being issued by the Administration to provide funds to purchase the Bonds from the Issuer, among other purposes. The Repayment Agreement limits the right of the Issuer to prepay the Bonds in accordance with restrictions upon the right of the Administration to redeem the Administration's Bonds. Accordingly, the Issuer may prepay the Bonds only in accordance with the provisions of the Repayment Agreement and the terms governing prepayments as set forth in the Bonds.

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**Section 5. Replacement of Mutilated, Lost, Stolen, or Destroyed Bonds.** In case any Bond (a “Bond” being, for purposes of this Section, any one of the Bonds) shall become mutilated or be destroyed, lost or stolen, the Issuer may cause to be executed and delivered a new Bond of like series or subseries, date and tenor and bearing the same or a different number, in exchange and substitution for each Bond mutilated, destroyed, lost or stolen, upon the owner paying the reasonable expenses and charges of the Issuer in connection therewith and, in the case of any Bond being destroyed, lost or stolen, upon the owner filing with the Issuer evidence satisfactory to it that such Bond was destroyed, lost or stolen, and furnishing the Issuer with indemnity satisfactory to it. Any Bond so issued in substitution for a Bond so mutilated, destroyed, lost or stolen: (i) may be typewritten, printed or otherwise reproduced in a manner acceptable to the Administration, and (ii) shall constitute an original contractual obligation on the part of the Issuer under this Ordinance whether or not the Bond in exchange for which said new Bond is issued shall at any later date be presented for payment and such payment shall be enforceable by anyone, and any such new Bond shall be equally and proportionately entitled to the benefits of this Ordinance with all other like Bonds, in the manner and to the extent provided herein.

**Section 6. Use of Proceeds.** The proceeds of the Bonds shall be held and invested by the Administration in its sole discretion and shall be:

(a) Administered and disbursed by the Administration pursuant to the Repayment Agreement. The proceeds of the Bonds shall be used, when and as required, to pay Development Costs (as defined in the Repayment Agreement).

(b) After the Project has been completed and all Development Costs in connection therewith have been paid, any balance of the proceeds of the sale of the Bonds held by the Administration under the Repayment Agreement may be applied to the next maturing principal installment or installments, payment of interest on the Bonds or prepayment of the Bonds, as permitted by the Administration.

**Section 7. Covenants.** The Issuer covenants with the Administration and for the benefit of the Administration and the owners from time to time of the Bonds that so long as the Bonds or installments of principal thereunder shall remain outstanding and unpaid:

(a) The Issuer will duly and punctually pay, or cause to be paid, to the Administration the principal of the Bonds, premium (if any) and interest accruing thereon, at the dates and places and in the manner mentioned in the Bonds from unlimited ad valorem taxes in the event that available funds are inadequate to make such payment.

(b) The Issuer covenants that so long as any of the Bonds are outstanding and not paid, unless other funds are available for payment of principal of, premium, if any, and interest on the Bonds, it shall levy annually, in the manner prescribed by law, ad valorem taxes on all real and tangible personal property within its corporate limits subject to assessment for unlimited taxation in rate and amount sufficient to provide for the payment of the principal of and interest

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on the Bonds as the same become due and payable; and in the event that the revenues available from the taxes so levied in any fiscal year shall prove inadequate for the above purposes, the Issuer shall levy additional taxes in the succeeding fiscal year to make up such deficiency; and the full faith and credit and the unlimited taxing power of the Issuer are hereby irrevocably pledged to the punctual payment of the principal of and interest on the Bonds as the same become due.

(c) The Issuer will promptly provide to the Administration (or to any person designated by the Administration) all financial information and operating data concerning the Issuer as may be required by the Administration in its discretion in order for the Administration to comply with the requirements of Rule 15c2-12 of the United States Securities and Exchange Commission, as in effect from time to time, applicable to the Administration's Bonds.

**Section 8. Ordinance a Contract.** The provisions of this Ordinance shall constitute a contract with the purchasers and owners from time to time of the Bonds, and this Ordinance shall not be repealed, modified or altered in any manner materially adverse to the Administration and/or the interests of such purchasers or owners while the Bonds or any portion thereof remain outstanding and unpaid without the consent of the owners of the Bonds and the Administration.

**Section 9. Pledge of Local Government Payments.** As contemplated and authorized by Section 4-229(b) of the Act, the Issuer hereby pledges, assigns and grants a lien and a security interest to the Administration, its successors in trust and assigns, in all right, title and interest of the Issuer in and to the Local Government Payments (as defined in the Pledge Agreement), now or hereafter acquired, (i) to secure payment of the principal of, premium, if any, and interest on the Bonds and any other Local Obligations (as defined in the Pledge Agreement) issued and to be issued from time to time by the Issuer under the Program and (ii) to provide for deposits to the capital reserve fund securing the Bonds the amount of the Issuer's portion of any deficiency in such capital reserve fund as the Administration shall require, all as more fully set forth and provided in the Pledge Agreement.

**Section 10. Purchase Price of Bonds.** The Bonds shall be sold for cash in accordance with the terms and provisions of this Ordinance at par, or if premium or discount is permitted by law, at such premium or discount as is agreed to with the Administration in accordance with the terms and provisions of this Ordinance, and as authorized by Section 4-229(a) of the Act.

**Section 11. Sale of Bonds.** The Bonds shall be sold to the Administration under the Program at private sale, as authorized by Section 4-229(a) of the Act.

**Section 12. Authority to Take Action; Publication and Public Hearing.**

(a) The appropriate officials and employees of the Issuer are hereby authorized and directed to do all acts and things required of them by the provisions of this Ordinance, for the full, punctual and complete performance of all the terms, covenants and provisions of the Bonds, the Program Documents and this Ordinance and to do and perform all acts and to execute, seal

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and deliver all documents or instruments of writing which may be necessary or desirable to carry out the full intent and purpose of this Ordinance and the Program Documents.

(b) As required by the Act, prior to the issuance of the Bonds, the Issuer shall publish in a newspaper of general circulation in the jurisdiction of the Issuer a notice of the proposed issuance of the Bonds, which notice shall include the proposed amount of the issue, the nature of the projects to be financed or refinanced, the time and place of the public hearing, the name of the person(s) and address of the place where written comments may be sent, and the Issuer shall hold a public hearing on the proposed issuance of the Bonds. Such actions may be (or have been) taken prior to or simultaneously with the passage of this Ordinance.

(c) The Issuer shall comply with any publication and/or posting requirements set forth in its Charter that are determined to be applicable to this Ordinance.

### **Section 13. Tax Matters**

(a) Any one or more of the Mayor, the City Administrator, the Treasurer of the Issuer (the "Treasurer") and/or the Comptroller of the Issuer (the "Comptroller") shall be the officers of the Issuer responsible for the issuance of the Bonds within the meaning of the Arbitrage Regulations (defined herein). Any one or more of the Mayor, the City Administrator, the Treasurer and/or the Comptroller shall also be the officers of the Issuer responsible for the execution and delivery (on the date of issuance of the Bonds) of a certificate of the Issuer (the "Section 148 Certificate") which complies with the requirements of Section 148 ("Section 148") of the Internal Revenue Code of 1986, as amended (the "Code"), and the applicable regulations thereunder (the "Arbitrage Regulations"), and such official or officials are hereby directed to execute the Section 148 Certificate and to deliver the same to the Administration on the date of the issuance of the Bonds. The Section 148 Certificate may be contained within any of the Program Documents at the discretion of the Administration.

(b) The Issuer shall set forth in the Section 148 Certificate its reasonable expectations as to relevant facts, estimates and circumstances relating to the use of the proceeds of the Bonds, or of any monies, securities or other obligations to the credit of any account of the Issuer which may be deemed to be proceeds of the Bonds pursuant to Section 148 or the Arbitrage Regulations (collectively, "Bond Proceeds"). The Issuer covenants that the facts, estimates and circumstances set forth in the Section 148 Certificate will be based on the Issuer's reasonable expectations on the date of issuance of the Bonds and will be, to the best of the certifying officials' knowledge, true and correct as of that date.

(c) The Issuer covenants and agrees with each of the holders of any of the Bonds that it will not make, or (to the extent that it exercises control or direction) permit to be made, any use of the Bond Proceeds which would cause the Bonds to be "arbitrage bonds" within the meaning of Section 148 and the regulations thereunder which are applicable to the Bonds on the date of issuance of the Bonds and which may subsequently lawfully be made applicable to the Bonds.

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(d) The Issuer further covenants that it shall make such use of the proceeds of the Bonds, regulate the investment of the proceeds thereof, and take such other and further actions as may be required to maintain the excludability from gross income for federal income tax purposes of interest on the Bonds. All officials, officers, employees and agents of the Issuer are hereby authorized and directed to take such actions, and to provide such certifications of facts and estimates regarding the amount and use of the proceeds of the Bonds, as may be necessary or appropriate from time to time to comply with, or to evidence the Issuer's compliance with, the covenants set forth in this Section.

(e) Any one or more of the Mayor, the City Administrator, the Treasurer and/or the Comptroller, on behalf of the Issuer, may make such covenants or agreements in connection with the issuance of Bonds issued hereunder as such official(s) shall deem advisable in order to assure the registered owners of such Bonds that interest thereon shall be and remain excludable from gross income for federal income tax purposes, and such covenants or agreements shall be binding on the Issuer so long as the observance by the Issuer of any such covenants or agreements is necessary in connection with the maintenance of the exclusion of the interest on such Bonds from gross income for federal income tax purposes. The foregoing covenants and agreements may include such covenants or agreements on behalf of the Issuer regarding compliance with the provisions of the Code as such identified official(s) shall deem advisable in order to assure the registered owners of such Bonds that the interest thereon shall be and remain excludable from gross income for federal income tax purposes, including, without limitation, covenants or agreements relating to the investment of the proceeds of such Bonds, the payment of rebate (or payments in lieu of rebate) to the United States, limitations on the times within which, and the purpose for which, such proceeds may be expended, or the use of specified procedures for accounting for and segregating such proceeds. Such official(s) may also make on behalf of the Issuer any elections, designations or determinations authorized or permitted by the Code or the Arbitrage Regulations.

**Section 14. Effective Date; Miscellaneous.** (a) Pursuant to Section 4-232(c) of the Act, this Ordinance shall take effect from the date of its passage by the Mayor and City Council of the Issuer (the "Mayor and City Council"), and it is the intent hereof that the laws of the State of Maryland shall govern its construction and the construction of the Bonds. Any copy of this Ordinance duly certified by the City Clerk or the City Clerk's successor in office shall constitute evidence of the contents and provisions hereof.

(b) Any reference to an official of the Issuer in this Ordinance shall be deemed to include any such official serving in an "acting" capacity (e.g., the Acting City Administrator of the Issuer or the Acting City Clerk of the Issuer). Any reference to an official of the Issuer in this Ordinance shall be deemed to include references to such official if generally known by another title; titles of officials as used in this Ordinance correspond to the titles used in the Charter or the City Code of the Issuer (the "City Code").

(c) In the event the position of any official who is referred to by title in this Ordinance is vacant at the time any action authorized to be taken by such official in accordance

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with the provisions of this Ordinance shall occur, and no person has been appointed to such position (including in an “acting” capacity) and is incumbent in such position, references in this Ordinance to such official shall be deemed to refer to any other appropriate official of the Issuer charged with such responsibilities under the Charter or the City Code or, to the extent not so provided for in the Charter or the City Code, as designated by the Mayor and City Council. Written evidence of any such designation shall be provided to the Administration. Notwithstanding the foregoing sentence, in the event two or more officials are charged with responsibility for taking any actions in accordance with the provisions of this Ordinance and only one such position is filled at the applicable time, any such action may be taken solely by the remaining official.

(d) References in this Ordinance to the phrase “to finance”, “to pay” or “to fund” or similar phrases shall be deemed to refer to and include “to reimburse” or similar phrases.

(e) The title of this Ordinance shall be deemed to be, and is, a fair summary of this Ordinance for all purposes.

(f) Pursuant to Section 4-232(b) of the Act, this Ordinance shall be subject to petition to referendum by the qualified voters of the Issuer in accordance with Section 82A(c) of the Charter provided that the petition is filed not later than 20 days after this Ordinance is passed by the Mayor and City Council. The provisions of Section 82A(c) of the Charter allowing for a referendum petition to be filed within 30 days following passage of a bond ordinance shall be disregarded and the provisions of Section 4-232(b) of the Act shall control the period in which any referendum petition must be filed.

(g) The Mayor’s signature on this Ordinance constitutes and signifies his approval of this Ordinance as required by Section 4-232(a)(1)(ii) of the Act.

(h) The provisions of this Ordinance shall be liberally construed in order to effectuate the transactions contemplated hereby.

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MAYOR AND CITY COUNCIL OF  
CUMBERLAND

(SEAL)

\_\_\_\_\_  
Brian K. Grim  
Mayor

ATTEST:

\_\_\_\_\_  
Marjorie A. Woodring, City Clerk

Introduced: \_\_\_\_\_, 2017

Passed: \_\_\_\_\_, 2017

Effective: \_\_\_\_\_, 2017

Exhibit A. – Form of Bond

#195870;10002.067

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## [FORM OF BOND]

## EXHIBIT A

**United States of America**  
**State of Maryland**  
**Mayor and City Council of Cumberland**  
**Infrastructure Bond, 2017 Series A**

No. R-1

\$ \_\_\_\_\_

Mayor and City Council of Cumberland, a municipal corporation duly organized and existing under the Constitution and laws of the State of Maryland (the “Issuer”), hereby promises to pay to the

Maryland Community Development Administration

or its registered assigns, the principal amount of \_\_\_\_\_ Dollars (\$ \_\_\_\_\_), plus interest on each unpaid principal installment at rates per annum resulting in the total interest cost (“TIC”) (expressed as a yield) set forth on Exhibit A attached hereto, in lawful money of the United States of America, as follows: (a) interest on the outstanding and unpaid principal of this bond shall be due and payable in semiannual payments commencing on \_\_\_\_\_, 20\_\_, and continuing on the first day of [October] and [April] in each year thereafter until final maturity; (b) principal of this bond shall be paid commencing on \_\_\_\_\_ and on [April 1] in each year thereafter until final maturity in the aggregate amount of principal installments as set forth on Exhibit A. Payment of the principal hereof and the interest due hereon shall be made by check mailed to the address of the registered owner of this bond as shown on the registration books maintained by the Issuer, or in such other manner and to such other address as the registered owner of this bond may designate. If any payment of the principal of or interest on this bond shall be due on a day other than a Business Day (defined herein), such payment shall be made on the next Business Day with like effect as if made on the originally scheduled date. A “Business Day” is any day other than a Saturday, Sunday or legal holiday in the State of Maryland observed as such by the Issuer.

In the event any payment hereon (whether principal, interest or both) is not paid when due and payable, such payment shall continue as an obligation of the Issuer and shall bear interest until paid at the rate or rates of interest borne by this bond.

This bond, designated as “Mayor and City Council of Cumberland Infrastructure Bond, 2017 Series [A]” (this “Bond”), is a general obligation of the Issuer, and has been duly issued by the Issuer for the purpose of providing all or a portion of the funds necessary for the (i) financing or refinancing of the costs of the purchase/acquisition of (A) information technology

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improvements, equipment and software, and (B) new and/or replacement vehicles and equipment (including heavy duty vehicles and equipment), (ii) funding a portion of a capital reserve fund, and (iii) paying issuance and other costs related to this Bond. Unless paid from other sources, the Issuer covenants that so long as any portion of this Bond is outstanding and not paid, it shall levy annually, in the manner prescribed by law, ad valorem taxes on all real and tangible personal property within its corporate limits subject to assessment for unlimited taxation in rate and amount sufficient to provide for the payment of the principal of and interest on this Bond as the same become due and payable.

This Bond is issued pursuant to the authority of Sections 4-101 through 4-255 of the Housing and Community Development Article of the Annotated Code of Maryland, as amended, Sections 81 and 82A of the Charter of the Issuer, and Ordinance No. \_\_\_\_\_ of the Issuer passed on \_\_\_\_\_, 2017 and effective on \_\_\_\_\_, 2017 (the "Ordinance"). The full faith and credit of the Issuer are hereby irrevocably pledged to the payment of the principal of this Bond and the interest to accrue hereon.

This Bond is issued in connection with the Local Government Infrastructure Financing Program of the Community Development Administration, a governmental unit in the Division of Development Finance of the Department of Housing and Community Development, a principal department of the government of the State of Maryland (the "Administration"). This Bond is subject to the terms and conditions of the Repayment Agreement dated as of \_\_\_\_\_, 2017, between the Issuer and the Administration (the "Repayment Agreement").

This Bond is not subject to prepayment by the Issuer prior to [April] 1, 20\_\_\_\_. On or after \_\_\_\_\_, this Bond is subject to prepayment by the Issuer at the prepayment prices, expressed as a percentage of the principal amount to be prepaid, plus accrued interest, if any, to the prepayment date, on the principal amount thereof, and during the periods (both dates inclusive) listed below:

Period	Price
_____ through _____	%
_____ through _____	
_____ through thereafter	

Notice of prepayment shall be given, the date of prepayment determined, and all prepayments of this Bond shall be applied in accordance with the provision of the Repayment Agreement.

The Issuer may treat the person in whose name this Bond is registered as the absolute owner hereof, whether or not this Bond shall be overdue, for the purpose of receiving payment thereof and for all other purposes whatsoever, and shall not be affected by any notice to the contrary, except as provided below.

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This Bond is assignable and upon such assignment the assignor shall promptly notify the Issuer by certified mail, and the assignee shall surrender this Bond to the Issuer for transfer on the registration records and verification of the portion of the principal amount hereof and interest hereon paid or unpaid, and every such assignee shall take this Bond subject to such condition. In connection with any transfer of this Bond, the Issuer may make a charge sufficient to reimburse it for any tax, fee or other governmental charge required to be paid with respect to such transfer and any reasonable fees or expenses of the Issuer incurred in connection with such transfer.

Principal of this Bond is paid in annual installments and this Bond is subject to partial redemption without any notation of such payment being made on this Bond or the surrender of this Bond for cancellation and the issuance of a new Bond or Bonds in the amount of the unpaid principal hereof. Accordingly, the outstanding principal of this Bond may be less than the stated face amount hereof and any purchaser or transferee of this Bond should contact the Issuer and the prior owner of this Bond to ascertain the outstanding face amount hereof.

As declared by Section 4-231(c) of the Housing and Community Development Article of the Annotated Code of Maryland, as amended, this Bond shall have and possess all the attributes of negotiable instruments as provided in Section 19-224 of the Local Government Article of the Annotated Code of Maryland, as amended. This Bond is issued with the intent that the laws of the State of Maryland shall govern its construction.

No recourse shall be had for the payment of the principal of, the interest on, or for any claim based hereon or on the Ordinance against any elected or appointed official or employee, past, present or future of the Issuer or any agency thereof; and any such recourse, claim or liability is expressly waived by acceptance by the owner of the delivery of this Bond.

It is hereby certified and recited that each and every act, condition and thing required to exist, to be done, to have happened and to be performed precedent to and in the issuance of this Bond does exist, has been done, has happened and has been performed in full and strict compliance with the Constitution and laws of the State of Maryland, the Charter of the Issuer and the proceedings of the Issuer.

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IN WITNESS WHEREOF, Mayor and City Council of Cumberland has caused this Bond to be signed in its name by the manual or facsimile signature of its Mayor and its corporate seal to be affixed hereto and attested by the manual signature of the City Clerk, as of \_\_\_\_\_, 2017.

(SEAL)

ATTEST:

MAYOR AND CITY COUNCIL OF  
CUMBERLAND

\_\_\_\_\_  
City Clerk

By: \_\_\_\_\_  
Mayor

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BOND PAYMENT SCHEDULE

[Use the following paragraph (with necessary modifications) to clarify the amount to be paid under the schedule prepared by the Financial Advisor.]

[Repayment Schedule to be Inserted.]

Each installment of Principal and Interest or Interest alone shall be the aggregate of amounts set forth in this Exhibit A for the date of such payment as shown under the heading designated "Debt Service."

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Regular Council Agenda  
June 6, 2017

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**Description**

Ordinance (*1st reading*) - providing for the City Tax Levy for FY 2018; Real Estate = 1.0595 per \$100 of assessed value / Personal Property = 2.648 per \$100 of assessed value

**Approval, Acceptance / Recommendation**

Budgeted

1st Reading

2nd Reading

3rd Reading

**Value of Award (if applicable)**

**Source of Funding (if applicable)**

## ORDINANCE NO. \_\_\_\_\_

An Ordinance of the Mayor and City Council of Cumberland, Maryland, entitled, "AN ORDINANCE OF THE MAYOR AND CITY COUNCIL OF CUMBERLAND PROVIDING FOR THE CITY TAX LEVY FOR THE FISCAL YEAR BEGINNING JULY 1, 2017, AND ENDING JUNE 30, 2018."

SECTION 1: BE IT ORDAINED BY THE MAYOR AND CITY COUNCIL OF CUMBERLAND, that the levy for the Fiscal Year 2018 for the City of Cumberland shall be as follows:

<b>Property Taxes</b>	<b>Assessable Base</b>	<b>Tax Rate Per \$100</b>	<b>Tax Levy</b>
Real Estate (Full Value)	\$ 864,731,132	1.0595	\$ 9,161,826
Real Estate (Half Year)	2,831,470	0.5298	15,001
Personal Property			
Individual	2,077,039		
Corporation	86,102,719		
	88,179,758	2.648	2,335,000
Penalties and Interest			400,000
Tax Credits			(185,000)
<b>Total Tax Levy</b>			<b>\$ 11,726,827</b>
<b>Other Revenues</b>			
Other Taxes	347,173		
Licenses & Permits	179,500		
Intergovernmental	3,226,070		
Charges for Services	1,705,112		
Fines, Forfeitures & Interest	4,500		
Miscellaneous	465,950		
Transfers-in	1,898,854		
Capital Financing	426,000		
<b>Total Other Revenue</b>			<b>8,253,160</b>
Utilization of Restricted Fund Balance			1,198,409
Refinance Debt Proceeds			12,970,000
<b>Total Tax Levy, other revenue and restricted fund balance</b>			<b>\$ 34,148,396</b>

SECTION 2: AND BE IT FURTHER ORDAINED, that this Ordinance shall take effect from the date of its passage.

Passed this \_\_\_\_\_ day of June, 2017.

\_\_\_\_\_  
Brian K. Grim, Mayor

ATTEST:

\_\_\_\_\_  
Marjorie A. Woodring  
City Clerk



Regular Council Agenda  
June 6, 2017

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**Description**

Ordinance (*1st reading*) - providing for the annual appropriation for the FY18 General Fund

**Approval, Acceptance / Recommendation**

Budgeted

1st Reading

2nd Reading

3rd Reading

**Value of Award (if applicable)**

**Source of Funding (if applicable)**

## ORDINANCE NO. \_\_\_\_\_

AN ORDINANCE OF THE MAYOR AND CITY COUNCIL OF CUMBERLAND, MARYLAND, ENTITLED, "AN ORDINANCE OF THE MAYOR AND CITY COUNCIL OF CUMBERLAND PROVIDING FOR THE ANNUAL APPROPRIATION FOR THE FISCAL YEAR BEGINNING JULY 1, 2017, AND ENDING JUNE 30, 2018."

SECTION 1: BE IT ORDAINED BY THE MAYOR AND CITY COUNCIL OF CUMBERLAND, that the following sums of money be and they are hereby appropriated for the respective purposes of the City of Cumberland for the Fiscal Year beginning July 1, 2017, and ending June 30, 2018, to-wit:

General Government	\$ 1,805,372
Public Safety	10,754,165
Public Works	2,686,150
Recreation	941,361
Community Development	1,374,212
Transfer Out	1,667,542
Debt Retirement (1)	14,800,664
<b>Total General Fund Appropriation</b>	<b>\$ 34,029,466</b>

*(1) Debt Retirement includes \$12,970,000 in debt refinancing*

SECTION 2: AND BE IT FURTHER ORDAINED, that the appropriations made herein are continuing in nature and shall not lapse at the end of the fiscal year (June 30, 2018) if legally encumbered but shall continue in full force and effect until the encumbrance has been completed or until modified by the Mayor and City Council.

SECTION 3: AND BE IT FURTHER ORDAINED, that this Ordinance shall take effect from the date of its passage.

Passed this \_\_\_\_\_ day of June, 2017.

\_\_\_\_\_  
Brian K. Grim, Mayor

ATTEST:

\_\_\_\_\_  
Marjorie A. Woodring  
City Clerk



Regular Council Agenda  
June 6, 2017

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**Description**

Ordinance (*1st reading*) - providing for the annual appropriation for the FY18 Water Fund

**Approval, Acceptance / Recommendation**

Budgeted

1st Reading

2nd Reading

3rd Reading

**Value of Award (if applicable)**

**Source of Funding (if applicable)**

ORDINANCE NO. \_\_\_\_\_

AN ORDINANCE OF THE MAYOR AND CITY COUNCIL OF CUMBERLAND, MARYLAND, ENTITLED, "AN ORDINANCE OF THE MAYOR AND CITY COUNCIL OF CUMBERLAND TO PROVIDE FOR AN APPROPRIATION FOR THE WATER FUND FOR THE FISCAL YEAR BEGINNING JULY 1, 2017, AND ENDING JUNE 30, 2018."

SECTION 1: BE IT ORDAINED BY THE MAYOR AND CITY COUNCIL OF CUMBERLAND, that the following operating budget is hereby appropriated for the respective departments and purposes of the City of Cumberland Water Fund for the Fiscal Year beginning July 1, 2017, and ending June 30, 2018, to-wit:

Water Administration	\$	1,159,961
Water Distribution		2,493,655
Water Filtration		1,999,581
Interest Expense		385,491
Principal Payments		1,033,133
Capital Expenditure		1,414,250
<b>Total</b>	<b>\$</b>	<b>8,486,071</b>

SECTION 2: AND BE IT FURTHER ORDAINED, that there shall be levied and collected Service Charges in accordance with rates set forth in Section 24-86 of the Code of the City of Cumberland, and as the same may be from time to time amended, to produce sufficient revenue to enable the City of Cumberland to defray the cost of operating, maintaining, repairing and otherwise improving the Water System, and pay the maturing principal and interest on the bonded debt for the Fiscal Year ending June 30, 2018.

SECTION 3: AND BE IT FURTHER ORDAINED, that this Ordinance shall take effect from the date of its passage.

Passed this \_\_\_\_\_ day of June, 2017.

\_\_\_\_\_  
 Brian K. Grim  
 Mayor

Attest:

By : \_\_\_\_\_  
 Marjorie A. Woodring  
 City Clerk



Regular Council Agenda  
June 6, 2017

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**Description**

Ordinance (*1st reading*) - providing for the annual appropriate for the FY18 Sewer Fund

**Approval, Acceptance / Recommendation**

Budgeted

1st Reading

2nd Reading

3rd Reading

**Value of Award (if applicable)**

**Source of Funding (if applicable)**

## ORDINANCE NO. \_\_\_\_\_

AN ORDINANCE OF THE MAYOR AND CITY COUNCIL OF CUMBERLAND, MD, ENTITLED, "AN ORDINANCE OF THE MAYOR AND CITY COUNCIL OF CUMBERLAND TO PROVIDE FOR AN APPROPRIATION FOR THE SEWER FUND FOR THE FISCAL YEAR BEGINNING JULY 1, 2017, AND ENDING JUNE 30, 2018."

SECTION 1: BE IT ORDAINED BY THE MAYOR AND CITY COUNCIL OF CUMBERLAND, that the following sums of money be and are hereby appropriated for the respective departments and purposes of the City of Cumberland Sewer Fund for the Fiscal Year beginning July 1, 2017, and ending June 30, 2018, to-wit:

Wastewater Treatment Plant	\$ 5,593,319
Sanitary & Storm Sewer	1,700,018
Flood Control	601,032
Interest Expense	184,430
Principal Payments	829,350
Capital Expenditures	16,472,476
<b>Total</b>	<b>\$ 25,380,625</b>

SECTION 2: AND BE IT FURTHER ORDAINED, that there shall be levied and collected Service Charges in accordance with rates set forth in Section 27-9 of the code of the City of Cumberland to defray the cost of operating, maintaining, and repairing and otherwise improving the Sanitary and Storm Sewer system, and pay the maturing principal and interest on the bonded debt for the Fiscal Year ending June 30, 2018.

SECTION 3: AND BE IT FURTHER ORDAINED, that this Ordinance shall take effect from the date of its passage.

Passed this \_\_\_\_\_ day of June, 2017.

\_\_\_\_\_  
Brian K. Grim, Mayor

ATTEST:

\_\_\_\_\_  
Marjorie A. Woodring, City Clerk



Regular Council Agenda  
June 6, 2017

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**Description**

Ordinance (*1st reading*) - providing for the annual appropriation for the FY18 Special Purpose Funds

**Approval, Acceptance / Recommendation**

Budgeted

1st Reading

2nd Reading

3rd Reading

**Value of Award (if applicable)**

**Source of Funding (if applicable)**

## ORDINANCE NO. \_\_\_\_\_

AN ORDINANCE OF THE MAYOR AND CITY COUNCIL OF CUMBERLAND, MARYLAND, ENTITLED, "AN ORDINANCE OF THE MAYOR AND CITY COUNCIL OF CUMBERLAND TO PROVIDE APPROPRIATIONS FOR VARIOUS SPECIAL PURPOSE FUNDS FOR THE FISCAL YEAR BEGINNING JULY 1, 2017, AND ENDING JUNE 30, 2018."

SECTION 1: BE IT ORDAINED BY THE MAYOR AND CITY COUNCIL OF CUMBERLAND, that the following sums of money be and are hereby appropriated for the respective funds and purposes of the City of Cumberland for the Fiscal Year beginning July 1, 2017, and ending June 30, 2018, to-wit:

Housing Assistance	\$ 1,922,905
Downtown Development Commission	288,474
Communit Development Block Grant	824,899
Police Grants	324,158
Community Legacy	200,000
TIF District - Shades Lane	34,860
Capital Projects	55,000
Street Improvements	1,525,725
Municipal Parking Authority	324,441
Trash Removal	1,454,816
<b>Total</b>	<b>\$ 6,955,278</b>

SECTION 2: AND BE IT FURTHER ORDAINED, that the appropriations made herein are continuing in nature and shall not lapse at the end of the Fiscal Year (June 30, 2018) but shall continue in full force and effect until the project for which the appropriation has been made is completed or until modified by the Mayor and City Council.

SECTION 3: AND BE IT FURTHER ORDAINED, that this Ordinance shall take effect from the date of its passage.

Passed this \_\_\_\_\_ day of June, 2017.

\_\_\_\_\_  
Brian K. Grim  
MAYOR

Attest:

By: \_\_\_\_\_  
Marjorie A. Woodring  
CITY CLERK



Regular Council Agenda  
June 6, 2017

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**Description**

Ordinance (*1st reading*) - providing that no levy of a special ad valorem tax in the Shades Lane Development District be imposed for FY18

**Approval, Acceptance / Recommendation**

Budgeted

1st Reading

2nd Reading

3rd Reading

**Value of Award (if applicable)**

**Source of Funding (if applicable)**

## ORDINANCE NO. \_\_\_\_\_

AN ORDINANCE OF THE MAYOR AND CITY COUNCIL OF CUMBERLAND, MARYLAND, ENTITLED, “AN ORDINANCE OF THE MAYOR AND CITY COUNCIL OF CUMBERLAND PROVIDING THAT NO LEVY OF A SPECIAL AD VALOREM TAX IN THE SHADES LANE DEVELOPMENT DISTRICT BE IMPOSED FOR FISCAL YEAR 2018 AND RELATED MATTERS.”

**Whereas**, the Mayor and City Council, pursuant to a Resolution adopted on September 21, 2004 (the “Resolution”) and the authority of Sections 14-201 through 14-214, inclusive, of Article 41 of the Annotated Code of Maryland (the “TIF Act”) and Section 44A of Article 23A of the Annotated Code of Maryland (the “STD Act” and, together with the TIF Act, the “Acts”) established a contiguous area located within the City as both a “development district” (as defined in the TIF Act) and a “special taxing district” (as defined in the STD Act), and designated such area as the “Shades Lane Development District” (the “District”); and

**Whereas**, pursuant to Ordinance No. 3507, approved by the Mayor and City Council on October 5, 2004 (the “Ordinance”), the City authorized the issuance of special obligation bonds in an amount not to exceed \$750,000 pursuant to the authority of the Acts in order to finance certain infrastructure improvements within or related to the District; and

**Whereas**, pursuant to the Ordinance and an Executive Order of the Mayor executed and delivered on April 21, 2005 pursuant to the authority of the Acts and the Ordinance, the City issued and delivered its Mayor and City Council of Cumberland Special Obligation Bond (Shades Lane Project), Series 2005 on April 22, 2005 in the original principal amount of \$480,000 (the “Bond”); and

**Whereas**, the Ordinance provides that debt service on the Bond will be payable in the

first instance from property taxes on real property located within the District representing the levy by the City and County Commissioners of Allegany County (the “County”) on the Tax Increment (as defined in the Resolution), and to the extent such incremental tax revenues prove insufficient, in the second instance from a special ad valorem tax or taxes levied upon property within the District; and

**Whereas**, it has been determined by City staff and that it will be unnecessary to levy a special ad valorem tax on either real property or personal property located within the District for the fiscal year beginning July 1, 2017 and ending June 30, 2018 because revenues from taxes levied by the City and the County are and will be sufficient to cover debt service on the Bond.

**Now, Therefore**

**Section 1:** BE IT ORDAINED BY THE MAYOR AND CITY COUNCIL OF THE CITY OF CUMBERLAND, that in accordance with and pursuant to the authority of the STD Act and the Ordinance, for the fiscal year beginning July 1, 2017 and ending June 30, 2018, there is hereby levied a special ad valorem tax, at the rate of Zero Dollars and Zero Cents (\$0.0000) per One Hundred Dollars (\$100.00) of assessable base, on real property located within the District.

**Section 2:** AND BE IT FURTHER ORDAINED that in accordance with and pursuant to the authority of the STD Act and the Ordinance, for the fiscal year beginning July 1, 2017 and ending June 30, 2018, there is hereby levied a special ad valorem tax, at the rate of Zero Dollars and Zero Cents (\$0.00) per One Hundred Dollars (\$100.00) of assessable base, on personal property located within the District.

**Section 3:** AND BE IT FURTHER ORDAINED, that the appropriate officials of the City are hereby authorized and directed to take all action necessary to provide for the billing, collection and application of the special ad valorem tax relating to the District provided for in this Ordinance.

**Section 4:** AND BE IT FURTHER ORDAINED, that this Ordinance shall take effect from the date of its passage.

Passed this \_\_\_\_ day of June, 2017.

\_\_\_\_\_  
MAYOR

ATTEST:

\_\_\_\_\_  
CITY CLERK



Regular Council Agenda  
June 6, 2017

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**Description**

Resolution approving an application to the MD DHCD for up to \$6,000 in grant funding to support a shopping and dining brochure guide project for the Main Street District in partnership with the Downtown Development Commission (DDC) and the Main Street Program.

**Approval, Acceptance / Recommendation**

**Overview of the Project:** The Downtown Cumberland shopping and dining guide is a brochure that would provide information about places to visit and things to do in the Main Street Cumberland District. The brochure would consist of approximately 10 pages with a fold out map in the center. The brochure would list businesses and contact information, services, events, and places of interest. Contact information for Main Street Cumberland will also be listed in the brochure. Photos and graphics will be included as necessary. The brochures will be placed in holders on the new wayfinding map signs and also distributed to downtown businesses for customers.

Budgeted

1st Reading

2nd Reading

3rd Reading

**Value of Award (if applicable)**

**Source of Funding (if applicable)**

**City of Cumberland**  
**- Maryland -**  
**RESOLUTION**

Resolution No. \_\_\_\_\_

**A Resolution of the Mayor and City Council of Cumberland, Maryland, approving a project to create and print a shopping and dining brochure guide for the Main Street District in partnership with the Downtown Development Commission and the Main Street Program.**

**WHEREAS,** the Mayor and City Council of Cumberland proposes to undertake the project described above (the "Project"); and

**WHEREAS,** the Mayor and City Council of Cumberland has applied to the Department of Housing and Community Development (the "Department") of the State of Maryland for funding in the amount of up to \$6,000 for the Project, under the Department's Technical Assistance Grant; and

**WHEREAS,** the Mayor and City Council of Cumberland hereby approves said Project;

**NOW, THEREFORE, BE IT RESOLVED THAT,** the Mayor and City Council of Cumberland does hereby express approval of the Project and application for funding from the Department, as described above.

*Given under our Hands and Seals this 6<sup>th</sup> day of June, 2017 with the  
Corporate Seal of the City of Cumberland hereto attached,  
duly attested by the City Clerk.*

Attest:

Mayor and City Council  
Of Cumberland

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*Marjorie A. Woodring*  
City Clerk

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*Brian K. Grim*  
Mayor



Regular Council Agenda  
June 6, 2017

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**Description**

Resolution authorizing the issuance and sale of two separate series of General Obligation Bonds designed "**Mayor and City Council of Cumberland Taxable Redevelopment and Pension Contribution Refunding Bonds of 2017**" and "**Mayor and City Council of Cumberland Tax-Exempt Public Improvement Refunding Bonds of 2017**"

**Approval, Acceptance / Recommendation**

Only one reading needed for adoption.

Budgeted

1st Reading

2nd Reading

3rd Reading

**Value of Award (if applicable)**

**Source of Funding (if applicable)**

## RESOLUTION NO. \_\_\_\_\_

A RESOLUTION OF THE MAYOR AND CITY COUNCIL OF MAYOR AND CITY COUNCIL OF CUMBERLAND (THE "CITY") AUTHORIZING THE ISSUANCE AND SALE OF TWO SEPARATE SERIES OF THE CITY'S GENERAL OBLIGATION BONDS PURSUANT TO THE AUTHORITY DESCRIBED HEREIN, SUCH BONDS TO BE RESPECTIVELY DESIGNATED "MAYOR AND CITY COUNCIL OF CUMBERLAND TAXABLE REDEVELOPMENT AND PENSION CONTRIBUTION REFUNDING BONDS OF 2017" (THE "TAXABLE BONDS") AND "MAYOR AND CITY COUNCIL OF CUMBERLAND TAX-EXEMPT PUBLIC IMPROVEMENT REFUNDING BONDS OF 2017" (THE "TAX-EXEMPT BONDS" AND, COLLECTIVELY WITH THE TAXABLE BONDS, THE "BONDS"), SUBJECT TO THE FURTHER PROVISIONS OF THIS RESOLUTION, THE PROCEEDS OF THE SALE OF THE TAXABLE BONDS TO BE USED AND APPLIED FOR THE PUBLIC PURPOSE OF, TOGETHER WITH OTHER MONEYS AVAILABLE FOR SUCH PURPOSES, (A) REFINANCING AND REDEEMING IN WHOLE OR IN PART THE CITY'S OUTSTANDING TAXABLE BOND ANTICIPATION NOTES OF 2016 (THE "2016 NOTES"), (B) ADVANCE REFUNDING IN WHOLE OR IN PART THE CITY'S OUTSTANDING TAXABLE PENSION CONTRIBUTION BONDS OF 2009 (THE "2009 BONDS"), AND (C) PAYING COSTS OF ISSUANCE AND RELATED COSTS OF THE TAXABLE BONDS, AND THE PROCEEDS OF THE TAX-EXEMPT BONDS TO BE USED AND APPLIED FOR THE PUBLIC PURPOSE OF ADVANCE REFUNDING IN WHOLE OR IN PART THE CITY'S OUTSTANDING GENERAL OBLIGATION PUBLIC IMPROVEMENT BONDS, 2008 SERIES (THE "2008 BONDS") AND PAYING COSTS

OF ISSUANCE AND RELATED COSTS OF THE TAX-EXEMPT BONDS; PRESCRIBING THE FORMS AND TENOR OF THE BONDS AND CERTAIN TERMS AND CONDITIONS FOR THE ISSUANCE AND SALE THEREOF BY PRIVATE (NEGOTIATED) SALE TO M&T SECURITIES, INC. (THE "UNDERWRITER") AND OTHER DETAILS INCIDENT TO THE ISSUANCE, SALE AND DELIVERY OF THE BONDS; APPROVING THE SUBSTANTIALLY FINAL FORM OF, AND AUTHORIZING THE COMPLETION, EXECUTION AND DELIVERY OF, A BOND PURCHASE AGREEMENT WITH THE UNDERWRITER; PROVIDING FOR ADJUSTMENTS IN CERTAIN PRELIMINARY MATURITY AND AMORTIZATION SCHEDULES FOR THE BONDS PROVIDED FOR HEREIN AND AUTHORIZING THE CITY ADMINISTRATOR TO DETERMINE AND FIX CERTAIN TERMS AND DETAILS IN CONNECTION WITH THE SALE OF THE BONDS; AUTHORIZING AND APPROVING THE PREPARATION, COMPLETION AND DISTRIBUTION OF A PRELIMINARY AND A FINAL OFFICIAL STATEMENT IN CONNECTION WITH THE SALE OF THE BONDS; SELECTING A BOND REGISTRAR AND PAYING AGENT, AN ESCROW DEPOSIT AGENT, A VERIFICATION AGENT AND, TO THE EXTENT NEEDED, A BIDDING AGENT, AND DETERMINING OR PROVIDING FOR CERTAIN MATTERS RELATING TO SUCH ENGAGEMENTS; PROVIDING FOR THE APPROPRIATION, DISBURSEMENT AND INVESTMENT OF THE PROCEEDS OF THE BONDS; AUTHORIZING CERTAIN DETERMINATIONS AND ACTIONS TO BE TAKEN IN CONNECTION WITH THE REFINANCING OR ADVANCE REFUNDING OF THE 2016 NOTES, THE 2009 BONDS AND/OR THE 2008 BONDS, AS APPLICABLE; PROVIDING FOR THE LEVY AND COLLECTION

OF TAXES NECESSARY FOR THE PROMPT PAYMENT OF THE PRINCIPAL OF AND INTEREST ON THE BONDS; PROVIDING THAT THE FULL FAITH AND CREDIT AND UNLIMITED TAXING POWER OF THE CITY SHALL BE PLEDGED TO THE PAYMENT OF SUCH PRINCIPAL AND INTEREST; PROVIDING THAT THE PRINCIPAL OF AND INTEREST ON THE BONDS ALSO MAY BE PAID FROM ANY OTHER SOURCES OF REVENUE LAWFULLY AVAILABLE TO THE CITY FOR SUCH PURPOSE; MAKING OR PROVIDING FOR CERTAIN COVENANTS AND DETERMINATIONS RELATING TO THE TAX-EXEMPT STATUS OF THE TAX-EXEMPT BONDS; AUTHORIZING THE EXECUTION AND DELIVERY OF A CONTINUING DISCLOSURE UNDERTAKING PURSUANT TO SECURITIES AND EXCHANGE COMMISSION RULE 15c2-12 AND COVENANTING TO PROVIDE CONTINUING DISCLOSURE RELATING TO THE BONDS; PROVIDING THAT THE PROVISIONS OF THIS RESOLUTION SHALL BE LIBERALLY CONSTRUED; AND GENERALLY RELATING TO THE ISSUANCE, SALE, DELIVERY AND PAYMENT OF AND FOR THE BONDS.

#### RECITALS

1. Mayor and City Council of Cumberland, a municipal corporation of the State of Maryland and a municipality within the meaning of the Enabling Act and the Refunding Act identified below (the "City"), is authorized and empowered by Sections 19-301 to 19-309, inclusive, of the Local Government Article of the Annotated Code of Maryland (previously codified as Sections 31 to 37, inclusive, of Article 23A of the Annotated Code of Maryland), as replaced, supplemented or amended (the "Enabling Act"), and Sections 81 and 82A of the Charter of the City of Cumberland, as replaced, supplemented or amended (the "Charter"), to borrow money for any

proper public purpose and to evidence such borrowing by the issuance and sale of its general obligation bonds. Pursuant to the provisions of Section 19-207 of the Local Government Article of the Annotated Code of Maryland (previously codified as Section 24 of Article 31 of the Annotated Code of Maryland), as replaced, supplemented or amended (the “Refunding Act”), the City is further authorized to issue bonds for the purpose of refunding any of its bonds or other evidences of obligation then outstanding for the public purpose of realizing debt service savings or debt restructuring. The Refunding Act provides that refunding bonds may be sold at a private sale, without soliciting bids, if the issuer makes a determination in a public meeting that such procedure is in the public interest.

2. Pursuant to the authority of the Enabling Act, Sections 81 and 82A of the Charter, Ordinance No. 3793, passed by the Mayor and City Council of the City (the “Mayor and City Council”) on December 15, 2015 and effective on January 14, 2016 (“Ordinance No. 3793”), as amended and supplemented by Ordinance No. 3795, passed by the Mayor and City Council on May 17, 2016 and effective on June 16, 2016 (together with Ordinance No. 3793, “Amended Ordinance No. 3793”), and Resolution No. 2016-04, adopted by the Mayor and City Council on June 7, 2016 and effective on June 7, 2016, the City, on June 29, 2016, issued its Taxable Bond Anticipation Notes of 2016 in the original aggregate principal amount of \$3,500,000 (the “2016 Taxable Notes”). Interest on the 2016 Taxable Notes is *includable* in gross income for federal income tax purposes.

3. The 2016 Taxable Notes were issued to finance or reimburse costs of a public purpose project referred to by the City as the “Maryland Avenue Redevelopment Project”, which involves the acquisition, demolition and improvement of certain properties in the general vicinity of Maryland Avenue and, in connection therewith, the financing, reimbursement or refinancing of related costs of, as applicable, land and right-of-way acquisition and development; site and utility

improvements; acquisition, demolition, removal, reconstruction, replacement, renovation, rehabilitation, construction, improvement, installation, and equipping activities and expenses and related activities and expenses; planning, design, architectural, engineering, feasibility, surveying, inspection, construction management, title search, acquisition closing costs, financial and legal expenses and other related activities and expenses; costs of issuance of the 2016 Taxable Notes; capitalized interest (whether or not expressly so stated); and any such costs that may represent the City's share or contribution to the financing or refinancing of such project, including, without limitation, costs contracted for by and/or paid through the Cumberland Economic Development Corporation (collectively, the "Taxable Redevelopment Project"). Proceeds of the 2016 Taxable Notes have been fully expended by the City.

4. The 2016 Taxable Notes mature on June 1, 2019. The 2016 Taxable Notes bear interest at the rate of 2.750% per annum. Interest on the 2016 Taxable Notes is payable each June 1 and December 1 until maturity or prior redemption in whole, commencing on December 1, 2016.

5. The 2016 Taxable Notes are subject to redemption prior to maturity at the option of the City, in whole or in part, on June 1, 2017 or on any date thereafter, at a redemption price equal to 100% of the principal amount of the 2016 Taxable Notes (or portions thereof) to be redeemed, plus accrued thereon to the date fixed for redemption, without premium or penalty. The City is required to give at least 30 days prior written notice of its election to redeem the 2016 Taxable Notes in whole or in part.

6. Pursuant to the authority of the Enabling Act, Sections 81 and 82A of the Charter, Ordinance No. 3624, passed on an emergency basis by the Mayor and City Council on August 12, 2008 and effective on September 11, 2008 ("Ordinance No. 3624"), as supplemented and amended by Ordinance No. 3634, passed on an emergency basis by the Mayor and City Council on March 3,

2009 and effective on April 2, 2009 (together with Ordinance No. 3624, “Amended Ordinance No. 3624”), and Resolution No. R2009-05, adopted by the Mayor and City Council on April 28, 2009 and effective on April 28, 2009, the City, on May 21, 2009, issued its Taxable Pension Contribution Bonds of 2009 in the original aggregate principal amount of \$4,665,000 (the “2009 Taxable Bonds”). Interest on the 2009 Taxable Bonds is *includable* in gross income for federal income tax purposes.

7. The 2009 Taxable Bonds were issued for the public purpose of financing, refinancing or reimbursing costs of (i) prepaying the outstanding balance of the City’s special accrued liability contribution to the Employees’ Pension System and the Employees’ Retirement System of the Maryland State Retirement and Pension System (the “SRPS”) in whole or in part, together with any prepayment premiums and/or accrued interest, (ii) making a lump sum payment to fund the City’s special accrued liability contribution to the Law Enforcement Officers’ Pension System that is a part of the SRPS, (iii) funding interest on the 2009 Taxable Bonds and paying costs of issuance of the 2009 Taxable Bonds (collectively, the “Taxable Pension Project”). Proceeds of the 2009 Taxable Bonds have been fully expended by the City.

8. The 2009 Taxable Bonds were issued as serial bonds maturing on June 1 in the years 2017 to 2025, inclusive, and as term bonds due on June 1, 2030 (with mandatory sinking fund installments due on June 1 in the years 2026 to 2030, inclusive) and June 1, 2036 (with mandatory sinking fund installments due on June 1 in the years 2031 to 2036, inclusive). The 2009 Taxable Bonds bear interest at rates per annum ranging from 5.400% to 6.750%. Interest on the 2009 Taxable Bonds is payable each June 1 and December 1 until maturity or prior redemption in whole, commencing on December 1, 2009. Payment of the principal of and interest on the 2009 Taxable

Bonds when due is guaranteed under a financial guaranty insurance policy issued by Assured Guaranty Corporation.

9. The 2009 Taxable Bonds that mature prior to June 1, 2022 are not subject to redemption at the option of the City. The 2009 Taxable Bonds that mature on and after June 1, 2022 are subject to redemption prior to maturity, in whole or in part at the option of the City, on June 1, 2021 or on any date thereafter, in the order of maturity specified by the City, at a redemption price equal to 100% of the principal amount of the 2009 Taxable Bonds (or portions thereof) to be redeemed, plus accrued interest thereon to the date fixed for redemption, without premium or penalty. The City is required to give at least 30 days prior written notice of its election to redeem the 2009 Taxable Bonds in whole or in part.

10. Pursuant to the authority of the Enabling Act, Sections 81 and 82A of the Charter, Ordinance No. 3621, passed by the Mayor and City Council on July 29, 2008 and effective on August 28, 2008 (“Ordinance No. 3621”), and a Resolution adopted by the Mayor and City Council on September 16, 2008 and effective on September 16, 2008, the City, on November 25, 2008, issued its General Obligation Public Improvement Bonds, 2008 Series in the original aggregate principal amount of \$9,070,000 (the “2008 Tax-Exempt Bonds”).

11. The 2008 Tax-Exempt Bonds were issued for the public purpose of financing or reimbursing costs of the acquisition, planning, design, construction, reconstruction, improvement, paving and repaving of new and existing City streets and roads and related improvements, including (without limitation) sidewalk, curb, gutter and drain work, together with the acquisition of necessary property rights, related site and utility improvements and costs of issuance of the 2008 Tax-Exempt Bonds (collectively, the “Tax-Exempt Street Project”). Proceeds of the 2008 Tax-Exempt Bonds have been fully expended by the City.

12. The 2008 Tax-Exempt Bonds were issued as serial bonds maturing on September 1 in the years 2012 to 2028, inclusive. The 2008 Tax-Exempt Bonds bear interest at rates per annum ranging from 3.750% to 5.000%. Interest on the 2008 Tax-Exempt Bonds is payable each March 1 and September 1, until maturity or prior redemption in whole, commencing on March 1, 2009. Payment of the principal of and interest on the 2008 Tax-Exempt Bonds when due is guaranteed under a financial guaranty insurance policy issued by Assured Guaranty Corporation.

13. The 2008 Tax-Exempt Bonds that mature prior to September 1, 2019 are not subject to redemption at the option of the City. The 2008 Tax-Exempt Bonds that mature on or after September 1, 2019 are subject to redemption prior to maturity, in whole or in part at the option of the City, on September 1, 2018 or on any date thereafter, in the order of maturity specified by the City, at a redemption price equal to 100% of the principal amount of the 2008 Tax-Exempt Bonds (or portions thereof) to be redeemed, plus accrued interest thereon to the date fixed for redemption, without premium or penalty. The City is required to give at least 30 days prior written notice of its election to redeem the 2008 Tax-Exempt Bonds in whole or in part.

14. Amended Ordinance No. 3793 provides that, pursuant to the authority of the Enabling Act and Sections 81 and 82A of the Charter, the City is authorized to issue and sell from time to time its general obligation bonds in one or more series in an aggregate principal amount not to exceed \$3,500,000 for the public purpose of prepaying or paying principal, premium and/or interest on the 2016 Taxable Notes, as well as cost of issuance of such bonds (the “Authorized Taxable Redevelopment Bonds”). Amended Ordinance No. 3624 provides that, pursuant to the authority of the Enabling Act, the Refunding Act and Sections 81 and 82A of the Charter, the City is authorized to issue and sell from time to time one or more series of its general obligation bonds for the purpose of refunding or advance refunding any of the 2009 Taxable Bonds then outstanding,

including paying any redemption premium and any interest accrued or to accrue to the date of redemption, purchase or maturity of the 2009 Taxable Bonds to be refunded, paying costs and expenses in connection with the issuance, sale and delivery of such refunding bonds and, to the extent determined by the Mayor and City Council in a subsequent resolution, paying interest on such refunding bonds, for the public purpose of realizing savings to the City in the aggregate cost of debt service on either a direct comparison, present value or other basis or in order to accomplish any debt restructuring that is permitted by applicable law; provided that, the aggregate principal amount of any such issue of refunding bonds shall not exceed one hundred thirty percent (130%) of the outstanding aggregate principal amount of the 2009 Taxable Bonds refunded therefrom (the “Authorized Taxable Pension Refunding Bonds”). Ordinance No. 3621 provides that, pursuant to the authority of the Enabling Act, the Refunding Act and Sections 81 and 82A of the Charter, the City is authorized to issue and sell from time to time one or more series of its general obligation bonds for the purpose of refunding or advance refunding any of the 2008 Tax-Exempt Bonds then outstanding, including paying any redemption premium and any interest accrued or to accrue to the date of redemption, purchase or maturity of the 2008 Tax-Exempt Bonds to be refunded, paying costs and expenses in connection with the issuance, sale and delivery of such refunding bonds and, to the extent determined by the Mayor and City Council in a subsequent resolution, paying interest on such refunding bonds, for the public purpose of realizing savings to the City in the aggregate cost of debt service on either a direct comparison, present value or other basis or in order to accomplish any debt restructuring that is permitted by applicable law; provided that, the aggregate principal amount of any such issue of refunding bonds shall not exceed one hundred thirty percent (130%) of the outstanding aggregate principal amount of the 2008 Tax-Exempt Bonds refunded therefrom (the “Authorized Tax-Exempt Street Refunding Bonds”). Amended Ordinance No. 3793, Amended

Ordinance No. 3624 and Ordinance No. 3621 respectively provide that the Authorized Taxable Redevelopment Bonds, the Authorized Taxable Pension Refunding Bonds and the Authorized Tax-Exempt Street Refunding Bonds shall be sold by the equivalent of a private (negotiated sale) (unless the Mayor and City Council determine otherwise by resolution) and that details of such bonds shall be determined or provided for by resolution.

15. The 2016 Taxable Notes are currently outstanding in the approximate aggregate principal amount of \$3,500,000; the 2009 Taxable Bonds are currently outstanding in the approximate aggregate principal amount of \$4,655,000; and the 2008 Tax-Exempt Bonds are currently outstanding in the approximate aggregate principal amount of \$7,045,000.

16. The Mayor and City Council has determined at this time that it would like to (i) issue a single series of the taxable bonds comprised of Authorized Taxable Redevelopment Bonds and Authorized Taxable Pension Refunding Bonds in order to (A) refinance and redeem the 2016 Taxable Notes in whole or in part and thereby provide permanent financing for all or a portion of the Taxable Redevelopment Project, (B) advance refund in whole or in part the outstanding 2009 Taxable Bonds, and/or (C) pay related costs of issuance and other costs of such taxable bonds, and (ii) issue a single series of the Authorized Tax-Exempt Street Refunding Bonds in order (A) to advance refund in whole or in part the outstanding 2008 Tax-Exempt Bonds and (B) pay related costs of issuance and other costs of such tax-exempt bonds, all as further provided herein. The City may apply other available moneys to the purposes described in this Recital 16.

BE IT RESOLVED BY THE MAYOR AND CITY COUNCIL OF CITY OF CUMBERLAND, THAT:

SECTION 1. (a) The Recitals to this Resolution are deemed a substantive part of this Resolution and are incorporated herein by reference. Capitalized terms used in the Sections of this

Resolution that are not otherwise defined herein shall have the meanings given to such terms in the Recitals hereto.

(b) References in this Resolution to any official by title shall be deemed to refer (i) to any official authorized under the Charter, the code of City ordinances (the “City Code”) or other applicable law or authority to act in such titled official’s stead during the absence or disability of such titled official, (ii) to any person who has been elected, appointed or designated to fill such position in an acting or interim capacity under the Charter, the City Code or other applicable law or authority, (iii) to any person who serves in a “deputy”, “associate” or “assistant” capacity as such an official, provided that the applicable responsibilities, rights or duties referred to herein have been delegated to such deputy, associate or assistant in accordance with the Charter, the City Code or other applicable law or authority, and/or (iv) to the extent an identified official commonly uses another title not provided for in the Charter or the City Code, the official, however known, who is charged under the Charter, the City Code or other applicable law or authority with the applicable responsibilities, rights or duties referred to herein. The titles of the officials of the City referred to in this Resolution correspond to the titles of such officials as provided for in the Charter.

(c) With respect to any responsibility, right, power or duty delegated solely to the City Administrator of the City (the “City Administrator”) by the terms of this Resolution, in the event of the absence or disability of the City Administrator at the time of exercise of any such responsibility, right, power or duty, and in the event that at such time no acting or interim City Administrator has been appointed or otherwise provided for, any such responsibility, right, power or duty may be exercised by the Mayor of the City (the “Mayor”).

(d) To the extent this Resolution does not specifically identify how any responsibility, right, power or duty delegated to the City Administrator by the terms hereof shall be

evidenced, any such exercise may be evidenced conclusively by the execution and delivery by the City Administrator of an order with respect thereto.

SECTION 2. (a) Pursuant to the authority of the Enabling Act, the Refunding Act, Sections 81 and 82A of the Charter, Amended Ordinance No. 3793 and Amended Ordinance No. 3624, as applicable, and subject to the provisions of Section 3 of this Resolution, the City hereby determines to borrow money and incur indebtedness for one or more of the following public purposes: (i) refinancing and redeeming the outstanding 2016 Taxable Notes in whole or in part in order to provide permanent financing for all or a portion of the Taxable Redevelopment Project, and, in connection therewith, paying all or any portion of outstanding principal and/or accrued interest on the 2016 Taxable Notes, (ii) advance refunding the outstanding 2009 Taxable Bonds in whole or in part and, in connection therewith, paying at maturity and/or redeeming all or a portion of the outstanding principal amount thereof, paying interest accrued thereon to the respective dates of maturity or redemption, and paying any other amounts due in connection with such refunding, in order to realize debt service savings on a direct comparison or present value basis or in order to effect a debt restructuring that reduces the total cost of debt service or that is otherwise permitted by the Refunding Act, (iii) financing or reimbursing all or a portion of costs of issuance related to the purposes specified in clauses (i) and (ii), including, without limitation, legal and financial costs and costs of any credit enhancement, and (iv) to the extent determined by the City Administrator on behalf of the City in connection with the sale of the Taxable Bonds identified in subsection (b) below, funding interest on the Taxable Bonds (collectively the “2017 Taxable Project”). It is the current intention of the Mayor and City Council to refinance and redeem the outstanding 2016 Taxable Notes in whole to the extent such refinancing in whole makes economic sense and to advance refund the outstanding 2009 Taxable Bonds in whole to the extent such refunding in whole

results in debt service savings that are considered to be within a conventionally accepted range or effects a debt restructuring that satisfies the provisions of the Refunding Act; provided that, the City Administrator, on behalf of the City, with the advice of the Comptroller of the City (the “Comptroller”), the financial advisor to the City and bond counsel to the City, is hereby authorized and empowered to determine to refinance and redeem less than the then-outstanding principal amount of the 2016 Taxable Notes if a partial refinancing and redemption makes better economic sense and to advance refund the outstanding 2009 Taxable Bonds in part if an advance refunding in whole would not satisfy the provisions of the Refunding Act or make economic sense, in accordance with and subject to the further provisions of this Resolution.

(b) To evidence the borrowing and indebtedness authorized in Section 2(a) of this Resolution, the City, acting pursuant to the authority of the Enabling Act, the Refunding Act, Sections 81 and 82A of the Charter, Amended Ordinance No. 3793 and Amended Ordinance No. 3624, as applicable, hereby determines to issue and sell, upon its full faith and credit, a series of its general obligation bonds to be designated as the “Mayor and City Council of Cumberland Taxable Redevelopment and Pension Contribution Refunding Bonds of 2017” (the “Taxable Bonds”) in the maximum original aggregate principal amount not to exceed Nine Million Five Hundred Thousand Dollars (\$9,500,000), which maximum original aggregate principal amount is equal to the collective maximum aggregate principal amounts of the Authorized Taxable Redevelopment Bonds and the Authorized Taxable Pension Refunding Bonds provided for in Amended Ordinance No. 3793 and Amended Ordinance No. 3624, rounded down to the nearest integral multiple of \$5,000. The provisions of this subsection (b) are subject to the provisions of Section 3 of this Resolution. In providing for the final sizing of the Taxable Bonds, the City Administrator, in consultation with the Comptroller, the financial advisor to the City and bond counsel to the City, shall ensure that the

allocable portions of the Taxable Bonds issued for the respective purposes of the 2017 Taxable Project do not exceed the respective maximum aggregate principal amounts provided for in Amended Ordinance No. 3793 and Amended Ordinance No. 3624.

(c) Pursuant to the authority of the Enabling Act, the Refunding Act, Sections 81 and 82A of the Charter and Ordinance No. 3621, and subject to the provisions of Section 3 of this Resolution, the City hereby determines to borrow money and incur indebtedness for the public purpose of (i) advance refunding the outstanding 2008 Tax-Exempt Bonds in whole or in part and, in connection therewith, paying at maturity and/or redeeming all or a portion of the outstanding principal amount thereof, paying interest accrued thereon to the respective dates of maturity or redemption, and paying any other amounts due in connection with such refunding, in order to realize debt service savings on a direct comparison or present value basis or in order to effect a debt restructuring that reduces the total cost of debt service or that is otherwise permitted by the Refunding Act, (ii) financing or reimbursing all or a portion of costs of issuance of the Tax-Exempt Bonds identified in subsection (d) below, including, without limitation, legal and financial costs and costs of any credit enhancement, and/or (iii) to the extent determined by the City Administrator, on behalf of the City, in connection with the sale of the Tax-Exempt Bonds, funding interest on the Tax-Exempt Bonds (collectively, the “2017 Tax-Exempt Project”). It is the current intention of the Mayor and City Council to advance refund the outstanding 2008 Tax-Exempt Bonds in whole to the extent such refunding in whole results in debt service savings that are considered to be within a conventionally accepted range or effects a debt restructuring that satisfies the provisions of the Refunding Act; provided that, the City Administrator, on behalf of the City, with the advice of the Comptroller, the financial advisor to the City and bond counsel to the City, is hereby authorized and empowered to determine to advance refund the outstanding 2008 Tax-Exempt Bonds in part if an

advance refunding in whole would not satisfy the provisions of the Refunding Act or make economic sense, or if an advance refunding in whole of the 2008 Tax-Exempt Bonds would violate any applicable provisions of the Code (as defined in Section 16 of this Resolution) in accordance with and subject to the further provisions of this Resolution.

(d) To evidence the borrowing and indebtedness authorized in Section 2(c) of this Resolution, the City, acting pursuant to the authority of the Enabling Act, the Refunding Act, Sections 81 and 82A of the Charter and Ordinance No. 3621, hereby determines to issue and sell, upon its full faith and credit, a series of its general obligation bonds to be designated as the “Mayor and City Council of Cumberland Tax-Exempt Public Improvement Refunding Bonds of 2017” (the “Tax-Exempt Bonds”) in the maximum original aggregate principal amount not to exceed Nine Million One Hundred Fifty-five Thousand Dollars (\$9,155,000), which maximum original aggregate principal amount is equal to the maximum aggregate principal amount of Authorized Tax-Exempt Street Refunding Bonds provided for in Ordinance No. 3621, rounded down to the nearest integral multiple of \$5,000. The provisions of this subsection (d) are subject to the provisions of Section 3 of this Resolution.

(e) The Taxable Bonds and the Tax-Exempt Bonds are referred to in this Resolution collectively as the “Bonds”, and individually as a “series” of the Bonds.

(f) Other available moneys may be applied to the purposes of the 2017 Taxable Project and/or the 2017 Tax-Exempt Project as determined in accordance with the provisions of Section 8 of this Resolution.

SECTION 3. (a) Each series of the Bonds shall be dated the date of its delivery and shall be issued initially in book-entry only form as fully-registered bonds, without coupons attached, by issuing a single bond for each maturity of each series registered in the name of Cede & Co., as

partnership nominee for The Depository Trust Company, New York New York, or its successor (“DTC”); provided that, if DTC so requests, or a system of book-entry only registration of the Bonds is discontinued, replacement bonds shall be issued in denominations of \$5,000 and integral multiples thereof and shall be consecutively numbered in such manner as shall be determined by the Bond Registrar and Paying Agent identified in Section 10 of this Resolution.

(b) Subject to the further provisions of this Section 3, the Taxable Bonds shall mature, subject to prior redemption at the option of the City and subject to any additional or different term bonds as provided for in accordance with Sections 3 or 4 of this Resolution or a decision to issue the Taxable Bonds solely as serial bonds, as determined by the City Administrator upon the sale of the Taxable Bonds in accordance with the provisions of Section 8 of this Resolution. It has been recommended by the City’s financial advisor, subject to adjustment as provided herein, that the preliminary maturity schedule for the Taxable Bonds shall be for an original aggregate principal amount of Nine Million Seventy-five Thousand Dollars (\$9,075,000) as follows:

[CONTINUED ON FOLLOWING PAGE]

**Preliminary Maturity Schedule for Taxable Bonds\***

<u>Maturity Date</u>	<u>Principal Amount</u>	<u>Maturity Date</u>	<u>Principal Amount</u>
June 1, 2018	\$150,000	June 1, 2028	\$485,000
June 1, 2019	255,000	June 1, 2029	520,000
June 1, 2020	270,000	June 1, 2030	565,000 (1)
June 1, 2021	210,000	June 1, 2031	610,000 (1)
June 1, 2022	305,000	June 1, 2032	655,000 (1)
June 1, 2023	335,000	June 1, 2033	700,000 (2)
June 1, 2024	360,000	June 1, 2034	665,000 (2)
June 1, 2025	385,000	June 1, 2035	715,000 (2)
June 1, 2026	415,000	June 1, 2036	780,000 (2)
June 1, 2027	445,000	June 1, 2037	250,000 (2)

(1) represents mandatory sinking fund installment amounts for a term bond maturing on June 1, 2032 in the original aggregate principal amount of \$1,830,000.

(2) represents mandatory sinking fund installment amounts for a term bond maturing on June 1, 2037 in the original aggregate principal amount of \$3,110,000.

\* The maturity dates, principal amounts and determination of serial and term bonds provided for in the foregoing table are subject to adjustment as provided herein.

(c) Subject to the further provisions of this Section 3, the Tax-Exempt Bonds shall mature, subject to any term bonds provided for in accordance with Sections 3 or 4 of this Resolution, as determined by the City Administrator upon the sale of the Tax-Exempt Bonds. It has been recommended by the City's financial advisor, subject to adjustment as provided herein, that the preliminary maturity schedule for the Tax-Exempt Bonds shall be for an aggregate principal amount of Six Million Two Hundred Ten Thousand Dollars (\$6,210,000) as follows:

[CONTINUED ON FOLLOWING PAGE]

**Preliminary Maturity Schedule for Tax-Exempt Bonds\***

<u>Maturity Date</u>	<u>Principal Amount</u>	<u>Maturity Date</u>	<u>Principal Amount</u>
June 1, 2018	\$ 5,000	June 1, 2024	\$600,000
June 1, 2019	30,000	June 1, 2025	635,000
June 1, 2020	510,000	June 1, 2026	655,000
June 1, 2021	525,000	June 1, 2027	680,000
June 1, 2022	550,000	June 1, 2028	710,000
June 1, 2023	575,000	June 1, 2029	735,000

\* The maturity dates, principal amounts and determination of serial bonds provided for in the foregoing table are subject to adjustment as provided herein, including, without limitation, to provide for term bonds.

The foregoing maturity schedule assumes, based on market conditions at the time the maturity schedule was generated, that the outstanding 2008 Tax-Exempt Bonds will not be advance refunded in whole.

(e) Interest on each series of the Bonds shall be payable on December 1, 2017 and semi-annually thereafter on each June 1 and December 1 until maturity or any applicable prior redemption in whole. Interest payments due on each series of the Bonds shall be made to the registered owners thereof who are the registered owners of record as of the 15<sup>th</sup> day of the month preceding the month in which each interest payment date occurs. Each series of the Bonds shall bear interest from the most recent date to which interest has been paid or, if no interest has been paid, from its date of delivery. Interest shall be computed on the basis of a 360-day year consisting of 12 30-day months.

(f) The principal or redemption price of the Bonds shall be payable at the corporate trust office designated by the Bond Registrar and Paying Agent. Interest on the Bonds shall be payable by check or draft of the Bond Registrar and Paying Agent mailed to the owners

thereof; provided that, so long as either series of the Bonds is registered in book-entry form under a book-entry only system maintained by DTC, any successor thereto or any replacement securities depository (the "Securities Depository"), payments of the principal or redemption price of and interest on such series of the Bonds shall be made as required by the rules and regulations of such Securities Depository.

(g) The City Administrator, on behalf of the City, with the advice of the Comptroller, financial advisor to the City and bond counsel to the City, is hereby authorized to agree to a different preliminary maturity schedule for either series of the Bonds and any related preliminary mandatory sinking fund payment schedule for any term bonds for either or both series of the Bonds to be contained in the Preliminary Official Statement referred to in Section 9 hereof, within the limitations and the parameters contemplated by Sections 2, 3 and 4 hereof, based on changes in market conditions between May 24, 2017, the date the foregoing preliminary schedules were generated, and the date of the Preliminary Official Statement, to account for the components of the 2017 Taxable Project or the 2017 Tax-Exempt Project to be funded from the respective series of the Bonds, or due to other factors impacting the marketing of the Bonds, including, without limitation, to fix any typographical or calculation errors reflected in the foregoing preliminary schedules.

(h) In the event the City Administrator, with the advice of the Comptroller, the financial advisor to the City and bond counsel to the City, determines prior to or upon the sale of the Bonds and execution and delivery of the Bond Purchase Agreement provided for in Section 8 hereof that market conditions are not favorable for a refinancing of the 2016 Taxable Notes in whole or in part, the City Administrator may determine that the Taxable Bonds shall not be issued for purposes of refinancing the 2016 Taxable Notes. In such event, the Taxable Bonds

shall be issued with the designation “Mayor and City Council of Cumberland Pension Contribution Refunding Bonds of 2017”; Amended Ordinance No. 3793 shall not serve as authority for the issuance of the Taxable Bonds; and all references in this Resolution to the issuance of the Taxable Bonds for purposes of refinancing and redeeming the 2016 Taxable Notes in whole or in part and Amended Ordinance No. 3793 shall be deemed to be inapplicable and disregarded.

(i) In the event the City Administrator, with the advice of the Comptroller, the financial advisor to the City and bond counsel to the City, determines prior to or upon the sale of the Bonds and execution and delivery of the Bond Purchase Agreement provided for in Section 8 hereof that sufficient savings cannot be achieved or the goals of the Refunding Act will not be met by advance refunding any portion of the 2009 Taxable Bonds, the City Administrator may determine that the Taxable Bonds shall not be issued for purposes of advance refunding any portion of the 2009 Taxable Bonds. In such event, the Taxable Bonds shall be issued with the designation “Mayor and City Council of Cumberland Taxable Redevelopment Bonds of 2017”; neither the Refunding Act nor Amended Ordinance No. 3624 shall serve as authority for the issuance of the Taxable Bonds; and all references in this Resolution to the issuance of the Taxable Bonds for purposes of advance refunding the 2009 Taxable Bonds, the advance refunding and redemption of the 2009 Taxable Bonds and Amended Ordinance No. 3624 shall be deemed to be inapplicable and disregarded.

(j) In the event the City Administrator, with the advice of the Comptroller, the financial advisor to the City and bond counsel to the City, determines prior to or upon the sale of the Bonds and execution and delivery of the Bond Purchase Agreement that the Taxable Bonds should not be issued for either primary purpose of the 2017 Taxable Project, the City

Administrator may determine that the Taxable Bonds shall not be issued. In such event, all references in this Resolution to the Taxable Bonds, the refinancing and redemption of the 2016 Taxable Notes, the advance refunding of the 2009 Taxable Bonds, Amended Ordinance No. 3793 and Amended Ordinance No. 3624 shall be deemed to be inapplicable and disregarded, and references in this Resolution to the Bonds shall be construed to relate solely to the Tax-Exempt Bonds.

(k) In the event the City Administrator, with the advice of the Comptroller, the financial advisor to the City and bond counsel to the City, determines prior to or upon the sale of the Bonds and execution and delivery of the Bond Purchase Agreement that sufficient savings cannot be achieved or the goals of the Refunding Act will not be met by advance refunding the 2008 Tax-Exempt Bonds in whole or in part, the City Administrator may determine that the Tax-Exempt Bonds shall not be issued. In such event, all references in this Resolution to the Tax-Exempt Bonds, the advance refunding of the 2008 Tax-Exempt Bonds and Ordinance No. 3621 shall be deemed to be inapplicable and disregarded, and references in this Resolution to the Bonds shall be construed to relate solely to the Taxable Bonds.

(l) Appropriate provisions relating to any determinations made by the City Administrator in accordance with the provisions of this Section 3 shall be reflected in the final form of the Bond Purchase Agreement approved, executed and delivered by the City Administrator in accordance with the provisions of the Resolution and in the Official Statement provided for in Section 9 of this Resolution and, to the extent any such determinations are made prior to the release of the Preliminary Official Statement provided for in Section 9 of this Resolution, in such Preliminary Official Statement.

SECTION 4. (a) With respect to any term bonds to be issued as determined in connection with the sale of a series of the Bonds (each, a “Term Bond” and, collectively, “Term Bonds”), each such Term Bond shall be subject to mandatory sinking fund redemption at a redemption price of 100% of the principal amount of the mandatory sinking fund installment specified for each applicable date as determined upon the sale of the applicable series of the Bonds, plus accrued interest to the date fixed for redemption.

(b) The Bonds of either series that mature prior to June 1, 2028 shall not be subject to redemption prior to maturity at the option of the City. The Bonds of either series that mature on or after June 1, 2028 shall be subject to redemption prior to their stated maturities at the option of the City, in whole or in part, on June 1, 2027 or on any date thereafter, in the order of maturity specified by the City, at a redemption price of 100% of the principal amount of the Bonds (or portions thereof) to be redeemed, plus interest accrued thereon to the date fixed for redemption, without penalty or premium. Notwithstanding the foregoing provisions of this subsection (b), the City Administrator, on behalf of the City, with the advice of the Comptroller, the financial advisor to the City and bond counsel to the City, is hereby authorized to provide that (i) either series of the Bonds shall be initially subject to redemption at the option of the City on an earlier or later date than specified in this subsection (b), (ii) either series of the Bonds shall be subject to redemption at the option of the City on a specified schedule that provides for a redemption premium or premiums to be payable for a stated period of time with respect to any such optional redemption, and/or (iii) either series of the Bonds shall not be subject to redemption at the option of the City, based on a conclusion that modifications to the optional redemption features for either series of the Bonds is justified under then-current market conditions. Appropriate provisions relating to any determinations made by the City

Administrator in accordance with the provisions of this subsection (b) shall be reflected in the final form of the Bond Purchase Agreement approved, executed and delivered by the City Administrator in accordance with the provisions of the Resolution and in the Official Statement provided for in Section 9 of this Resolution and, to the extent any such determinations are made prior to the release of the Preliminary Official Statement provided for in Section 9 of this Resolution, in such Preliminary Official Statement.

(c) If fewer than all of the outstanding Bonds of either series shall be called for redemption at the City's option, the City shall choose the maturities of the Bonds of such series to be redeemed in whole or in part and the principal amount of each such maturity to be redeemed in its sole discretion, and if any such maturity consists of Term Bonds, the City shall choose the mandatory sinking fund redemption installments of such Term Bonds to be reduced and the amount of each such reduction, in its sole discretion. If fewer than all of the Bonds of any one maturity of either series shall be called for optional or mandatory sinking fund redemption, the particular Bonds or portions of Bonds to be redeemed from such maturity shall be selected by lot by the Bond Registrar and Paying Agent; provided that, so long as the applicable series of the Bonds is registered in the name of a Securities Depository or its nominee, such selection shall be made by such Securities Depository in accordance with its rules and regulations.

(d) When less than all of a Bond in a denomination in excess of \$5,000 is redeemed, then, upon surrender thereof, there shall be issued without charge to the registered owner thereof, for the unredeemed balance of the principal amount of such Bond, at the option of such owner, Bonds of the same series in any of the authorized denominations specified by the registered owner. The aggregate face amount of Bonds so issued shall be equal to the

unredeemed balance of the principal amount of the Bond surrendered, and the Bonds issued shall be of the same series, shall bear interest at the same rate and shall mature on the same date as the unredeemed balance of the Bond surrendered.

(e) When any Bonds are to be redeemed (whether by optional or mandatory sinking fund redemption), the City shall cause a redemption notice to be given to the registered owners of the Bonds to be redeemed in whole or in part by notice mailed first class, postage prepaid, at least thirty (30) days prior to the date fixed for redemption to the addresses of such registered owners appearing on the registration books for such series of the Bonds kept by the Bond Registrar and Paying Agent; provided, however, that the failure to mail a redemption notice or any defect in a notice so mailed, or in the mailing thereof, shall not affect the validity of the redemption proceedings. The redemption notice shall state (i) whether the Bonds of the applicable series are to be redeemed in whole or in part and, if in part, the maturities, numbers, principal amounts, interest rates and CUSIP numbers of the Bonds to be redeemed, (ii) that the interest on the Bonds or portions thereof to be redeemed shall cease to accrue on the date fixed for redemption, (iii) the date fixed for redemption, (iv) the address of the office of the Bond Registrar and Paying Agent with a contact person and phone number, and (v) that the Bonds to be redeemed in whole or in part shall be presented for redemption and payment on the date fixed for redemption at the designated corporate trust office of the Bond Registrar and Paying Agent. Such notice may state that it is conditioned upon receipt of sufficient funds to effect such redemption by the date fixed for redemption. Notwithstanding anything to the contrary contained in this subsection (e), so long as the Bonds to be redeemed are registered in book-entry only form with a Securities Depository, any redemption notice shall be given in the manner and at the time required by the rules and regulations of such Securities Depository.

(f) From and after the date fixed for redemption, if funds sufficient for the payment of the redemption price and accrued interest are available on such date, the Bonds or portions thereof designated for redemption shall cease to bear interest from and after such date. Upon presentation and surrender for redemption, the Bonds or portions thereof to be redeemed shall be paid by the Bond Registrar and Paying Agent at the redemption price, plus accrued interest to the date fixed for redemption. If they are not paid upon presentation, the Bonds or portions thereof designated for redemption shall continue to bear interest at the rate or rates stated therein until paid.

SECTION 5. The Bonds shall be executed in the name of the City and on its behalf by the Mayor, by manual or facsimile signature. The corporate seal of the City shall be affixed to the Bonds (manually or by facsimile) and attested by the signature of the City Clerk of the City (the “City Clerk”), by manual or facsimile signature. The Bonds shall be issued subject to registration as to principal and interest in the name of the owner or owners thereof on the books kept for registration and registration of transfer of the Bonds of each series at the designated corporate trust office of the Bond Registrar and Paying Agent. The Bonds shall be authenticated by the manual signature of an authorized officer of the Bond Registrar and Paying Agent. The Bonds shall not be valid for any purpose or constitute an obligation of the City unless so authenticated. In the event any official of the City whose signature appears on the Bonds shall cease to be such official prior to the delivery of the Bonds, or, in the event any such official whose signature appears on the Bonds shall have become such after the date of issue thereof, the Bonds shall nevertheless be a valid and binding obligation of the City in accordance with their terms.

SECTION 6. (a) The Bonds of each series shall be transferable only upon the registration books for such series kept at the designated corporate trust office of the Bond Registrar and Paying

Agent and by the registered owner in person, or by his duly authorized attorney in writing, upon surrender thereof, together with a written instrument of transfer in the form attached thereto and satisfactory to the Bond Registrar and Paying Agent and duly executed by the registered owner thereof in person, or by his attorney duly authorized in writing, but no Bond will be transferred unless the Security Depository then in place determines to discontinue providing its services as a securities depository or directs that the Bonds of such series be re-registered in a different name or denomination, or unless the Securities Depository then in place is removed by the City.

(b) A Bond may be transferred or exchanged at the designated corporate trust office of the Bond Registrar and Paying Agent. Upon any such transfer or exchange, the City shall issue, and the Bond Registrar and Paying Agent shall authenticate and deliver, a new registered Bond or Bonds of the same series in authorized denomination or denominations equal to the aggregate principal amount of the Bond transferred or exchanged, with the same maturity date and bearing interest at the same rate. In each case, the Bond Registrar and Paying Agent may require payment by the registered owner requesting such transfer or exchange of any tax, fee or other governmental charge, shipping charges or insurance that may be required to be paid with respect to such transfer or exchange, but otherwise no charge shall be made to the registered owner for such transfer or exchange.

(c) The Bond Registrar and Paying Agent shall not be required to transfer or exchange any Bond after the mailing or giving of notice of call of such Bond or any portion thereof for redemption.

(d) If any Bond shall become mutilated or be destroyed, lost or stolen, the City in its discretion may execute, and upon its request the Bond Registrar and Paying Agent shall authenticate and deliver, a new Bond of the same series in exchange for the mutilated Bond

or in lieu of and substitution for the Bond so destroyed, lost or stolen. In every case of exchange or substitution, the applicant shall furnish to the City and to the Bond Registrar and Paying Agent such security or indemnity as may be required by them to save each of them harmless from all risks, however remote, and the applicant shall also furnish to the City and to the Bond Registrar and Paying Agent evidence to their satisfaction of the mutilation, destruction, loss or theft of the applicant's Bond. Upon the issuance of any Bond upon such exchange or substitution, the City may require the payment of a sum sufficient to cover any tax, fee or other governmental charge that may be imposed in relation thereto and any other expenses of the City or the Bond Registrar and Paying Agent, including counsel fees, shipping or insurance. If any Bond which has matured or is about to mature shall become mutilated or be destroyed, lost or stolen, instead of issuing a Bond in exchange or substitution therefor, the City may pay or authorize the payment of such Bond (without surrender thereof except in the case of a mutilated Bond) if the applicant for such payment shall furnish to the City and to the Bond Registrar and Paying Agent such security or indemnity as they may require to save them harmless, and evidence to the satisfaction of the City and the Bond Registrar and Paying Agent of the mutilation, destruction, loss or theft of such Bond.

SECTION 7. Except as provided hereinafter or in a resolution or resolutions of the Mayor and City Council adopted prior to the issuance of the Bonds, each series of the Bonds shall be issued in substantially the form attached hereto as Exhibit A and incorporated by reference herein. Appropriate variations, deletions and insertions may be made by the Mayor to provide names, dates, numbers and amounts applicable to a specific series of the Bonds, to carry into effect the purposes of this Resolution, including (without limitation) to reflect matters determined in accordance with Sections 2, 3, 4 and 8 hereof, to comply with recommendations of legal counsel, or as required by

any rating agency as a condition precedent to, or as otherwise related to, obtaining a rating on such series of the Bonds from such rating agency, or as may be required by any provider of municipal bond insurance for all or any portion of such series of the Bonds. All of the covenants contained in Exhibit A hereto are hereby adopted by the City as and for the forms of obligations to be incurred by the City, and the covenants and conditions contained therein are hereby made binding upon the City, including the promise to pay therein contained. The execution and delivery of a series of the Bonds by the Mayor in accordance with this Resolution shall be conclusive evidence of the approval by the Mayor of the final form of such series of the Bonds and any variations, deletions, insertions, omissions, notations, legends or endorsements authorized by this Resolution.

SECTION 8. (a) The Mayor and City Council hereby determines that it shall be in the best interests of the City to sell the Bonds by private (negotiated) sale due to the fact the City would like to sell taxable and tax-exempt bonds at the same time, the relatively small (for purposes of the U.S. and Maryland municipal markets) size of each series of the Bonds and the ability to time the market, particularly in light of the contemplated advance refunding of the 2008 Tax-Exempt Bonds from proceeds of the Tax-Exempt Bonds. Based on a recommendation of the financial advisor to the City, M&T Securities, Inc. was asked to submit a proposal to undertake a negotiated underwriting of the Bonds. The financial advisor to the City recommends, and the City Administrator and the Comptroller concur, that M&T Securities, Inc. demonstrated the necessary knowledge of the Maryland and U.S. municipal bond markets and has the financial wherewithal and experience to serve as the underwriter of the Bonds. Accordingly the Mayor and City Council hereby determines that the Bonds shall be sold by the City to M&T Securities, Inc. (the "Underwriter") by private (negotiated) sale pursuant to the terms and conditions of a Bond Purchase Agreement substantially in the form of Exhibit B

attached hereto and incorporated by reference herein (the “Bond Purchase Agreement”). Within the limitations provided for in this Resolution, the City Administrator, on behalf of the City, with the advice of the Comptroller, the financial advisor to the City and bond counsel to the City, is hereby authorized and empowered to approve the final original aggregate principal amounts of each series of the Bonds, the serial and/or term structure for each series of the Bonds, the aggregate principal amounts of each maturity of and/or mandatory sinking fund redemption payments for each series of the Bonds, the price payable for each series of the Bonds (which may be at, above or below par value), the interest rate or rates payable on each series of the Bonds, any modifications to the optional redemption features of each series of the Bonds, whether or not the 2016 Taxable Notes are to be refinanced and redeemed in whole or in part and the redemption date or dates thereof, if applicable, the maturity or maturities of the 2009 Taxable Bonds to be advanced refunded in whole or in part, if applicable, the maturity or maturities of the 2008 Tax-Exempt Bonds to be advanced refunded in whole or in part, if applicable, the remaining components of the 2017 Taxable Project and the 2017 Tax-Exempt Project to which proceeds of the Taxable Bonds and the Tax-Exempt Bonds, the components of the 2017 Taxable Project and/or the 2017 Tax-Exempt Project to which any other available moneys are to be applied, if applicable, and all other matters incident to the sale of the Bonds to the Underwriter, and to approve the final form of, and to execute and deliver, the Bond Purchase Agreement, with such additional changes, insertions or deletions as do not materially adversely affect the interests of the City and as are necessary to reflect the terms of pricing and sale of the Bonds, such approval to be evidenced conclusively by the City Administrator’s execution and delivery of the Bond Purchase Agreement. In determining the matters provided for in this subsection (a), the City Administrator shall take into account any other moneys that may be available for the

purposes for which the Bonds are authorized; as of the date of introduction of this Resolution, it is expected that in the event the 2016 Taxable Notes are to be refinanced and redeemed, the City will apply other available moneys to pay all or a portion of accrued interest due on the redeemed 2016 Taxable Notes and all or a portion of the costs of issuance of the Taxable Bonds allocable to refinancing and redeeming the 2016 Taxable Notes. It is currently intended that the Bonds shall be priced and sold to the Underwriter on or about June 20, 2017, but the City Administrator, with the advice of the Comptroller, the financial advisor to the City and bond counsel to the City, is hereby authorized to agree to any earlier or later date of pricing and sale recommended by the Underwriter based on market conditions, such agreement to be evidenced conclusively by the execution and delivery by the City Administrator of the final form of the Bond Purchase Agreement reflecting the finally determined date of pricing and sale of the Bonds. In addition, the City Administrator, on behalf of the City, with the advice of the Comptroller, the financial advisor to the City and bond counsel to the City, is authorized to include in the final form of the Bond Purchase Agreement any provisions necessary to ensure compliance with the new issue price regulations of the U.S. Treasury, to provide for any costs to be paid from any other available moneys, and to correct any references therein to the authorizing ordinances for the Taxable Bonds and the Tax-Exempt Bonds and this Resolution.

(b) In the event the Underwriter recommends that either series of the Bonds be sold with a municipal bond insurance policy insuring or guaranteeing the regularly scheduled payment of all or a portion of the principal of and interest on such series of the Bonds, the City Administrator, on behalf of the City, with the advice of the Comptroller, the financial advisor to the City and bond counsel to the City, is hereby authorized to approve the selection of the provider of such municipal bond insurance for such series of the Bonds and any terms and

conditions relating to such municipal bond insurance, such approval to be evidenced conclusively by the execution and delivery by the City Administrator of any proposal therefor and any documents, certificates or instruments relating thereto. Appropriate provisions relating to any such provision of municipal bond insurance shall be reflected in the final form of the Bond Purchase Agreement approved, executed and delivered by the City Administrator in accordance with the provisions of this Section 8 and, as applicable, in the Preliminary Official Statement and/or the Official Statement provided for in Section 9 of this Resolution.

(c) Notwithstanding anything to the contrary contained in this Resolution, in the event it is determined in accordance with the provisions of this Section 8 that sale of the Bonds shall occur on a date later than July 3, 2017, the City Administrator, on behalf of the City, with the advice of the Comptroller, the financial advisor to the City and bond counsel to the City, is hereby authorized and empowered to approve different dates for the payment of principal of and interest on the Bonds, a different first date on which payment of interest on the Bonds will be made and different dates for the optional redemption features of the Bonds. In the event such determination is made prior to the date of release of the Preliminary Official Statement, approval of any such changes shall be evidenced conclusively by the provisions of the Preliminary Official Statement reflecting the same. In the event any such determination is made after the date of release of the Preliminary Official Statement but before the date of sale of the Bonds, any such approval shall be evidenced conclusively by the execution and delivery by the City Administrator of the final Bond Purchase Agreement reflecting such changes and by the provisions of the Official Statement reflecting such changes.

SECTION 9. (a) The preparation and distribution of a Preliminary Official Statement of the City in connection with the offering and sale of the Bonds (the "Preliminary

Official Statement”), substantially in such form as has been previously circulated to City officials (without Appendix A, the Comprehensive Annual Financial Report for fiscal year 2016, included in such circulated form, although such Comprehensive Annual Financial Report or applicable portions thereof shall be included in the final Preliminary Official Statement) and with such changes, corrections, insertions, deletions and clarifications as are necessary to reflect any determinations made in accordance with the provisions of this Resolution or prior to the release of such Official Statement or as may be approved by the Mayor, the City Administrator and the Comptroller with the advice of the City’s financial advisor and legal counsel. The Mayor, the City Administrator and the Comptroller, on behalf of the City, are hereby authorized and directed to approve the final form of the Preliminary Official Statement in accordance with this Section 9(a) and to make any appropriate variations, insertions or modifications to the form of Preliminary Official Statement previously circulated not inconsistent with the provisions of the Enabling Act, the Refunding Act, Sections 81 and 82A of the Charter, Amended Ordinance No. 3793, Amended Ordinance No. 3624, Ordinance No. 3621 or this Resolution, as applicable, or to comply with the recommendations of legal counsel or the City’s financial advisor, or as required by any rating agency as a condition precedent to, or as otherwise related to, obtaining a rating on either series of the Bonds from any such rating agency, or as required by any provider of municipal bond insurance as a condition precedent to, or as otherwise related to, obtaining municipal bond insurance for all or any portion of either series of the Bonds from any such provider of municipal bond insurance, such approval to be evidenced conclusively by the execution and delivery by the Mayor, the City Administrator and the Comptroller, on behalf of the City, of a certificate deeming the Preliminary Official Statement to be final as of its date for purposes of Securities and Exchange Commission Rule 15c2-12(b)(1), subject to revision,

completion and amendment in the final Official Statement referred to in subsection (b) below. The Preliminary Official Statement shall be posted electronically and/or printed as the City's financial advisor shall advise and the Underwriter shall require.

(b) The preparation and distribution of a final Official Statement relating to the Bonds (the "Official Statement"), substantially in the form of the Preliminary Official Statement, with such changes, corrections, additions and deletions not inconsistent with the provisions of the Enabling Act, the Refunding Act, Sections 81 and 82A of the Charter, Amended Ordinance No. 3793, Amended Ordinance No. 3624, Ordinance No. 3621 or this Resolution, as applicable, to reflect matters determined in connection with the sale of the Bonds, or to comply with the recommendations of legal counsel or the City's financial advisor, or as required by any rating agency as a condition precedent to, or as otherwise related to, obtaining a rating on either series of the Bonds from any such rating agency, or as required by any provider of municipal bond insurance for all or any portion of either series of the Bonds, as the Mayor, the City Administrator and the Comptroller shall approve on behalf of the City, is hereby authorized and approved. The Mayor, the City Administrator and the Comptroller are hereby authorized and directed to approve the final form of the Official Statement on behalf of the City, such approval to be evidenced conclusively by the Mayor's, the City Administrator's and the Comptroller's execution and delivery of the Official Statement (which execution may be made in facsimile or indicated by any customary signature convention). The Official Statement shall be printed and/or posted electronically as advised by the financial advisor to the City and as required by the Underwriter.

(c) The Mayor, the City Administrator and the Comptroller, or any two of such officials acting in concert, with the advice of the financial advisor to the City and bond

counsel to the City, are hereby authorized and directed to approve any supplements or amendments to the Preliminary Official Statement or the Official Statement deemed necessary or desirable after the printing or posting of the same (including, without limitation, to correct any material misstatement or omission or to provide any information that was not available at the time such Preliminary Official Statement or Official Statement was released), such approval to be evidenced conclusively by the execution and delivery of any such supplement or amendment by the Mayor, the City Administrator and the Comptroller, or any two of such officials acting in concert, on behalf of the City. Any such supplement shall be printed and/or posted electronically as advised by the financial advisor to the City and as required by the Underwriter.

SECTION 10. (a) Manufacturers and Traders Trust Company, with offices in Baltimore, Maryland and Buffalo, New York, any affiliate thereof, or any successor thereto, by merger, consolidation, or otherwise, is hereby designated as Bond Registrar and Paying Agent (the “Bond Registrar and Paying Agent”) for the Bonds. The Mayor and the City Administrator are each hereby authorized to negotiate and to execute and deliver such written agreement with the Bond Registrar and Paying Agent as they shall deem to be necessary or appropriate. The City may designate another entity as Bond Registrar and Paying Agent upon 30 days prior written notice to the registered owners of the Bonds.

(b) Prior to each semi-annual interest payment date, the Treasurer of the City (the “Treasurer”) or other appropriate City official shall deposit with the Bond Registrar and Paying Agent, from the tax proceeds described in Section 15 below and from any other funds then legally available for such purpose, the amounts needed to pay the principal of and interest on the Bonds coming due on each such interest payment date. All moneys so deposited with the Bond Registrar and Paying Agent shall be deemed and treated by the Bond Registrar and Paying

Agent as trust funds for the use and benefit of the registered owners from time to time of the Bonds hereby authorized. Any such trust funds held by the Bond Registrar and Paying Agent for the payment of particular Bonds for periods of more than three years from their maturities or such other periods as may be required by applicable law, because of the failure of the registered owners of such Bonds to present them for payment or because checks issued by the Bond Registrar and Paying Agent in payment of interest shall not have been cashed and no registered owner of a Bond shall have established a right to payment of interest within such period, shall be returned by the Bond Registrar and Paying Agent to the City and, thereafter, the registered owners of any such Bonds shall have claims only against the City for payment of the obligations held by them, and the Bond Registrar and Paying Agent shall be relieved of the trust hereby imposed.

SECTION 11. As soon as may be practicable after the date of execution of the Bond Purchase Agreement, the Bonds of each series shall be suitably prepared in definitive form, executed and delivered to the Underwriter upon receipt of the respective net purchase prices therefor. It is anticipated that the date of issuance of the Bonds will be July 11, 2017; provided that, the City Administrator, on behalf of the City, with the advice of the Comptroller, the financial advisor to the City and bond counsel to the City, may determine to move the date of issuance of the Bonds to another date satisfactory to such persons and to the Underwriter; any such determination to be evidenced conclusively by the terms of the Bond Purchase Agreement provided for in Section 8 of this Resolution. The Mayor, the City Administrator, the Treasurer, the Comptroller, the City Clerk and all other appropriate officials and employees of the City, as applicable, are expressly authorized, empowered and directed to take any and all action necessary to complete and close the sale and delivery of the Bonds to the Underwriter and to negotiate, approve, execute and deliver all

documents, certificates and instruments not otherwise provided for herein that are necessary or appropriate in connection therewith or are provided for in the Bond Purchase Agreement, including, without limitation, executing and delivering any agreements required by DTC with respect to the book-entry system of registration of the Bonds or any documents relating to municipal bond insurance to be provided with respect to either series of the Bonds.

SECTION 12. (a) Subject to the provisions of subsections (b) and (c) below, the Treasurer or any other appropriate City official is each hereby designated and authorized to receive payment on behalf of the City of the proceeds of the sale of the Taxable Bonds and to invest such proceeds. There may be deducted from the total gross proceeds of the sale of the Taxable Bonds the amount of the Underwriter's discount payable with respect thereto and other expenses of sale of the Taxable Bonds, net of any amounts made available from other sources for the payment of such costs, which deducted amounts shall be applied to pay such expenses of the sale. The proceeds of the Taxable Bonds are hereby appropriated for the purposes of the 2017 Taxable Project and shall be deposited in the proper account or accounts of the City (except as otherwise provided in this Resolution), shall be invested within any limits prescribed by Maryland and any other applicable law, and shall be used and applied exclusively for the purposes described herein. If the proceeds received from the sale of the Taxable Bonds exceed the amount needed for the public purposes of 2017 Taxable Project, the amount of such unexpended excess shall be set apart in a separate fund and applied to debt service on the Taxable Bonds, unless a supplemental ordinance or resolution, as applicable, is passed by the Mayor and City Council to provide for the expenditure of that excess for some other valid purpose authorized by the Enabling Act, the Refunding Act, Sections 81 and 82A of the Charter, Amended Ordinance No. 3793 or Amended Ordinance No. 3624, as applicable.

Nothing in this Resolution shall be construed to authorize the expenditure of any moneys constituting proceeds of the Taxable Bonds except for a proper public purpose.

(b) To the extent applicable, that portion of the proceeds of the Taxable Bonds issued to provide funds to refinance and redeem the 2016 Taxable Notes in whole or in part may be paid by the Underwriter to the bond registrar and paying agent for the 2016 Taxable Notes at the written direction of the Mayor, the City Administrator or the Comptroller, to be applied to the redemption of the 2016 Taxable Notes in whole or in part on the date of issuance of the Taxable Bonds or on such later date as determined by the City Administrator in accordance with the provisions of this Resolution. Notwithstanding the foregoing, the City Administrator, on behalf of the City, with the advice of the Comptroller, the financial advisor to the City and bond counsel to the City, may determine to have the portion of the proceeds of the Taxable Bonds issued to provide funds to refinance and redeem the 2016 Taxable Notes in whole or in part, together with any other moneys available for such purpose, paid to the Escrow Deposit Agent provided for in Section 13 to be used and applied solely as provided for in the Escrow Deposit Agreement provided for in Section 13 hereof.

(c) That portion of the proceeds of the Taxable Bonds issued to provide funds to advance refund the 2009 Taxable Bonds in whole or in part, together with any other moneys available for such purpose, shall be paid to the Escrow Deposit Agent provided for in Section 13 hereof to be used and applied solely as provided for in the Escrow Deposit Agreement provided for in Section 13 hereof.

(d) Subject to the provisions of subsection (e) below, the Treasurer or any other appropriate municipal official is each hereby designated and authorized to receive payment on behalf of the City of that portion of the proceeds of the sale of the Tax-Exempt Bonds not deposited

with the Escrow Deposit Agent in accordance with the provisions of Section 13 of this Resolution, and to invest such proceeds (being the portion of the proceeds of the Tax-Exempt Bonds to be applied to costs of issuance of the Tax-Exempt Bonds or funded interest on the Tax-Exempt Bonds). There may be deducted from the total gross proceeds of the sale of the Tax-Exempt Bonds the amount of the Underwriter's discount and other expenses of sale of the Bonds, net of any amounts made available from other sources for the payment of such costs, which deducted amounts shall be applied to pay such expenses of the sale. The proceeds of the Tax-Exempt Bonds are hereby appropriated for the purposes of the 2017 Tax-Exempt Project, shall be deposited in the proper account or accounts of the City (except as otherwise provided in this Resolution), shall be invested within any limits prescribed by Maryland and any other applicable law, and shall be used and applied exclusively for the purposes described herein. If the proceeds received from the sale of the Tax-Exempt Bonds exceed the amount needed for the public purposes of 2017 Tax-Exempt Project, the amount of such unexpended excess shall be set apart in a separate fund and applied to debt service on the Tax-Exempt Bonds, unless a supplemental ordinance or resolution, as applicable, is passed by the Mayor and City Council to provide for the expenditure of that excess for some other valid purpose authorized by the Enabling Act, the Refunding Act, Sections 81 and 82A of the Charter, or Ordinance No. 3621, as applicable. Nothing in this Resolution shall be construed to authorize the expenditure of any moneys constituting proceeds of the Tax-Exempt Bonds except for a proper public purpose.

(e) That portion of the proceeds of the Tax-Exempt Bonds issued to provide funds to advance refund and redeem the 2008 Tax-Exempt Bonds in whole or in part, together with any other funds available for such purpose, shall be paid to the Escrow Deposit Agent provided for in Section 13 hereof to be used and applied solely as provided for in the Escrow

Deposit Agreement provided for in Section 13 hereof.

(f) Notwithstanding the foregoing provisions of this Section 12, any portion of the proceeds of either series of the Bonds to be applied to pay costs of issuance other than the Underwriter's discount with respect to such series, may be paid by the Underwriter directly to the person or entity entitled thereto at the written direction of the Mayor, the City Administrator or the Comptroller.

SECTION 13. (a) Manufacturers and Traders Trust Company or any affiliate thereof is hereby appointed as escrow deposit agent (the "Escrow Deposit Agent") under the Escrow Deposit Agreement to be entered into between the City and the Escrow Deposit Agent for the purposes described in Section 12 of this Resolution. The Escrow Deposit Agent shall receive a portion of the net proceeds of the Taxable Bonds and a portion of the net proceeds of the Tax-Exempt Bonds and use and apply such proceeds in accordance with the Escrow Deposit Agreement to the purposes described in Section 12 of this Resolution. The Mayor and the City Administrator, on behalf of the City, are each hereby authorized and empowered to negotiate, approve, execute and deliver the Escrow Deposit Agreement, such approval to be evidenced conclusively by either such official's signature on the Escrow Deposit Agreement.

(b) The Arbitrage Group, Inc. is hereby selected to provide escrow verification services in connection with the advance refunding of the 2009 Taxable Bonds and/or the 2008 Tax-Exempt Bonds in whole or in part. In the event The Arbitrage Group, Inc. is unable to provide such services, for whatever reason, the City Administrator is hereby authorized and empowered to replace as he may deem necessary, in any manner he deems appropriate, the provider of escrow verification services.

(c) In connection with the issuance of the Taxable Bonds and the Tax-Exempt Bonds, each of the Mayor, the City Administrator and the Comptroller, is hereby authorized and empowered to provide for the bidding for and/or execute or file on behalf of the City, as applicable, any necessary investment agreements or any necessary subscriptions and any amendments thereto to purchase United States Treasury Obligations – State and Local Government Series (“SLGS”), and/or any direct obligations of, or obligations the principal of and interest on which are unconditionally guaranteed by, the United States of America in such amounts and maturing at such times so that sufficient moneys will be available from such maturing principal and interest and any cash held uninvested to advance refund and pay at maturity or by prior redemption the refunded 2009 Taxable Bonds and the refunded 2008 Tax-Exempt Bonds, and to take any other action or to execute any further instrument on behalf of the City necessary to purchase such obligations. Any such obligations, and any cash to be held uninvested in escrow, shall be deposited with the Escrow Deposit Agent provided for in this Section 14.

(d) In the event that at the applicable time SLGS are unavailable for purposes of any escrow funds established and maintained under the provisions of the Escrow Deposit Agreement, Davenport & Company LLC is hereby selected to provide open market bidding services in connection with the advance refunding in whole or in part of the 2009 Taxable Bonds and/or the 2008 Tax-Exempt Bonds. In the event Davenport & Company LLC is unable to provide such services, for whatever reason, the City Administrator is hereby authorized to replace as he may deem necessary, in any manner he deems appropriate, the provider of open market bidding services.

SECTION 14. (a) Conditioned only upon the delivery of and payment for the Taxable Bonds for purposes of refinancing and redeeming the 2016 Taxable Notes in whole or in part, the Mayor and City Council hereby elects to redeem the 2016 Taxable Notes finally selected for refinancing in accordance with the provisions of Section 8 of this Resolution on the earliest practicable date available, giving due consideration to the required notice of redemption. The Mayor and City Council hereby authorizes and empowers each of the Mayor, the City Administrator and the Comptroller to give or cause to be given such notice of redemption as may be required by the 2016 Taxable Notes or any documents relating thereto or in the form recommended by bond counsel to the City. Any such notice of redemption may be given prior to the date of issuance and delivery of the Taxable Bonds and may be conditioned upon receipt of funds sufficient to effect such redemption.

(b) Conditioned only upon the delivery of and payment for the Taxable Bonds for purposes of advance refunding the 2009 Taxable Bonds in whole or in part, the Mayor and City Council hereby elects to redeem on June 1, 2021 the 2009 Taxable Bonds or portions thereof finally selected for redemption in accordance with the provisions of Section 8 of this Resolution. The Escrow Deposit Agreement shall provide that the Escrow Deposit Agent shall give notice of redemption of such 2009 Taxable Bonds finally selected for redemption in whole or in part in accordance with the provisions of Section 8 of this Resolution. The Escrow Deposit Agreement shall also provide for the giving of notice of the advance refunding of the applicable 2009 Taxable Bonds.

(c) Conditioned only upon the delivery of and payment for the Tax-Exempt Bonds, the City hereby elects to redeem on September 1, 2018 the 2008 Tax-Exempt Bonds or portions thereof finally selected for redemption in accordance with the provisions of Section 8 of

this Resolution. The Escrow Deposit Agreement shall provide that the Escrow Deposit Agent shall give notice of redemption of such 2008 Tax-Exempt Bonds finally selected for redemption in whole or in part in accordance with the provisions of Section 8 of this Resolution. The Escrow Deposit Agreement shall also provide for the giving of notice of the advance refunding of the applicable 2008 Tax-Exempt Bonds.

SECTION 15. For the purpose of paying the principal of and interest on the Bonds when due, the City shall levy or cause to be levied, for each and every fiscal year during which the Bonds may be outstanding, ad valorem taxes upon all real and tangible personal property within its corporate limits subject to assessment for unlimited municipal taxation in rate and amount sufficient to provide for the prompt payment, when due, of the principal of and interest on the Bonds in each such fiscal year. In the event the proceeds from the collection of the taxes so levied may prove inadequate for such purposes in any fiscal year, additional taxes shall be levied in the subsequent fiscal year to make up such deficiency. The full faith and credit and unlimited taxing power of the City are hereby pledged to the prompt payment of the principal of and interest on the Bonds as and when the same become due and are payable and to the levy and collection of the taxes hereinabove prescribed as and when such taxes may become necessary in order to provide sufficient funds to meet the debt service requirements of the Bonds. The City hereby covenants with the registered owners of the Bonds to take any further action that may be lawfully appropriate from time to time during the period that the Bonds remain outstanding and unpaid to provide the funds necessary to pay promptly the principal thereof and interest due thereon. Subject to the provisions of Sections 16 and 17 hereof with respect to the Tax-Exempt Bonds, the foregoing provisions shall not be construed so as to prohibit the City from paying the principal of and interest on the Bonds from the proceeds of the sale of any other obligations of the City or from any other funds legally available for

that purpose. The City may apply to the payment of the principal of or interest on the Bonds any funds received by it from the State of Maryland or the United States of America, or any governmental agency or instrumentality, or from any other source, and to the extent of any such funds received or receivable in any fiscal year or otherwise available for such purpose, the taxes hereby required to be levied may be reduced proportionately.

SECTION 16. (a) Any two or more of the Mayor, the Treasurer and the Comptroller are the officials of the City responsible for the issuance of the Tax-Exempt Bonds within the meaning of Section 1.148-2(b)(2) of the Treasury Regulations (defined below). Any two or more of the Mayor, the Treasurer and the Comptroller also shall be the officials of the City responsible for the execution and delivery (on the date of the issuance of the Tax-Exempt Bonds) of a certificate of the City (the “Section 148 Certificate”) that complies with the requirements of Section 148 of the Internal Revenue Code of 1986, as amended (the “Code”), and the applicable regulations under Sections 103 and 141-150, inclusive, of the Code (the “Treasury Regulations”), and such officials are hereby authorized and directed to execute and deliver the Section 148 Certificate to counsel rendering an opinion on the validity and tax-exempt status of the Tax-Exempt Bonds on the date of the issuance of the Tax-Exempt Bonds.

(b) The City shall set forth in the Section 148 Certificate its reasonable expectations as to relevant facts, estimates and circumstances relating to the use of the proceeds of the Tax-Exempt Bonds or of any monies, securities or other obligations to the credit of any account of the City which may be deemed to be proceeds of the Tax-Exempt Bonds pursuant to Section 148 or the Treasury Regulations (collectively, the “Tax-Exempt Bonds Proceeds”). The City covenants with the registered owners of the Tax-Exempt Bonds that the facts, estimates and circumstances set forth in the Section 148 Certificate will be based on the City’s reasonable expectations on the date

of issuance of the Tax-Exempt Bonds and will be, to the best of the certifying officials' knowledge, true and correct as of that date.

(c) The City covenants with the registered owners of the Tax-Exempt Bonds that it will not make, or (to the extent that it exercises control or direction) permit to be made, any use of the Tax-Exempt Bonds Proceeds that would cause the Tax-Exempt Bonds to be "arbitrage bonds" within the meaning of Section 148 of the Code and the Treasury Regulations, and that it will comply with those provisions of Section 148 of the Code and the Treasury Regulations as may be applicable to the Tax-Exempt Bonds on the date of issuance and which may subsequently lawfully be made applicable to the Tax-Exempt Bonds as long as the Tax-Exempt Bonds remain outstanding and unpaid.

(d) In connection with their execution and delivery of the Section 148 Certificate, the authorized officials identified in this Section 13 are hereby authorized and empowered, on behalf of the City, to make any designations, elections, determinations or filings on behalf of the City provided for in or permitted by the Code and the Treasury Regulations and to reflect the same in the Section 148 Certificate and/or the IRS Form 8038-G filed in connection with the issuance of the Tax-Exempt Bonds or any other documentation deemed appropriate by bond counsel to the City; provided that, only one of such identified officials must sign the IRS Form 8038-G.

SECTION 17. The City specifically covenants that it will comply with the provisions of the Code and the Treasury Regulations applicable to the Tax-Exempt Bonds, including, without limitation, compliance with provisions regarding the timing of the expenditure of the proceeds of the Tax-Exempt Bonds, the use of such proceeds and the projects refinanced with such proceeds, the restriction of investment yields, the filing of information with the Internal Revenue Service, and

the rebate of certain earnings resulting from the investment of the proceeds of the Tax-Exempt Bonds or payments in lieu thereof. The City further covenants that it shall make such use of the proceeds of the Tax-Exempt Bonds, regulate the investment of the proceeds thereof and take such other and further lawful actions as may be required to maintain the exemption from federal income taxation of interest on the Tax-Exempt Bonds. All officials, officers, employees and agents of the City are hereby authorized and directed to provide such certifications of facts and estimates regarding the amount and use of the proceeds of the Tax-Exempt Bonds as may be necessary or appropriate.

SECTION 18. The Mayor and the City Administrator are hereby authorized and directed to approve, execute and deliver in the name of and on behalf of the City a continuing disclosure undertaking for the benefit of the owners and beneficial owners of the Bonds in order to assist the Underwriter in complying with paragraph (b)(5) of Securities and Exchange Commission Rule 15c2-12 (“Rule 15c2-12”). The City shall covenant in the continuing disclosure undertaking that the City will provide to the Municipal Securities Rulemaking Board’s Electronic Municipal Market Access (“EMMA”) and/or to any additional or different depositories designated in accordance with Rule 15c2-12 (the “Additional Repositories”), if any, certain annual financial information and operating data and annual audited financial statements. The City shall further covenant in the continuing disclosure undertaking to provide notice of specified events as required by Rule 15c2-12 to EMMA and/or to any Additional Repositories as required by Rule 15c2-12, if any. The continuing disclosure undertaking may provide that the place or places of delivery of such information shall be subject to change in accordance with the rules and pronouncements of the Securities and Exchange Commission or other appropriate authority.

SECTION 19. The provisions of this Resolution shall be liberally construed in order to effectuate the transactions contemplated hereby.

SECTION 20. This Resolution shall become effective immediately upon its adoption.

MAYOR AND CITY COUNCIL OF  
CUMBERLAND

(SEAL)

\_\_\_\_\_  
Brian K. Grim, Mayor

ATTEST:

\_\_\_\_\_  
Marjorie A. Woodring  
City Clerk

Introduced: \_\_\_\_\_, 2017

Adopted: \_\_\_\_\_, 2017

Effective: \_\_\_\_\_, 2017

#196570;10002.066

## EXHIBIT A

FORM OF BOND

*Note: Bracketed language is intended to reflect that such provisions apply only to one series of the Bonds or apply only in certain circumstances, and such language shall be deleted from or included in the final form of Bond for the series of the Bonds to which it is inapplicable or applicable, as appropriate.*

No. R- UNITED STATES OF AMERICA  
STATE OF MARYLAND \$ \_\_\_\_\_  
MAYOR AND CITY COUNCIL OF CUMBERLAND

[TAXABLE REDEVELOPMENT AND REFUNDING BOND OF 2017]  
[TAX-EXEMPT PUBLIC IMPROVEMENT REFUNDING BOND OF 2017]

<u>Maturity Date</u>	<u>Interest Rate</u>	<u>Dated Date</u>	<u>CUSIP</u>
June 1, ____	%	_____, 2017	

Registered Owner:

Principal Sum: DOLLARS

Mayor and City Council of Cumberland, a municipal corporation organized and existing under the Constitution and laws of the State of Maryland (the "City"), hereby acknowledges itself indebted for value received and promises to pay to the registered owner shown above, or registered assigns or legal representatives, on the Maturity Date specified above [(unless this bond shall be redeemable prior to maturity, shall have been called for prior redemption, and payment of the redemption price shall have been made or provided for)], the Principal Sum shown above, and to pay interest on such Principal Sum from and including the interest payment date next preceding the date of registration and authentication of this bond, unless this bond is registered and authenticated as of an interest payment date, in which case it shall bear interest from such interest payment date, or unless this bond is registered and authenticated prior to the first interest payment date, in which event this bond shall bear interest from the Dated Date identified above, or unless, as shown on the records of the Bond Registrar and Paying Agent (as hereinafter defined), interest on this bond shall be in default, in which event this bond shall bear interest from the date on which interest was last paid on this bond, at the Interest Rate per annum shown above, payable on December 1, 2017 and on each June 1 and December 1 thereafter until the Principal Sum of this bond is paid in full. Interest shall be computed on the basis of a 360-day year comprised of 12 30-day months.

Both the principal or redemption of and interest on this bond shall be payable in lawful money of the United States of America. The principal [or redemption price of] this bond shall be

payable by check or draft at the designated corporate trust office of Manufacturers and Traders Trust Company, as bond registrar and paying agent (the “Bond Registrar and Paying Agent”) in Wilmington, Delaware or in such other office as the Bond Registrar and Paying Agent may designate. Interest on this bond shall be payable by check or draft of the Bond Registrar and Paying Agent mailed to the registered owner in whose name this bond is registered on the registration books maintained by the Bond Registrar and Paying Agent for the issue of bonds of which this bond is a part as of the close of business on the 15<sup>th</sup> day of the month prior to the month in which each interest payment date occurs (the “Regular Record Date”). Any such interest not so punctually paid or duly provided for shall forthwith cease to be payable to the registered owner on such Regular Record Date, and may be paid to the person in whose name this bond is registered as of the close of business on a special record date to be fixed by the Bond Registrar and Paying Agent for the payment of such defaulted interest (the “Special Record Date”), notice whereof being given by letter mailed first class, postage prepaid, to the registered owner not less than ten (10) days prior to such Special Record Date, at the address of such registered owner appearing on the registration books maintained by the Bond Registrar and Paying Agent. If a principal payment date or interest payment date falls on a Saturday, Sunday or a day on which the City or the Bond Registrar and Paying Agent is not required to be open, payment may be made on the next succeeding day that is not a Saturday, Sunday or a day on which the City or the Bond Registrar and Paying Agent is not required to be open, and no interest shall accrue for the intervening period.

IT CANNOT BE DETERMINED FROM THE FACE OF THIS BOND WHETHER ALL OR A PORTION OF THE PRINCIPAL SUM OR REDEMPTION PRICE HAS BEEN PAID. EACH PAYMENT OF THE PRINCIPAL OR REDEMPTION PRICE OF THIS BOND SHALL BE NOTED HEREON, BUT THE FAILURE OF THE REGISTERED OWNER OF THIS BOND TO NOTE SUCH PAYMENT SHALL NOT AFFECT THE VALID PAYMENT AND DISCHARGE OF SUCH OBLIGATION AFFECTED BY SUCH PAYMENT.

This bond is the duly authorized bond of an issue of the City, aggregating \$\_\_\_\_\_ in original aggregate principal amount, dated \_\_\_\_\_, 2017 and designated “Mayor and City Council of Cumberland [Taxable Redevelopment and Pension Contribution Refunding Bonds of 2017][Tax-Exempt Public Improvement Refunding Bonds of 2017]” (the “Bonds”). This bond is issued pursuant to and in full conformity with the provisions of Sections 19-301 to 19-309, inclusive, of the Local Government Article of the Annotated Code of Maryland (previously codified as Sections 31 to 37, inclusive, of Article 23A of the Annotated Code of Maryland), as replaced, supplemented or amended, Section 19-207 of the Local Government Article of the Annotated Code of Maryland (previously codified as Section 24 of Article 31 of the Annotated Code of Maryland), as replaced, supplemented or amended, and Sections 81 and 82A of the Charter of the City of Cumberland, as replaced, supplemented or amended, and by virtue of due proceedings had and taken by the Mayor and City Council of the City (the “Mayor and City Council”), particularly [Ordinance No. 3793, which was passed by the Mayor and City Council on December 15, 2015 and became effective on January 14, 2016][Ordinance No. 3624, which was passed on an emergency basis by the Mayor and City Council on August 12, 2008 and became effective on September 11, 2008, as supplemented and amended by Ordinance No. 3634, which was passed on an emergency basis by the Mayor and City Council on March 3, 2009 and became effective on April 2, 2009][Ordinance No. 3621, which was

passed by the Mayor and City Council on July 29, 2008 and became effective on August 28, 2008] ([collectively,] the “Ordinance”), and Resolution No. \_\_\_\_\_, which was adopted by the Mayor and City Council on \_\_\_\_\_, 2017 and became effective on \_\_\_\_\_, 2017 (the “Resolution”).

The Bonds mature and are payable on June 1 in the following years and amounts and bear interest at the following rates per annum:

<u>Date</u>	<u>Principal Amount</u>	<u>Interest Rate</u>	<u>Date</u>	<u>Principal Amount</u>	<u>Interest Rate</u>
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The Bonds that mature prior to June 1, 2028 shall not be subject to redemption prior to maturity at the option of the City. The Bonds that mature on or after June 1, 2028 shall be subject to redemption prior to their stated maturities at the option of the City, in whole or in part, on June 1, 2027 or on any date thereafter, in the order of maturity specified by the City, at a redemption price of 100% of the principal amount of the Bonds (or portions thereof) to be redeemed, plus interest accrued to the date fixed for redemption, without penalty or premium. [MAY BE MODIFIED IN ACCORDANCE WITH THE PROVISIONS OF THE RESOLUTION]

[TO BE COMPLETED FOR ANY TERM BONDS--The Bonds maturing on June 1, \_\_\_\_\_ are subject to mandatory sinking fund redemption at a redemption price equal to 100% of the principal amount thereof, together with interest accrued to the date fixed for redemption, on the dates and in the principal amounts set forth below:

Redemption Date

Mandatory Sinking  
Fund Installment]

[If fewer than all of the outstanding Bonds shall be called for redemption at the City’s option, the City shall choose the maturities to be redeemed and the principal amount of each such maturity in its sole discretion, and if any such maturity consists of term Bonds, the City shall choose the mandatory sinking fund redemption installments of such term Bonds to be reduced and the amount of each such reduction in its sole discretion.] If fewer than all of the Bonds of any one maturity shall be called for [optional] [or] [mandatory sinking fund] redemption, the particular Bonds or portions of Bonds to be redeemed from such maturity shall be selected by lot by the Bond Registrar and Paying Agent.

When less than all of a Bond in a denomination in excess of \$5,000 is redeemed, then, upon surrender thereof, there shall be issued without charge to the registered owner thereof, for

the unredeemed balance of the principal amount of such Bond, at the option of such owner, Bonds in any of the authorized denominations specified by the registered owner. The aggregate face amount of Bonds so issued shall be equal to the unredeemed balance of the principal amount of the Bond surrendered, and the Bonds issued shall bear interest at the same rate and shall mature on the same date as the unredeemed balance of the Bond surrendered.

When any Bonds are to be redeemed, the City shall cause a redemption notice to be given to the registered owners of the Bonds to be redeemed in whole or in part by notice mailed by first class, postage prepaid, at least thirty (30) days prior to the date fixed for redemption to the addresses of such registered owners appearing on the registration books kept by the Bond Registrar and Paying Agent; provided, however, that the failure to mail a redemption notice or any defect in a notice so mailed, or in the mailing thereof, shall not affect the validity of the redemption proceedings. The redemption notice shall state (i) whether the Bonds are to be redeemed in whole or in part and, if in part, the maturities, numbers, principal amounts, interest rates and CUSIP numbers of the Bonds to be redeemed, (ii) that interest on the Bonds (or portions thereof) to be redeemed shall cease to accrue on the date fixed for redemption, (iii) the date fixed for redemption, (iv) the address of the office of the Bond Registrar and Paying Agent with a contact person and phone number, and (v) that the Bonds to be redeemed in whole or in part shall be presented for redemption and payment on the date fixed for redemption at the designated corporate trust office of the Bond Registrar and Paying Agent. Such notice may state that it is conditioned upon receipt of sufficient funds to effect such redemption by the date fixed for redemption. From and after the date fixed for redemption, if funds sufficient for the payment of the principal or redemption price of and accrued interest are available on such date, the Bonds or portions thereof to be redeemed shall cease to bear interest. Upon presentation and surrender for redemption, the Bonds or portions thereof to be redeemed shall be paid by the Bond Registrar and Paying Agent at the redemption price plus accrued interest. If they are not paid upon presentation, the Bonds or portions thereof designated for redemption shall continue to bear interest at the rate stated therein until paid.

This bond is transferable only upon the registration books kept at the designated corporate trust office of the Bond Registrar and Paying Agent, by the registered owner hereof in person, or by his attorney duly authorized in writing, upon surrender hereof, together with a written instrument of transfer in the form attached hereto and satisfactory to the Bond Registrar and Paying Agent and duly executed by the registered owner or his duly authorized attorney.

This bond may be transferred or exchanged at the designated corporate trust office of the Bond Registrar and Paying Agent. Upon any such transfer or exchange, the City shall issue, and the Bond Registrar and Paying Agent shall authenticate and deliver, a new registered bond or bonds of the same series in authorized denominations equal to the aggregate principal amount of the bond so transferred or exchanged, with the same maturity and bearing interest at the same rate. In each case, the Bond Registrar and Paying Agent may require payment by the registered owner of this bond requesting transfer or exchange hereof of any tax, fee or other governmental charge, shipping charges and insurance that may be required to be paid with respect to such transfer or exchange, but otherwise no charge shall be made to the registered owner hereof for such transfer or exchange.

The Bond Registrar and Paying Agent shall not be required to transfer or exchange this bond after the mailing or giving of notice calling this bond or any portion hereof for redemption.

The City and the Bond Registrar and Paying Agent may deem and treat the party in whose name this bond is registered as the absolute owner hereof for the purpose of receiving payment of or on account of the principal or redemption price hereof and interest due hereon and for all other purposes.

This bond is initially issued in book-entry only form and registered under a book-entry only system maintained by The Depository Trust Company, New York, New York (“DTC”). Notwithstanding anything to the contrary contained in this bond, for so long as this bond is registered in book-entry form under a book-entry only system maintained by DTC, any successor thereto, or any replacement securities depository, payments of the principal or redemption price of and interest on this bond, the selection of all or any portion of this bond to be redeemed, and any notice required herein shall be made or given as provided by the rules and regulations of such securities depository, and all references to the registered owner of this bond shall mean such securities depository or its partnership nominee. During such period, the City and the Bond Registrar and Paying Agent will recognize such securities depository or its partnership nominee as the owner of this bond for all purposes.

The full faith and credit and unlimited taxing power of Mayor and City Council of Cumberland are hereby pledged to the payment of the principal of and interest on this bond according to its terms, and the City does hereby covenant and agree to pay punctually the principal of and the interest on this bond, at the dates and in the manner mentioned herein, according to the true intent and meaning hereof.

It is hereby certified and recited that each and every act, condition and thing required to exist, to be done, to have happened or to be performed precedent to and in the issuance of this bond, does exist, has been done, has happened and has been performed in full and strict compliance with the Constitution and laws of the State of Maryland, the Ordinance and the Resolution, and that this bond, together with all other indebtedness of the City, is within every debt and other limit prescribed by the Constitution and laws of the State of Maryland and that due provision has been made for the levy and collection of an annual ad valorem tax or taxes upon all the legally assessable property within the corporate limits of the City in rate and amount sufficient to provide for the payment, when due, of the principal of and interest on this bond.

IN WITNESS WHEREOF, Mayor and City Council of Cumberland has caused this bond to be executed in its name by the manual or facsimile signature of the Mayor and its corporate seal to be affixed hereto manually or in facsimile, attested by the manual or facsimile signature of the City Clerk, all as of the Dated Date set forth above.

(SEAL)

ATTEST:

MAYOR AND CITY COUNCIL OF  
CUMBERLAND

\_\_\_\_\_  
City Clerk

By: \_\_\_\_\_  
Mayor

CERTIFICATE OF AUTHENTICATION

This bond is one of the registered bonds of Mayor and City Council of Cumberland designated “Mayor and City Council of Cumberland [Taxable Redevelopment and Pension Contribution Refunding Bonds of 2017][Tax-Exempt Public Improvement Refunding Bonds of 2017]”.

\_\_\_\_\_  
as Bond Registrar and Paying Agent

By: \_\_\_\_\_  
Authorized Officer

Date of Authentication: \_\_\_\_\_

(Form of Instrument of Transfer)

ASSIGNMENT

FOR VALUE RECEIVED the undersigned hereby sells, assigns and transfers unto

PLEASE INSERT SOCIAL SECURITY OR OTHER IDENTIFYING NUMBER OF ASSIGNEE

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

(PLEASE PRINT OR TYPEWRITE NAME AND ADDRESS, INCLUDING ZIP CODE OF ASSIGNEE)

the within bond and all rights thereunder and does hereby constitute and appoint \_\_\_\_\_

attorney to transfer the within bond on the books kept for the registration thereof, with full power of substitution in the premises.

Dated: \_\_\_\_\_

Signature Guaranteed:

\_\_\_\_\_  
Notice: Signatures must be guaranteed by a member or participant of a signature guaranty program.

\_\_\_\_\_  
Notice: The signature to this assignment must correspond with the name as it appears upon the face of the within bond in every particular, without alteration or enlargement or any change whatsoever.



EXHIBIT B

FORM OF BOND PURCHASE AGREEMENT

[See Attached]

\$ \_\_\_\_\_  
**MAYOR AND CITY COUNCIL OF CUMBERLAND (MARYLAND)**  
**GENERAL OBLIGATION BONDS**  
 Consisting of  
 \$ \_\_\_\_\_  
**Taxable Redevelopment and Pension Contribution Refunding Bonds of 2017**  
 and  
 \$ \_\_\_\_\_  
**Tax-Exempt Public Improvement Refunding Bonds of 2017**

June \_\_, 2017

**BOND PURCHASE AGREEMENT**

Mayor and City Council of Cumberland  
 57 North Liberty Street  
 Cumberland, Maryland 21502  
 Attention: Jeffrey D. Rhodes, City Administrator

Ladies and Gentlemen:

M&T Securities, Inc. (the “Underwriter”) hereby offers to enter into this Bond Purchase Agreement with the Mayor and City Council of Cumberland (the “City”). This offer is made subject to acceptance by the City prior to [11:00 P.M., E.D.T.], on the date hereof, or at such other time as shall be agreed to by the City and the Underwriter. Upon such acceptance this Bond Purchase Agreement shall be in full force and effect and shall be binding upon the City and the Underwriter in accordance with its terms. If this offer is not so accepted and approved, it is subject to withdrawal by the Underwriter upon written notice delivered to the City’s offices specified in Paragraph 13 below at any time prior to such acceptance and approval.

Capitalized terms used herein and not otherwise defined shall have the meanings ascribed to them in the Official Statement relating to the above-captioned Bonds (as hereinafter defined).

**1. Purchase and Sale.** Upon the terms and conditions and upon the basis of the representations set forth herein, the Underwriter hereby agrees to purchase from the City and the City hereby agrees to sell to the Underwriter all (but not less than all) of the City’s Mayor and City Council of Cumberland \$ \_\_\_\_\_ Taxable Redevelopment and Pension Contribution Refunding Bonds of 2017 (the “Taxable Bonds”) and \$ \_\_\_\_\_ Tax-Exempt Public Improvement Refunding Bonds of 2017 (the “Tax-Exempt Bonds” and, collectively with the Taxable Bonds, the “Bonds”) at the purchase price set forth below. The Bonds will be dated the date of delivery, will have the maturities and bear interest from their date at the rate or rates per annum shown on Exhibit A hereto and made a part hereof, and the Taxable Bonds (but not the

Item # 15

Tax-Exempt Bonds) will be subject to optional redemption prior to maturity as shown on Exhibit A hereto. The Bonds will be as described in the Official Statement. The purchase price for the Bonds shall be \$\_\_\_\_\_ (the "Purchase Price"), which is equal to the aggregate principal amount of the Bonds (\$\_\_\_\_\_), less an amount equal to the Underwriter's discount for the Bonds of \$\_\_\_\_\_, plus net original issue premium of \$\_\_\_\_\_.

The Underwriter agrees to accept and pay for the Bonds at the Closing (as defined in Paragraph 6 hereof) in accordance with the provisions of this Bond Purchase Agreement. In the event the City does not accept this offer, or upon its failure to deliver the Bonds at the Closing, or if it shall be unable to satisfy the conditions to the obligations of the Underwriter contained in this Bond Purchase Agreement (unless waived by the Underwriter), or if such obligations of the Underwriter shall be terminated for any reason permitted by this Bond Purchase Agreement, this Bond Purchase Agreement shall terminate and the Underwriter shall have no further obligations or liability. Inasmuch as this purchase and sale represents a negotiated transaction, the City understands, and hereby confirms, that the Underwriter is not acting as a fiduciary of the City, but rather the Underwriter is acting solely in its capacity as an Underwriter for its own account.

**2. Authority, Security and Description of the Bonds.** The Taxable Bonds are issued pursuant to the authority of, as applicable, Sections 19-301 to 19-309, inclusive, of the Local Government Article of the Annotated Code of Maryland (the "Enabling Act"), Section 19-207, of the Local Government Article of the Annotated Code of Maryland (the "Refunding Act"), Sections 81 and 82A of the Charter of the City, as replaced, supplemented or amended (the "Charter"), Ordinance No. 3793, passed by the Mayor and City Council of the City (the "Mayor and City Council") on December 15, 2015 and effective on January 14, 2016 ("Ordinance No. 3793"), as amended and supplemented by Ordinance No. 3795, passed by the Mayor and City Council on May 17, 2016 and effective on June 16, 2016 ("Ordinance No. 3795" and collectively with Ordinance No. 3793, "Amended Ordinance No. 3793"), Ordinance No. 3624, passed on an emergency basis by the Mayor and City Council on August 12, 2008 and effective on September 11, 2008 ("Ordinance No. 3624"), as supplemented and amended by Ordinance No. 3634, passed on an emergency basis by the Mayor and City Council on March 3, 2009 and effective on April 2, 2009 ("Ordinance No. 3634" and collectively with Ordinance No. 3624, "Amended Ordinance No. 3624") and Resolution No. R2017-\_\_, adopted by the Mayor and City Council on June \_\_, 2017 and effective on June \_\_, 2017 (the "Resolution").

The Tax-Exempt Bonds are issued pursuant to the authority of, as applicable, the Enabling Act, the Refunding Act, the Charter, Ordinance No. 3621, passed by the Mayor and City Council on July 29, 2008 and effective on August 28, 2008 ("Ordinance No. 3621"), and the Resolution.

Amended Ordinance No. 3793, Amended Ordinance No. 3624 and Ordinance No. 3621 are collectively referred to in this Bond Purchase Agreement as the "Ordinances".

The Bonds are general obligations of the City and constitute an irrevocable pledge of the full faith and credit and unlimited taxing power of the City to the payment of the maturing principal of and interest on the Bonds as when they become due and payable.

Proceeds from the sale of the Taxable Bonds will be applied to (a) refinance the City's Taxable Bond Anticipation Notes of 2016 [in whole][in part] (the "Notes"), (b) advance refund [a portion of] the City's Taxable Pension Contribution Bonds of 2009 (the "2009 Pension Bonds"), and (c) pay costs of issuance of the Taxable Bonds. Proceeds from the sale of the Tax-Exempt Bonds will be applied to (a) advance refund [a portion of] the City's General Obligation Public Improvement Bonds, 2008 Series (the "2008 Public Improvement Bonds"), and (b) pay costs of issuance of the Tax-Exempt Bonds. [ADD REFERENCE TO OTHER AVAILABLE MONEYS, AS APPLICABLE]

**3. Public Offering.** The Underwriter agrees to make a bona fide offering of all of the Bonds at not more than the initial public offering prices or yields as indicated on the cover page of the Official Statement and in Schedule I hereto. Subsequent to such original public offering, the Underwriter reserves the right to change such initial prices or yields as it shall deem necessary in connection with the marketing of the Bonds. The obligations of the City and the Underwriter hereunder are conditioned upon Funk & Bolton, P.A., as bond counsel ("Bond Counsel"), being able to issue its approving legal opinions with respect to the Taxable Bonds and the Tax-Exempt Bonds in substantially the forms included as Appendix B to the Official Statement.

**4. Preliminary Official Statement and Official Statement.** The City has previously delivered to the Underwriter for its review, and the Underwriter have reviewed, a Preliminary Official Statement dated June \_\_, 2017 (the "Preliminary Official Statement"), prepared in connection with the offering of the Bonds, which has heretofore been "deemed final" as of the dated date thereof by the City for purposes of Securities and Exchange Commission Rule 15c2-12, as amended ("Rule 15c2-12"), except for the omission of such information as is specified in Rule 15c2-12. The Preliminary Official Statement is subject to revision, amendment and completion as permitted by applicable rules and regulations, particularly as to those terms and conditions of the Bonds to be determined at a date subsequent to delivery of the Preliminary Official Statement. The Preliminary Official Statement, with only such changes therein as shall have been approved by the Underwriter and the City, including the cover page and all appendices attached thereto, together with such amendments or supplements thereto as are required to be made in accordance herewith and with applicable rules and regulations subsequent to the date hereof, and which is delivered to the Underwriter, complete as of the date of such delivery, is herein called the "Official Statement".

The City shall provide, or cause to be provided to the Underwriter as soon as practicable after the City's acceptance of this Bond Purchase Agreement (but in no event later than seven (7) business days after the City's acceptance of this Bond Purchase Agreement, or three (3) business days prior to the Closing, whichever comes first, and in sufficient time to accompany any confirmation that requests payment from any customer) printed copies of the Official Statement, executed by the City (and conformed copies thereof) in sufficient quantity to enable the Underwriter to comply with the rules of the Securities and Exchange Commission and the Municipal Securities Rulemaking Board.

The City hereby authorizes the Underwriter, and the Underwriter hereby agrees, to file or cause to be filed the Official Statement with the Municipal Securities Rulemaking Board.

The City hereby consents to the use by and confirms the authority of the Underwriter to use the Official Statement (in printed or electronic form), and any supplements or amendments thereto in connection with the public offering and sale of the Bonds and ratifies and confirms its authorization of the use by the Underwriter prior to the date hereof of the Preliminary Official Statement (in printed or electronic form) in connection with such public offering and sale.

**5. Covenants and Representations of the City.** The City represents and covenants to and with the Underwriter, at the time of its acceptance hereof, and on the date of the Closing, that:

- (a) The City is a body politic and corporate and a municipal corporation of the State of Maryland.
- (b) By official action of the City, the Ordinances have been duly and lawfully enacted and the Resolution has been duly and lawfully adopted after passage by the Mayor and City Council at meetings that were duly called and at which a quorum was present and acting throughout, and the Ordinances and the Resolution are in full force and effect as of the date hereof, and have not been amended, revoked or rescinded, except to the extent that (i) Ordinance No. 3795 amends and supplements Ordinance No. 3793 and (ii) Ordinance No. 3634 supplements and amends Ordinance No. 3624; and the City has full legal right, power and authority to enter into this Bond Purchase Agreement and the Continuing Disclosure Certificate (hereinafter defined), to enact the Ordinances, to adopt the Resolution, and to issue and deliver the Bonds as provided herein, in the Official Statement, and in the Ordinances and the Resolution, and each of such instruments, when executed and delivered by the City, will have been duly authorized, executed and delivered by the City, and will constitute legal, valid and binding obligations of the City, enforceable against the City in accordance with their respective terms.
- (c) The City has duly authorized and approved the execution and delivery of, and the performance by the City of the obligations contained in, the Bonds, the Continuing Disclosure Certificate and this Bond Purchase Agreement; and the City has duly authorized and approved the performance by the City of its obligations contained in the Ordinances and the Resolution, and the consummation by it of all other transactions contemplated by the Official Statement, the Continuing Disclosure Certificate and this Bond Purchase Agreement is, and to the best of the City's knowledge will be, in compliance with the provisions of the Ordinances and the Resolution.
- (d) Except as disclosed in the Preliminary Official Statement and the Official Statement, respectively, there shall not have been any material adverse change since June 30, 2016 in the financial condition or operations of the City.

(e) The Preliminary Official Statement has been delivered to the Underwriter and has been “deemed final” as of the dated date thereof by the City for purposes of Rule 15c2-12;

(f) As of June \_\_, 2017 and as of the date hereof, the Preliminary Official Statement did not and does not contain any untrue statement of a material fact or omit to state a material fact required to be stated therein, or necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading; and the Preliminary Official Statement did not and does not contain any untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements contained therein, in the light of the circumstances under which they were made, not misleading (except as to the statements under the captions “BOOK-ENTRY-ONLY-SYSTEM,” “UNDERWRITING” and “FINANCIAL ADVISOR”, as to which no view is expressed).

(g) As of the date hereof and as of the date of Closing, the Official Statement does not and will not contain any untrue statement of a material fact or omit to state a material fact required to be stated therein, or necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading; and the Official Statement does not and will not contain any untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements contained therein, in the light of the circumstances under which they were made, not misleading (except as to the statements under the captions “BOOK-ENTRY-ONLY-SYSTEM,” “UNDERWRITING” and “FINANCIAL ADVISOR”, as to which no view is expressed).

(h) The enactment or authorization, execution and delivery, as the case may be, of the Ordinances, the Resolution, the Bonds, the Continuing Disclosure Certificate, the Official Statement and this Bond Purchase Agreement, the compliance with the terms and conditions hereof and thereof, and the consummation of the transactions herein, therein and in the Official Statement contemplated to be performed by the City, do not and will not (i) violate any law or any regulation, order, injunction or decree of any court, governmental body, agency or other public instrumentality to which the City is subject, or (ii) result in or conflict with or constitute a breach of any of the terms and conditions of, or constitute a default under, or, except as contemplated by the Ordinances or the Resolution, result in the creation or imposition of any mortgage, lien, charge or encumbrance of any nature whatsoever upon any assets or property of the City, or any moneys or investments therein pursuant to the terms of any indenture, mortgage, agreement or other instrument to which the City is a party or by which the City or its properties is bound.

(i) Except as disclosed in the Preliminary Official Statement and the Official Statement, no litigation is pending or, to the knowledge of the City, threatened in any court (i) in any way challenging the title of any officials or officers of the City to their respective offices, or (ii) seeking to restrain or enjoin the issuance or delivery of any of the Bonds or the imposition of assessments, charges or taxes to pay the principal of,

premium, if any, and interest on the Bonds, or in any way contesting or affecting the validity of, the authority for, or the execution and delivery of the Bonds, any of the Ordinances, the Resolution, the Continuing Disclosure Certificate, the Preliminary Official Statement, the Official Statement or this Bond Purchase Agreement, or contesting the powers of the City or any authority for the issuance of the Bonds, the enactment of any of the Ordinances or the adoption of the Resolution, or (iii) in which a final adverse decision would materially adversely affect the financial condition or operation of the City or adversely affect the transactions contemplated hereby and by the Continuing Disclosure Certificate and the Official Statement, or (iv) contesting in any way the completeness, accuracy or fairness of the Preliminary Official Statement or the Official Statement.

(j) The City will furnish such information, execute such instruments and take such other action not inconsistent with law or established policy of the City in cooperation with the Underwriter as the Underwriter may request in order to qualify the Bonds for offer and sale under the blue sky or other securities laws and regulations of such states and other jurisdictions of the United States as the Underwriter may designate, provided that the City shall not be required to qualify as a foreign corporation in, or submit to the general jurisdiction of, or execute a special or general consent to service of process in, any other state.

(k) The financial information contained in the Preliminary Official Statement and the Official Statement fairly presents the financial position of the City as of the dates and for the periods therein set forth; and such financial information has been prepared by the Department of Finance of the City or the City's independent public accountant.

(l) The Bonds, the Ordinances, the Resolution and the Continuing Disclosure Certificate conform in all material respects to the descriptions thereof contained in the Preliminary Official Statement and the Official Statement, and the Bonds when authenticated and delivered by the Bond Registrar and Paying Agent, will have been duly authorized, executed, authenticated, issued and delivered and will constitute valid and binding general obligations of the City in conformity with, and entitled to the benefit of, as applicable, the Enabling Act, the Refunding Act, the Charter, the Ordinances and the Resolution.

(m) The City has duly authorized all necessary action on its part for:

(i) the issuance, offering and sale of the Bonds upon the terms set forth herein and in the Official Statement;

(ii) the use of the proceeds of the Bonds as described in the Official Statement;

(iii) the execution, delivery and acceptance, or the enactment, as appropriate, of the Bonds, the Ordinances, the Resolution, the Official Statement, the Continuing Disclosure Certificate and this Bond Purchase Agreement, and the

carrying out and consummation of all transactions on its part contemplated hereby and thereby; and

(iv) the taking of any and all such action as may be required by the City to carry out, give effect to and consummate the transactions to which the City is a party contemplated hereby and by the Official Statement and the Continuing Disclosure Certificate.

(n) All approvals, consents and orders of any governmental authority or agency having jurisdiction in any matter that would constitute a condition precedent to the performance by the City of its obligations hereunder, or under any of the documents or instruments relating to the Bonds, and to which it is a party (including, without limitation, the Enabling Act, the Refunding Act, the Charter, the Ordinances, the Resolution, the Continuing Disclosure Certificate and this Bond Purchase Agreement), have been obtained and are in full force and effect, except such as may be required under applicable blue sky or securities laws in connection with the offering and sale of the Bonds by the Underwriter.

(o) The City will not take or omit to take any action which action or omission would in any way cause the proceeds from the sale of the Bonds to be applied other than as provided in the Ordinances, the Resolution and the Official Statement.

(p) This Bond Purchase Agreement has been duly authorized, executed and delivered by the City.

(q) The City is not now in default and has not at any time been in default as to principal or interest on any security issued or guaranteed by the City which is payable from the same source of payment as the Bonds.

(r) Any certificate signed by any official of the City and delivered to the Underwriter shall be deemed to be a representation by the City to the Underwriter as to the statements made therein.

(s) The City has not been notified of any listing or proposed listing of the City by the Internal Revenue Service as an issuer whose arbitrage certifications may not be relied upon.

(t) Except as described in the Preliminary Official Statement, the City has not failed to comply, in any material respect, with any undertaking in a written contract or agreement specified in paragraph (b)(5)(i) of Rule 15c2-12.

(u) The executed copies of the Official Statement, when delivered by the City to the Underwriter, will be deemed final by the City as of the date thereof for purposes of Rule 15c2-12.

**6. Closing.** At 10:00 A.M., E.D.T., on July \_\_, 2017 or at such other time or on such earlier or later date as the parties mutually agree upon, closing shall occur (herein called the “Closing”), and the City will deliver or cause to be delivered to The Depository Trust Company (“DTC”), in New York, New York, through the “FAST System,” the Bonds in definitive or book-entry form, duly authenticated and registered in the name of Cede & Co., as registered owner and nominee for DTC, which will act as Securities Depository for the Bonds. At the time of Closing, there will be delivered to the Underwriter at the offices of Funk & Bolton, P.A., Baltimore, Maryland, or at such other place as the parties may mutually agree upon, the other documents hereinafter mentioned; and the Underwriter will confirm delivery of the Bonds to DTC and pay the purchase price thereof in immediately available funds to or at the direction of the City to be applied in accordance with the Resolution.

**7. Conditions to Obligations of the Underwriter.** The Underwriter has entered into this Bond Purchase Agreement in reliance upon the representations, warranties and covenants of the City contained herein and the performance by the City of its obligations hereunder both as of the date hereof and as of the date of Closing and upon the accuracy of the statements to be contained in the documents, opinions, and instruments to be delivered at the Closing, as set forth below. Accordingly, the Underwriter’s obligation under this Bond Purchase Agreement to purchase, accept delivery of, and pay for the Bonds is subject to the performance by the City of its obligations hereunder at or prior to the Closing and to the following additional conditions precedent:

- (a) Prior to or simultaneously with the mailing of the Preliminary Official Statement, the Underwriter shall receive a certificate from an authorized official or officials of the City to the effect that the Preliminary Official Statement is deemed by the City to be final as of the date thereof for purposes of Rule 15c2-12, except for the omission of no more than the information permitted to be omitted therefrom by paragraph (b)(1) of Rule 15c2-12.
- (b) The representations and covenants of the City contained herein shall be true, complete and correct in all material respects at the date hereof and on the date of the Closing.
- (c) At the time of the Closing (i) the Ordinances, the Resolution, the Continuing Disclosure Certificate and this Bond Purchase Agreement shall be in full force and effect, and shall not have been amended, modified or supplemented (except to the extent that Ordinance No. 3795 amends and supplements Ordinance No. 3793 and Ordinance No. 3634 supplements and amends Ordinance No. 3624, and except as otherwise may be agreed to in writing by the Underwriter); (ii) the ratings of the Bonds as set forth in Paragraph 7(d)(vi) hereof shall be in effect; (iii) the proceeds of the sale of the Bonds shall be deposited and applied as described in the Official Statement and the Resolution; (iv) the City shall have duly adopted and there shall be in full force and effect such additional resolutions, ordinances or orders as, in the opinion of Bond Counsel, shall be necessary in connection with the transactions contemplated hereby; and (v) the City shall perform or have performed all of its obligations required under or specified in this Bond Purchase

Agreement, the Official Statement, the Ordinances, the Resolution and the Continuing Disclosure Certificate to be performed at or prior to the Closing.

(d) At or prior to the Closing and as a condition to the obligations of the Underwriter under this Bond Purchase Agreement, the Underwriter shall receive the following:

(i) two copies of all proceedings of the City (including the Ordinances and the Resolution) pertaining to the issuance and sale of the Bonds and the transactions contemplated hereby and by the Official Statement;

(ii) two executed copies each of (A) the Official Statement, (B) this Bond Purchase Agreement, (C) the Continuing Disclosure Certificate entered into by the City with respect to the Bonds in compliance with Rule 15c2-12 in substantially the form attached hereto as Exhibit C (the “Continuing Disclosure Certificate”), and (D) each other agreement or instrument used in the consummation of the transactions contemplated hereby and by the Official Statement;

(iii) the approving legal opinions of Funk & Bolton, P.A., Bond Counsel, with respect to the Taxable Bonds and the Tax-Exempt Bonds, dated the date of the Closing, in substantially the forms contained in Appendix B to the Official Statement, together with a letter or letters addressed to the Underwriter and Miles & Stockbridge P.C. stating that the Underwriter and Miles & Stockbridge P.C. may rely upon such opinions as through addressed to them;

(iv) a supplementary opinion of Bond Counsel, dated the date of the Closing and addressed to the City and the Underwriter, in substantially the form attached hereto as Exhibit B and made a part hereof;

(v) A certificate, dated the date of Closing, signed by one or more authorized officers or representatives of the City to the effect that, to his or their knowledge: (i) the representations of the City contained in this Bond Purchase Agreement are true as of the date of Closing; and (ii) the City has performed all obligations to be performed hereunder as of the date of Closing;

(vi) copies of the letters to the City from Fitch Ratings and Standard & Poor’s Global Ratings, giving the Bonds the ratings of “A” and “A-”, respectively;

(vii) with respect to the Tax-Exempt Bonds, the duly executed Tax and Section 148 Certificate of the City and a duly executed or substantially completed United States Treasury Department Form 8038-G;

(viii) an opinion of Miles & Stockbridge P.C., Baltimore, Maryland, counsel to the Underwriter, dated the date of the Closing and addressed to the Underwriter, in form and substance satisfactory to the Underwriter;

(ix) copies of the blue sky memoranda indicating the jurisdictions in which the Bonds may be sold in compliance with the blue sky or securities laws of such jurisdictions; and

(x) such additional certificates, instruments and other documents as the Underwriter, counsel to the Underwriter or Bond Counsel may reasonably deem necessary to evidence the truth and accuracy as of the date of the Closing of the City's representations and covenants contained in this Bond Purchase Agreement and the due performance or satisfaction by the City at or prior to such time of all agreements then to be performed and all conditions then to be satisfied by the City pursuant to this Bond Purchase Agreement.

The opinions and certificates and other material referred to above shall be in form and substance satisfactory to the Underwriter and to Miles & Stockbridge P.C., counsel to the Underwriter.

**8. Cancellation of Bond Purchase Agreement by Underwriter.** The Underwriter shall have the right to terminate this Bond Purchase Agreement by notification to the City from the Underwriter of the election of the Underwriter to do so if, after the execution hereof and prior to the Closing:

(a) an event shall occur which makes untrue or incorrect in any material respect, as of the time of such event, any statement or information contained in the Official Statement or which is not reflected in the Official Statement but should be reflected therein in order to make the statements contained therein not misleading in any material respect and requires an amendment of or supplement to the Official Statement and the effect of which, in the judgment of the Underwriter, would materially adversely affect the market for the Bonds or the sale, at the contemplated offering prices (or yields), by the Underwriter of the Bonds; or

(b) legislation shall be introduced in, enacted by, reported out of committee, or recommended for passage by the State of Maryland, either House of the Congress, or recommended to the Congress or otherwise endorsed for passage (by press release, other form of notice or otherwise) by the President of the United States, the Treasury Department of the United States, the Internal Revenue Service or the Chairman or ranking minority member of the Committee on Finance of the United States Senate or the Committee on Ways and Means of the United States House of Representatives, or legislation is proposed for consideration by either such committee by any member thereof or presented as an option for consideration by either such committee by the staff or such committee or by the staff of the Joint Committee on Taxation of the Congress of the United States, or a bill to amend the Code (which, if enacted, would be effective as of a date prior to the Closing) shall be filed in either House, or a decision by a court of competent jurisdiction shall be rendered, or a regulation or filing shall be issued or proposed by or on behalf of the Department of the Treasury or the Internal Revenue Service of the United States, or other agency of the federal government, or a release or official statement shall be issued by the President, the Department of the Treasury or the

Internal Revenue Service of the United States, in any such case with respect to or affecting (directly or indirectly) the taxation of interest received on obligations of the general character of the Tax-Exempt Bonds which, in the opinion of the Underwriter, materially adversely affects the market for the Tax-Exempt Bonds or the sale, at the contemplated offering prices (or yields), by the Underwriter of the Tax-Exempt Bonds; or

(c) a stop order, ruling, regulation, proposed regulation or statement by or on behalf of the Securities and Exchange Commission or any other governmental agency having jurisdiction of the subject matter shall be issued or made to the effect that the issuance, offering, sale or distribution of obligations of the general character of the Bonds is in violation or would be in violation of any provisions of the Securities Act of 1933, as amended; or

(d) legislation introduced in or enacted (or resolution passed) by the Congress or an order, decree, or injunction issued by any court of competent jurisdiction, or an order, ruling, regulation (final, temporary, or proposed), press release or other form of notice issued or made by or on behalf of the Securities and Exchange Commission, or any other governmental agency having jurisdiction of the subject matter, to the effect that obligations of the general character of the Bonds, including any or all underlying arrangements, are not exempt from registration under or other requirements of the Securities Act of 1933, as amended (the "Securities Act"), or that the issuance, offering, or sale of obligations of the general character of the Bonds, including any or all underlying arrangements, as contemplated hereby or by the Official Statement or otherwise, is or would be in violation of the federal securities law as amended and then in effect;

(e) there shall have occurred any outbreak or escalation of hostilities, declaration by the United States of a national or international emergency or war or other calamity or crisis the effect of which on financial markets is such as to make it, in the reasonable judgment of the Underwriter, impractical or inadvisable to proceed with the offering of the Bonds as contemplated in the Official Statement; or

(f) there shall have occurred a general suspension of trading, minimum or maximum prices for trading shall have been fixed and be in force or maximum ranges or prices for securities shall have been required on the New York Stock Exchange or other national stock exchange whether by virtue of a determination by that exchange or by order of the Securities and Exchange Commission or any other governmental agency having jurisdiction or any national securities exchange shall have: (i) imposed additional material restrictions not in force as of the date hereof with respect to trading in securities generally, or to the Bonds or similar obligations; or (ii) materially increased restrictions now in force with respect to the extension of credit by or the charge to the net capital requirements of Underwriter or broker-dealers such as to make it, in the judgment of the Underwriter, impractical or inadvisable to proceed with the offering of the Bonds as contemplated in the Official Statement; or

(g) a general banking moratorium shall have been declared by federal or New York or Maryland state authorities or a major financial crisis or a material disruption in commercial banking or securities settlement or clearances services shall have occurred such as to make it, in the judgment of the Underwriter, impractical or inadvisable to proceed with the offering of the Bonds as contemplated in the Official Statement; or

(h) a downgrading or suspension of any rating (without regard to credit enhancement) by S&P or Fitch of any debt securities issued by the City, or (ii) there shall have been any official statement as to a possible downgrading (such as being placed on “credit watch” or “negative outlook” or any similar qualification) of any rating by S&P or Fitch of any debt securities issued by the City, including the Bonds.

**9. Expenses.** The City shall pay or cause to be paid the expenses incident to the performance of its obligations hereunder including but not limited to (a) the cost of the preparation and printing or other reproduction of the Ordinances, the Resolution, the Preliminary Official Statement, the Official Statement, the Continuing Disclosure Certificate and the other documents mentioned herein; (b) the fees and disbursements of Bond Counsel, the Bond Registrar and Paying Agent, any other experts or consultants retained by the City, including, without limitation, the Financial Advisor to the City, and counsel to the Underwriter; (c) the costs and fees of the credit rating agencies; and (d) the cost of preparing and delivering the definitive Bonds. The Underwriter shall pay all expenses incurred by it in connection with its public offering and distribution of the Bonds (including the cost of the federal funds wire with respect to the payment for the Bonds but excluding the fees and disbursements of its counsel).

**10. Indemnification and Contribution.** The City agrees to indemnify and hold harmless the Underwriter, its directors, officers, employees and agents and each person who controls the Underwriter within the meaning of either the Securities Act or the Exchange Act (each, an “Indemnified Party”) against any and all losses, claims, damages or liabilities, joint or several, to which they or any of them may become subject under the Securities Act, the Exchange Act or other Federal or state statutory law or regulation, at common law or otherwise, insofar as such losses, claims, damages or liabilities arise out of or are based upon any untrue statement or alleged untrue statement of a material fact contained in the Preliminary Official Statement, the Official Statement (or in any supplement or amendment thereto), or arise out of or are based upon the omission or alleged omission to state therein a material fact required to be stated therein or necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading, other than material under the headings “BOOK-ENTRY ONLY SYSTEM”, “FINANCIAL ADVISOR” and “UNDERWRITING” and any reoffering information provided by the Underwriter and included in the Official Statement. This indemnity agreement will be in addition to any liability which the City may otherwise have and shall be subject to the provisions of any applicable law.

Promptly after receipt by an Indemnified Party of notice of the commencement of any action, the City will, if a claim in respect thereof is to be made against the City, notify the City in writing of the commencement thereof; but the failure so to notify the City (i) will not relieve it from liability unless and to the extent it did not otherwise learn of such action and such failure results in the forfeiture by the City of substantial rights and defenses; and (ii) will not, in

any event, relieve the City from any obligations to any Indemnified Party other than the indemnification obligation. The City shall be entitled to appoint counsel of its choice at its expense to represent the Indemnified Party in any action for which indemnification is sought provided, however, that such counsel shall be satisfactory to the Indemnified Party. Notwithstanding the City's election to appoint counsel to represent the Indemnified Party in an action, the Indemnified Party shall have the right to employ separate counsel (including local counsel), and the City shall bear the reasonable fees, costs and expenses of such separate counsel if (i) the use of counsel chosen by the City to represent the Indemnified Party would present such counsel with a conflict of interest; (ii) the actual or potential defendants in, or targets of, any such action include both the Indemnified Party and the City and the Indemnified Party shall have reasonably concluded that there may be legal defenses available to it and/or other Indemnified Parties which are different from or additional to those available to the City; (iii) the City shall not have employed counsel satisfactory to the Indemnified Party to represent the Indemnified Party within a reasonable time after notice of the institution of such action; or (iv) the City shall authorize the Indemnified Party to employ separate counsel at the expense of the City. The City will not, without the prior written consent of the Indemnified Parties, settle or compromise or consent to the entry of any judgment with respect to any pending or threatened claim, action, suit or proceeding in respect of which indemnification or contribution may be sought hereunder (whether or not the Indemnified Parties are actual or potential parties to such claim or action) unless such settlement, compromise or consent includes an unconditional release of each Indemnified Party from all liability arising out of such claim, action, suit or proceeding.

In the event that the indemnity provided herein is unavailable or insufficient to hold harmless an Indemnified Party for any reason the City and the Underwriter agree to contribute to the aggregate losses, claims, damages and liabilities (including legal or other expenses reasonably incurred in connection with investigating or defending the same) to which the City and the Underwriter may be subject in such proportion as is appropriate to reflect the relative benefits received by the City on the one hand and by the Underwriter on the other from the offering. If the allocation provided by the immediately preceding sentence is unavailable for any reason, the City and the Underwriter shall contribute in such proportion as is appropriate to reflect not only such relative benefits but also the relative fault of the City on the one hand and of the Underwriter on the other in connection with the statements or omissions which resulted in such losses, as well as any other relevant equitable considerations. In no case shall the Underwriter be responsible for any amount in excess of the purchase discount or fee applicable to the Bonds purchased by the Underwriter hereunder. Benefits received by the City shall be deemed to be equal to the total net proceeds from the offering (before deducting expenses) received by it, and benefits received by the Underwriter shall be deemed to be equal to the total purchase discounts and commissions in each case set forth on the inside cover of the Official Statement. Relative fault shall be determined by reference to, among other things, whether any untrue or any alleged untrue statement of a material fact or the omission or alleged omission to state a material fact relates to information provided by the City on the one hand or the Underwriter on the other, the intent of the parties and their relative knowledge, information and opportunity to correct or prevent such untrue statement or omission. The City and the Underwriter agree that it would not be just and equitable if contribution were determined by pro rata allocation or any other method of allocation which does not take account of the equitable considerations referred to above. Notwithstanding the provisions of this paragraph no person

guilty of fraudulent misrepresentation (within the meaning of Section 11(f) of the Securities Act) shall be entitled to contribution from any person who was not guilty of such fraudulent misrepresentation. Each person who controls the Underwriter within the meaning of either the Securities Act or the Exchange Act and each director, officer, employee and agent of the Underwriter shall have the same rights to contribution as the Underwriter, and each person who controls the City within the meaning of either the Securities Act or the Exchange Act and each official, director, officer and employee of the City shall have the same rights to contribution as the City, subject in each case to the applicable terms and conditions of this paragraph.

**11. Amendments or Supplements to the Official Statement.** If between the date of this Bond Purchase Agreement and the date of the Closing, and for a period of 25 days after the Closing, or any other period as shall be necessary to enable the Underwriter to comply with Rule 15c2-12, any event shall occur or any fact be discovered which would cause the Official Statement, as then supplemented or amended, to contain an untrue statement of a material fact or to omit to state a material fact required to be stated therein or necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading, the City shall notify the Underwriter thereof. If, in the opinion of the City and the Underwriter, such event requires the preparation and publication of a supplement or amendment to the Official Statement, the City will prepare an appropriate amendment or supplement thereto, at the sole expense of the City (provided that, if the amendment or supplement amends the material under the heading “UNDERWRITING” or any reoffering information provided by the Underwriter, the costs thereof shall be borne by the Underwriter), in a form and in a manner approved by the Underwriter (and the Underwriter shall file, or cause to be filed, the same with any nationally recognized municipal securities information repositories designated by the Securities and Exchange Commission at which the Official Statement was filed as required in Paragraph 4 hereof and with the Municipal Securities Rulemaking Board), so that the statements and information in the Official Statement, so amended and supplemented will not be, in the light of the circumstances under which they were made, misleading. The City will cooperate with the Underwriter in amending or supplementing the Official Statement in a form and in a manner approved by the Underwriter.

The parties hereto recognize that if it is necessary to supplement or amend the Official Statement, the Closing may be postponed for an appropriate time to allow the Underwriter to determine the effect of such supplement or amendment upon the market price or marketability of the Bonds or the Underwriter’s ability to enforce contracts for the sale of the Bonds.

**12. No Advisory or Fiduciary Role.** The City acknowledges and agrees that (i) the purchase and sale of the Bonds pursuant to this Bond Purchase Agreement is an arm’s-length commercial transaction between the City and the Underwriter, (ii) in connection therewith and with the discussions, undertakings and procedures leading up to the consummation of such transaction, the Underwriter is and has been acting solely as a principal and is not acting as the agent or fiduciary of the City, (iii) the Underwriter has not assumed an advisory or fiduciary responsibility in favor of the City with respect to the offering contemplated hereby or the discussions, undertakings and procedures leading thereto (irrespective of whether the Underwriter has provided other services or is currently providing other services to the City on

other matters) and the Underwriter has no obligation to the City with respect to the offering contemplated hereby except the obligations expressly set forth in this Bond Purchase Agreement and (iv) the City has consulted its own legal, financial and other advisors to the extent it has deemed appropriate.

**13. Notices.** Any notice or other communication to be given to the City under this Bond Purchase Agreement may be given by delivering the same in writing by (i) certified or registered mail, return receipt requested, first class postage prepaid or (ii) overnight or hand delivery with written confirmation, to Mayor and City Council of Cumberland, 57 North Liberty Street, Cumberland, Maryland, 21502, Attention: City Administrator; and any notice or other communication to be given to the Underwriter under this Bond Purchase Agreement may be given by delivering the same in writing to M&T Securities, Inc., 25 South Charles Street, Baltimore, Maryland, 21201, Attention: Greg Brunner, Managing Director.

**14. Benefit of Bond Purchase Agreement.** This Bond Purchase Agreement, when accepted by the City in writing as heretofore specified, shall constitute the entire agreement between the City and the Underwriter and is made solely for the benefit of the City and the Underwriter (including any successor in interest of the Underwriter). No other person, including any owners of the Bonds, shall acquire or have any right hereunder or by virtue hereof.

**15. Survival of Representations, Covenants and Agreements.** All representations, covenants and agreements in this Bond Purchase Agreement shall remain operative and in full force and effect, regardless of (a) any investigation made by or on behalf of the Underwriter, (b) delivery of and payment for the Bonds hereunder, and (c) any termination of this Bond Purchase Agreement.

**16. Governing Law.** This Bond Purchase Agreement shall be governed by and construed under the laws of the State of Maryland.

**17. Assignment.** This Bond Purchase Agreement may not be assigned by the City or the Underwriter without the prior written consent of the other party hereto.

**18. Counterparts.** This Bond Purchase Agreement may be executed in any number of counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same agreement.

**19. Headings.** The headings of the Paragraphs of this Bond Purchase Agreement are inserted for convenience of reference only and shall not be deemed to be a part hereof.

[THE REST OF THIS PAGE IS INTENTIONALLY LEFT BLANK]

If the foregoing is acceptable to you, please sign below and this Bond Purchase Agreement will become a binding agreement between us.

Very truly yours,

M&T SECURITIES, INC.

By: \_\_\_\_\_  
Greg Brunner  
Managing Director

ACCEPTED AT \_\_\_\_\_ [A.M./P.M.] ON THE DATE FIRST ABOVE WRITTEN

MAYOR AND CITY COUNCIL OF CUMBERLAND

By: \_\_\_\_\_  
Jeffrey D. Rhodes  
City Administrator

EXHIBIT A

## MATURITY SCHEDULES AND REDEMPTION PROVISIONS FOR THE BONDS

I. The Taxable BondsAmortization Schedule

<u>Due</u>	<u>Principal Amount</u>	<u>Interest Rate</u>	<u>Yield</u>	<u>Price</u>
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II. The Tax-Exempt BondsAmortization Schedule

<u>Due</u>	<u>Principal Amount</u>	<u>Interest Rate</u>	<u>Yield</u>	<u>Price</u>
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III. Optional Redemption

The Bonds maturing on or after June 1, 2028 are subject to redemption on or after June 1, 2027 in whole or in part at any time at the option of the City, in the order of maturity specified by the City, at a redemption price equal to 100% of the principal amount thereof to be redeemed, together with interest accrued to the date fixed for redemption.

EXHIBIT B

## FORM OF SUPPLEMENTAL OPINION OF BOND COUNSEL

(Closing Date)

Mayor and City Council of Cumberland  
Cumberland, Maryland

M&T Securities, Inc.  
Baltimore, Maryland

Ladies and Gentlemen:

We have acted as Bond Counsel in connection with the issuance by Mayor and City Council of Cumberland, a body politic and corporate and a municipal corporation of the State of Maryland (the “City”) of \$\_\_\_\_\_ Mayor and City Council of Cumberland Taxable Redevelopment and Pension Contribution Refunding Bonds of 2017 (the “Taxable Bonds”) and \$\_\_\_\_\_ Mayor and City Council of Cumberland Tax-Exempt Public Improvement Refunding Bonds of 2017 (the “Tax-Exempt Bonds” and, collectively with the Taxable Bonds, the “Bonds”).

The Taxable Bonds are issued pursuant to the authority of, as applicable, Sections 19-301 to 19-309, inclusive, of the Local Government Article of the Annotated Code of Maryland (the “Enabling Act”), Section 19-207, of the Local Government Article of the Annotated Code of Maryland (the “Refunding Act”), Sections 81 and 82A of the Charter of the City, as replaced, supplemented or amended (the “Charter”), Ordinance No. 3793, passed by the Mayor and City Council of the City (the “Mayor and City Council”) on December 15, 2015 and effective on January 14, 2016 (“Ordinance No. 3793”), as amended and supplemented by Ordinance No. 3795, passed by the Mayor and City Council on May 17, 2016 and effective on June 16, 2016 (“Ordinance No. 3795” and collectively with Ordinance No. 3793, “Amended Ordinance No. 3793”), Ordinance No. 3624, passed on an emergency basis by the Mayor and City Council on August 12, 2008 and effective on September 11, 2008 (“Ordinance No. 3624”), as supplemented and amended by Ordinance No. 3634, passed on an emergency basis by the Mayor and City Council on March 3, 2009 and effective on April 2, 2009 (“Ordinance No. 3634” and collectively with Ordinance No. 3624, “Amended Ordinance No. 3624”) and Resolution No. R2017-\_, adopted by the Mayor and City Council on June \_\_, 2017 and effective on June \_\_, 2017 (the “Resolution”).

The Tax-Exempt Bonds are issued pursuant to the authority of, as applicable, the Enabling Act, the Refunding Act, the Charter, Ordinance No. 3621, passed by the Mayor and City Council on July 29, 2008 and effective on August 28, 2008 (“Ordinance No. 3621”), and the Resolution.

Amended Ordinance No. 3793, Amended Ordinance No. 3624 and Ordinance No. 3621 are collectively referred to in this Bond Purchase Agreement as the “Ordinances”.

We have examined the law and such certified proceedings and other papers as we have deemed necessary to render this opinion.

Capitalized terms used in this opinion but not defined herein shall have the meanings ascribed to such terms in the Bond Purchase Agreement dated June 18, 2017 between the City and M&T Securities, Inc., as Underwriter (the “Bond Purchase Agreement”).

We refer you to the Bonds and to the Authorizing Legislation for a description of the purposes for which the Bonds are issued, the security for the Bonds, the manner in which and times at which the principal of and interest on the Bonds are payable, the interest rates payable on the Bonds, the provisions under which the Bonds may be redeemed prior to their stated maturity, and all other details of the Bonds.

As to questions of fact material to our opinion, without undertaking to verify the same by independent investigation, we have relied upon the certified proceedings and other certifications of public officials furnished to us.

We have assumed the accuracy and truthfulness of all public records and of all certifications, documents and other proceedings examined by us that have been executed or certified by public officials acting within the scope of their official capacities, and we have not independently verified the accuracy or truthfulness thereof. We have also assumed the genuineness of the signatures appearing upon such public records, certifications, documents and proceedings.

Further, we have assumed the authenticity of all documents submitted to us as originals, the genuineness of all signatures, and the conformity to original documents of all documents submitted to us as certified or photostatic copies and the authenticity of the originals of such latter documents.

We do not express any opinion herein concerning any law other than the law of the State of Maryland and the federal law of the United States of America.

We have not examined, and express no opinion as to, the existence of or title to real or personal property.

Based upon, and subject to, the foregoing, and on the basis of existing law, it is our opinion, as of the date hereof, that:

(a) The Ordinances have been duly enacted by the Mayor and City Council, have not been amended, revoked or rescinded, except to the extent that Ordinance No. 3795 amends and

supplements Ordinance No. 3793 and that Ordinance No. 3634 supplements and amends Ordinance No. 3624, and are in full force and effect.

(b) The Resolution has been duly adopted by the Mayor and City Council, has not been amended, revoked or rescinded, and is in full force and effect.

(c) The Bonds constitute the valid and legally binding general obligations of the City enforceable against the City in accordance with their respective terms.

(d) The Bond Purchase Agreement has been duly authorized, executed and delivered by the City and, assuming the due authorization, execution and delivery thereof by the Underwriter, constitutes the legal, valid and binding agreement of the City.

(e) The Continuing Disclosure Certificate of the City dated as of July \_\_, 2017 (the "Continuing Disclosure Certificate") has been duly authorized, executed and delivered by the City and constitutes the legal, valid and binding agreement of the City.

(f) The City has duly approved, authorized and ratified the Preliminary Official Statement dated June \_\_, 2017 relating to the Bonds and the use and distribution thereof, and the City has duly approved and executed the Official Statement dated June 18, 2017 relating to the Bonds and duly approved the use and distribution thereof.

(g) Based upon our participation in the preparation of the Official Statement as Bond Counsel, our discussions and inquiries of the City and its counsel and the examinations which we have made, and without having undertaken to determine independently the accuracy or completeness of the statements contained in the Official Statement, nothing has come to our attention which would lead us to believe that the Official Statement as of its date contains an untrue statement of a material fact or omits to state a material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading, it being understood that in rendering such opinion we are not and shall not express any opinion with respect to financial, operational, numerical and statistical data or material, or expression of opinions or estimates included in the Official Statement.

The information in the Official Statement captioned "INTRODUCTION", "APPLICATION OF PROCEEDS", "REFUNDING PLAN", "DESCRIPTION OF THE BONDS", "TAX MATTERS", "LEGAL MATTERS" and "CONTINUING DISCLOSURE", and Appendix B to the Official Statement, has been reviewed by us, and, insofar as such information constitutes conclusions of law, legal opinions or descriptions of legal documents, is a fair and accurate summary.

The rights of any holder of the Bonds and the enforceability of the Bonds, the Bond Purchase Agreement and the Continuing Disclosure Certificate are subject to: (a) the exercise of judicial discretion in accordance with general principles of equity (whether applied by a court of law or a court of equity), including judicial limitations on rights to specific performance; (b) the valid exercise of the constitutional powers of the United States of America and of the sovereign

police and taxing powers of the state or other governmental units having jurisdiction; and (c) bankruptcy, insolvency, reorganization, moratorium or other similar laws heretofore or hereafter in effect affecting creditors' rights, to the extent applicable.

We express no opinion as to the laws of any jurisdiction other than the laws of the State of Maryland and the federal laws of the United States of America as currently in effect. The opinions expressed above are limited to the matters set forth above, and no opinions should be inferred beyond the matters expressly stated. This opinion is issued as of the date hereof, and we assume no obligation to update, revise or supplement this opinion letter to reflect any facts or circumstances that may hereafter come to our attention, or any changes in law, or in interpretations thereof, that may hereafter occur, or for any other reason whatsoever.

The views expressed herein are solely for the use of the addressees in connection with the consummation of the transactions contemplated by the Official Statement and, without our prior written consent, may not be quoted in whole or in part or otherwise referred to in any legal opinion, document or other report, and may not be furnished to any person or entity, provided that this letter may be included in the transcript of supporting documents in connection with the issuance of the Bonds. This letter may not be relied upon by the holders of the Bonds or any other person or entity to whom it is not specifically addressed.

This letter is furnished to meet, in part, the requirements of Paragraph 7(d)(iv) of the Bond Purchase Agreement, and is furnished solely for your benefit.

Very truly yours,

**EXHIBIT C****PROPOSED FORM OF CONTINUING DISCLOSURE CERTIFICATE****CONTINUING DISCLOSURE CERTIFICATE**

THIS CONTINUING DISCLOSURE CERTIFICATE (the “Disclosure Certificate”) is executed and delivered by Mayor and City Council of Cumberland (the “City”) in connection with the issuance of its \$ \_\_\_\_\_ Taxable Redevelopment and Pension Contribution Refunding Bonds of 2017 (the “Taxable Bonds”) and its \$ \_\_\_\_\_ Tax-Exempt Public Improvement Refunding Bonds of 2017 (the “Tax-Exempt Bonds, and collectively with the Taxable Bonds, the “Bonds”). The City, intending to be legally bound hereby, and for good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, does hereby covenant and agree as follows:

**Section 1. Purpose of the Disclosure Certificate.** This Disclosure Certificate is being executed and delivered by the City for the benefit of the owners and beneficial owners of the Bonds and in order to assist the Participating Underwriters in complying with Securities and Exchange Commission Rule 15c2-12(b)(5). The City’s obligations hereunder shall be limited to those required by written undertaking pursuant to the Rule.

**Section 2. Definitions.** In addition to the definitions set forth above, which apply to any capitalized term used in this Disclosure Certificate unless otherwise defined in this Section, the following capitalized terms shall have the following meanings:

“**Listed Events**” shall mean any of the events listed in Section 4(a) of this Disclosure Certificate.

“**MSRB**” shall mean the Municipal Securities Rulemaking Board. To the extent the Rule is amended to refer to any additional or different repositories, references in this Disclosure Certificate to the MSRB shall be deemed to be to such additional or different repositories to the extent required by the Rule. As of the date of execution and delivery of this Disclosure Certificate, any of the notices or materials required by this Disclosure Certificate to be filed with the MSRB shall be filed with the Electronic Municipal Market Access maintained by the MSRB at <http://www.msrb.emma.org> in accordance with the Rule.

“**Participating Underwriter**” shall mean any of the original underwriters of the Bonds required to comply with the Rule in connection with offering of the Bonds.

“**Rule**” shall mean Rule 15c2-12 adopted by the Securities and Exchange Commission under the Securities Exchange Act of 1934, as the same may be amended from time to time.

**Section 3. Provision of Annual Financial Information, Operating Data and Audited Information.** (a) The City shall provide to the MSRB annual financial information and operating data as set forth in Schedule A to this Disclosure Certificate, such information and data to be updated as of the end of the preceding fiscal year, except as indicated on Schedule A, and made available within 275 days after the end of each fiscal year, commencing with the fiscal year ended June 30, 2017.

(b) The City shall provide to the MSRB annual audited financial statements of the City, such information to be made available within 275 days after the end of the City’s fiscal year, commencing with the fiscal year ended June 30, 2017 unless the audited financial statements are not available on or before such date, in which event said financial statements will be provided promptly when and if available. In the event that audited financial statements are not available within 275 days after the end of the City’s fiscal year (commencing with the fiscal year ending June 30, 2017), the City will provide unaudited financial statements within said time period.

(c) The presentation of the financial information referred to in paragraph (a) and in paragraph (b) shall be made in accordance with the same accounting principles as utilized in connection with the presentation of applicable comparable financial information included in the final official statement for the Bonds; provided that, the City may modify the accounting principles utilized in the presentation of financial information by amending this Disclosure Certificate pursuant to the provisions of Section 6 hereof. To the extent that changes in generally accepted

accounting principles as promulgated to apply to government entities from time to time by the Governmental Accounting Standards Board (and its successors) are applicable to the presentation of such financial information by the City, the City may utilize such changed principles without being required to amend this Disclosure Certificate in accordance with Section 6 of this Disclosure Certificate.

(d) The City shall provide in a timely manner to the MSRB notice specifying any failure to provide the annual financial information or operating data it has undertaken to provide in accordance with this Section 3.

(e) If the City changes its fiscal year, it will notify the MSRB of the change (and of the date of the new fiscal year end) prior to the next date by which the City would otherwise be required to provide financial information and operating data pursuant to this Section 3.

(f) The financial information and operating data to be provided pursuant to this Section 3 may be set forth in full in one or more documents or may be incorporated by specific reference to documents available to the public on the MSRB's Internet Website or filed with the Securities and Exchange Commission.

(g) All information provided to the MSRB pursuant to subsections (a), (b), (d) or (e) of this Section 3 shall be in an electronic format as prescribed by the MSRB.

**Section 4. Reporting of Listed Events.** (a) This Section 4 shall govern the giving of notices of the occurrence of any of the following Listed Events with respect to the Bonds:

- i) principal and interest payment delinquencies;
- ii) non-payment related defaults, if material;
- iii) unscheduled draws on debt service reserves reflecting financial difficulties;
- iv) unscheduled draws on credit enhancements reflecting financial difficulties;
- v) substitution of credit or liquidity providers, or their failure to perform;
- vi) adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the Tax-Exempt Bonds, or other material events affecting the tax-exempt status of the Tax-Exempt Bonds;
- vii) modifications to rights of Bond holders, if material;
- viii) Bond calls, if material, and tender offers;
- ix) defeasances;
- x) release, substitution, or sale of property securing repayment of the Bonds, if material;
- xi) rating changes;
- xii) bankruptcy, insolvency, receivership or similar event of the City;
- xiii) the consummation of a merger, consolidation, or acquisition involving the City or the sale of all or substantially all of the assets of the City, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material; and
- xiv) appointment of a successor or additional trustee or the change of name of a trustee, if material.

For the purpose of the event identified in clause (xii) of this Section 4(a), the event is considered to occur when any of the following occur: the appointment of a receiver, fiscal agent or similar officer for the City in a proceeding under the U.S. Bankruptcy Code or in any other proceeding under state or federal law in which a court or governmental authority has assumed jurisdiction over substantially all of the assets or business of the City, or if such jurisdiction has been assumed by leaving the existing governing body and officials or officers in possession but subject to the supervision and orders of a court or governmental authority, or the entry of an order confirming a plan of reorganization, arrangement or liquidation by a court or governmental authority having supervision or jurisdiction over substantially all of the assets or business of the City.

(b) Notice of any of the Listed Events identified in Section 4(a) shall be given to the MSRB in a timely manner not in excess of ten (10) business days after the occurrence of the event.

(c) All information provided to the MSRB pursuant to this Section 4 shall be in an electronic format as prescribed by the MSRB.

**Section 5. Termination of Reporting Obligations.** The City's obligations under this Disclosure Certificate shall terminate upon the payment in full of all of the Bonds either at their maturity or by early redemption. In addition, the City may terminate its obligations under this Disclosure Certificate if and when the City no longer remains an obligated person with respect to the Bonds within the meaning of the Rule.

**Section 6. Amendment.** This Disclosure Certificate may be amended by the City in its discretion provided that (i) the amendment may only be made in connection with a change in circumstances that arises from a change in legal requirements, change in law, or change in the identity, nature, or status of the City as the obligated person with respect to the Bonds, or type of business conducted; (ii) the Disclosure Certificate, as amended, would have complied with the requirements of the Rule at the time of the issuance of the Bonds, after taking into account any amendments or interpretations of the Rule, as well as any change in circumstances; and (iii) the amendment does not materially impair the interests of holders of the Bonds, as determined by counsel selected by the City that is experienced in federal securities law matters, or by an approving vote of the holders of 25% of the outstanding aggregate principal amount of the Bonds. The reasons for any amendment and the impact of the change in the type of operating data or financial information being provided will be explained in information provided with the annual financial information containing the amended operating data or financial information.

**Section 7. Additional Information.** Nothing in this Disclosure Certificate shall be deemed to prevent the City from disseminating any other information, using the means of dissemination set forth in this Disclosure Certificate or any other means of communication, or including any other information in any disclosure made pursuant to Section 3(a) or (b) hereof or notice of occurrence of a Listed Event in addition to that which is required by this Disclosure Certificate. If the City chooses to include any information in any disclosure made pursuant to Section 3(a) or (b) hereof or notice of occurrence of a Listed Event in addition to that which is specifically required by this Disclosure Certificate, the City shall have no obligation under this Disclosure Certificate to update such information or include it in any future disclosure made pursuant to Section 3(a) or (b) hereof or notice of occurrence of a Listed Event.

**Section 8. Law of Maryland.** This Disclosure Certificate, and any claim made with respect to the performance by the City of its obligations hereunder, shall be governed by, subject to, and construed according to the laws of the State of Maryland and, if applicable, the federal law of the United States of America.

**Section 9. Limitation of Forum.** Any suit or other proceeding seeking redress with regard to any claimed failure by the City to perform its obligations under this Disclosure Certificate must be filed in the Circuit Court for Allegany County, Maryland.

**Section 10. Limitation on Remedies.** The City shall be given notice at the address set forth below of any claimed failure by the City to perform its obligations under this Disclosure Certificate, and the City shall be given 45 days to remedy any such claimed failure. Any suit or other proceeding seeking further redress with regard to any such claimed failure by the City shall be limited to specific performance as the adequate and exclusive remedy available in connection with such action. Written notice to the City shall be given to the City Administrator, City Hall, 57 N. Liberty Street, Cumberland, Maryland, 21502 or at such other alternate address as shall be specified by the City with disclosures made pursuant to Section 3(a) or (b) hereof or a notice of occurrence of a Listed Event.

**Section 11. Relationship to Bonds.** This Disclosure Certificate constitutes an undertaking by the City that is independent of the City's obligations with respect to the Bonds; any breach or default by the City under this Disclosure Certificate shall not constitute or give rise to a breach or default under the Bonds.

**Section 12. Beneficiaries.** This Disclosure Certificate shall inure solely to the benefit of the owners and beneficial owners from time to time of the Bonds, and shall create no rights in any other person or entity.

**Section 13. MSRB Requirements.** All documents provided to the MSRB pursuant to this Disclosure Certificate and the Rule shall be accompanied by identifying information as prescribed by the MSRB.

**IN WITNESS WHEREOF**, this Continuing Disclosure Certificate is being executed by Mayor and City Council of Cumberland as of this \_\_\_\_\_ day of \_\_\_\_\_, 2017.

**MAYOR AND CITY COUNCIL OF CUMBERLAND**

(SEAL)

By: \_\_\_\_\_  
Brian K. Grim  
Mayor

By: \_\_\_\_\_  
Jeffrey D. Rhodes  
City Administrator

ATTEST:

\_\_\_\_\_  
Marjorie A. Woodring  
City Clerk

**SCHEDULE A**

- (1) Contributions to Employees' Retirement and Pension Systems
- (2) Governmental Funds Statement of Revenues, Expenditures and Changes in Fund Balance
- (3) General Fund Statement of Approved Budgets and Actual Operations (including the budget information for the then-current fiscal year)
- (4) Assessed value of property and tax rates (in the format of the chart set forth at page \_\_ of the Official Statement dated \_\_\_\_\_, 2017 relating to the Bonds)
- (5) Property Tax Levies and Collections
- (6) Schedule of Debt Service Requirements and Long-Term Obligations

Any of the information required by clauses (1), (2), (4), (5) and (6) of this Schedule A may be set forth in the City's audited financial statements, including in the notes to, or required supplementary information provided with, such audited financial statements.



Regular Council Agenda  
June 6, 2017

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**Description**

Resolution supporting the Housing Authority of the City of Cumberland's application for \$365,700 in Strategic Demolition and Smart Growth Impact Fund financing for the demolition and redevelopment of targeted properties within the community

**Approval, Acceptance / Recommendation**

Budgeted

1st Reading

2nd Reading

3rd Reading

**Value of Award (if applicable)**

**Source of Funding (if applicable)**

# City of Cumberland

- Maryland -

## RESOLUTION

No. \_\_\_\_\_

**RESOLUTION OF THE MAYOR AND CITY COUNCIL OF CUMBERLAND, MARYLAND SUPPORTING MARYLAND DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT STRATEGIC DEMOLITION AND SMART GROWTH IMPACT FUND FINANCING TO THE HOUSING AUTHORITY OF THE CITY OF CUMBERLAND**

WHEREAS, the Mayor and City Council of Cumberland, Maryland recognizes that there is a significant need for reinvestment and revitalization in Cumberland, Allegany County; and,

WHEREAS, the Housing Authority of the City of Cumberland is submitting an application to the Maryland Strategic Demolition and Smart Growth Impact Fund for financing in the amount of up to \$365,700 to demolish and redevelop targeted properties within the community; and

WHEREAS, the Project is located in a State-approved locally designated revitalization area and conforms to the local zoning code; and

WHEREAS, the regulation of the Strategic Demolition and Smart Growth Impact Fund require that all project receiving financing be approved and supported by the appropriate governing body of the locality in which the project is situated;

NOW, THEREFORE BE IT RESOLVED, that the Mayor and City Council of Cumberland, Maryland hereby endorses the financing to the Housing Authority of the City of Cumberland; and

BE IT FURTHER RESOLVED, that copies of this Resolution be sent to Mr. Kevin Baynes, Director, Division of Neighborhood Revitalization at the Maryland Department of Housing and Community Development, 7800 Harkin Road, Lanham, MD 20706.

**GIVEN UNDER OUR HANDS AND SEALS THIS 6<sup>TH</sup> DAY OF JUNE, 2017,  
WITH THE CORPORATE SEAL OF THE CITY OF CUMBERLAND HERETO ATTACHED,  
DULY ATTESTED BY THE CITY CLERK**

Attest:

Mayor and City Council  
Of Cumberland

\_\_\_\_\_

\_\_\_\_\_

Marjorie A. Woodring  
City Clerk

Brian K. Grim  
Mayor



Regular Council Agenda  
June 6, 2017

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**Description**

Order authorizing the Chief of Police to accept a GOCCP Sex Offender Compliance and Enforcement in Maryland Grant titled "Monitoring Sex Offender Compliance" for FY18 in the amount of \$20,800 to provide personnel, operating, and equipment support to confirm sex offenders are living where they are reporting and other ordered conditions

**Approval, Acceptance / Recommendation**

Budgeted

1st Reading

2nd Reading

3rd Reading

**Value of Award (if applicable)**

**Source of Funding (if applicable)**

Grant: SOCM-2018-0024

**- Order -**  
*of the*  
**Mayor and City Council of Cumberland**  
MARYLAND

ORDER NO. \_\_\_\_\_

DATE: June 06, 2017**ORDERED, By the Mayor and City Council of Cumberland, Maryland**

THAT the Chief of Police be and is hereby authorized to accept a GOCCP Sex Offender Compliance and Enforcement in Maryland program grant for FY18 entitled "Monitoring Sex Offender Compliance," in the amount of Twenty Thousand, Eight Hundred Dollars and No Cents (\$20,800.00) for the period 07/01/2017 to 06/30/2018, to provide personnel, operating, and equipment support to confirm sex offenders are living where they are reporting as well as being in compliance with other ordered conditions.

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**Brian K. Grim, Mayor**

Grant: SOCM-2017-1118



**GOVERNOR'S COORDINATING OFFICES**  
 COMMUNITY INITIATIVES • SERVICE & VOLUNTEERISM • MINORITY AFFAIRS  
 CRIME CONTROL & PREVENTION • CHILDREN • DEAF & HARD OF HEARING  
 PERFORMANCE IMPROVEMENT • GRANTS

May 30, 2017

Chief Charles H Hinnant  
 Chief of Police  
 Cumberland Police Department  
 20 Bedford Street  
 Cumberland, MD 21502

RE: SOCM-2018-0024

Dear Chief Hinnant:

I am pleased to inform you that your grant application submitted by **Cumberland Police Department**, entitled "**Monitoring Sex Offender Compliance**", in the amount of \$20,800.00 has received approval under the Sex Offender Compliance and Enforcement in Maryland program. Enclosed is the Grant Award packet containing information and forms necessary to initiate the project.

The grant will fund the program described below:

The Cumberland Police Department's Monitoring Sex Offender Compliance program assists in developing and implementing strategies specifically intended to provide assistance with complying with the laws surrounding the Sex Offender Registry. The program will allow for periodic compliance checks to be made by law enforcement. During these checks officers will confirm sex offenders are living where they are reporting as well and being in compliance with any other ordered conditions. Program funds provide personnel, operating, and equipment support.

Please pay particular attention to the instructions included on the Grant Award. It is important that you **carefully review all Special Conditions** attached to this award. Additionally, the General Conditions for all grant awards issued by our office are located online, at [www.goccp.maryland.gov](http://www.goccp.maryland.gov). The Chief Elected Official, or another legally authorized official of the jurisdiction, state agency, or 501(c)(3) receiving the Grant Award, must sign the original Grant Award Acceptance form and upload it in the Grants Management System within **Twenty-One (21) Calendar days**. Should the acceptance form not be received, requests for reimbursement will not be honored.

SOCM-2018-0024

Page 2

A copy of the Grant Award, Notification of Project Commencement, and Individual Project Reports has also been sent to the Project Director. The Project Director is responsible for completing these and other required forms now and at the end of each reporting period. If the Project Director changes, we must be notified immediately to avoid potential reporting problems.

Projects may commence as soon as the Grant Award is signed and you have reviewed and accepted all of the General and Special Conditions. No funds may be encumbered or expended prior to this time without the specific written approval of the Governor's Office of Crime Control and Prevention.

If you have any questions or need any clarification regarding this Grant Award, please contact **Jones, Quentin**, your Regional Monitor, or **Quinn, Laura**, Fiscal Specialist. We look forward to working with you on this project and anticipate its success in helping to address criminal justice problems in our State.

Sincerely,

A handwritten signature in black ink, appearing to read "V. Glenn Fueston, Jr.", written in a cursive style.

V. Glenn Fueston, Jr.  
Executive Director

cc: Lieutenant Chuck Ternent



5/30/2017

Governor's Office of Crime Control and Prevention



Control Number:

33839

Regional Monitor:

Jones, Quentin

Fiscal Specialist:

Quinn, Laura

## Grant Award & Acceptance Form

<b>Grant Award Number:</b>	<b>SOCM-2018-0024</b>	
<b>Sub-recipient:</b>	Cumberland Police Department	
<b>Project Title:</b>	Monitoring Sex Offender Compliance	
<b>Implementing Agency:</b>	Cumberland Police Department	
<b>Award Period:</b>	<b>07/01/2017 - 06/30/2018</b>	CFDA: State

Funding Summary	Grant Funds	100.0 %	<b>\$20,800.00</b>
	Cash Match	0.0 %	<b>\$0.00</b>
	In-Kind Match	0.0 %	<b>\$0.00</b>
	<b>Total Project Funds</b>		<b>\$20,800.00</b>

This Grant Award is hereby made for financial assistance by the Governor's Office of Crime Control and Prevention in accordance with the

### Sex Offender Compliance and Enforcement in Maryland

This Grant Award is subject to the General Conditions and any Special Conditions attached to this award, as well as all statutes and requirements of the State of Maryland.

This Grant Award incorporates all the information, conditions, representations and Certified Assurances contained in the grantee's application.

The Grant Award shall become effective as of the start date of the award, unless otherwise specified, and upon submission to the Grants Management System, within twenty-one (21) calendar days, of a fully executed original of this document signed by the duly authorized official of the sub-recipient unit of government or sub-recipient agency receiving this Grant Award. Copies and faxes are not acceptable.

### FOR THE STATE OF MARYLAND:



\_\_\_\_\_  
Executive Director

Governor's Office of Crime Control and Prevention

### SUB-RECIPIENT ACCEPTANCE:

\_\_\_\_\_  
Signature of Authorized Official

\_\_\_\_\_  
Typed Name And Title

\_\_\_\_\_  
Date

To submit, sign in blue ink and scan and upload the document to the grant award Documents section in the Grants Management System.



Governor's Office of Crime Control and Prevention

Regional Monitor:  
Fiscal Specialist:

Jones, Quentin  
Quinn, Laura

## Grant Award - Special Conditions

<b>Grant Award Number:</b>	SOCM-2018-0024	<b>Sub-Recipient:</b>	Cumberland Police Department
<b>Award Period:</b>	07/01/2017 - 06/30/2018	<b>Implementing Agency:</b>	Cumberland Police Department
<b>Project Title:</b>	Monitoring Sex Offender Compliance		

- 1 This grant award is subject to the General Conditions (POST AWARD INSTRUCTIONS) found on the GOCCP website (<http://www.goccp.maryland.gov/grants/general-conditions.php>). The aforementioned General Conditions/Post Award Instructions are REQUIRED to be reviewed, should be printed for your reference and are subject to change without written notice.

In addition, the Grantees Toolbox is provided as a resource on the GOCCP website (<http://www.goccp.maryland.gov/grants/grantee-toolbox.php>) to address frequently asked questions.

- 2 The sub-recipient must PROMPTLY report any credible evidence of fraud, waste, abuse, and similar misconduct with grant funds.
- 3 Final quarterly programmatic reports indicating progress towards the attainment of each program/project objective must be submitted no later than 15 calendar days from the End Date of the sub-award. Financial reports will not be processed unless Programmatic Reports are in "submitted" status in the GMS.

The FINAL Financial Report must be submitted no later than 30 calendar days from the End Date of this sub-award.

If the initial 30 calendar day submission is not your actual FINAL report, send an email to the Fiscal Specialist so that the GMS can be noted.

Submission of a "Not Final" report will require a "Final/Revised" report to be submitted no later than 60 calendar days after the End Date of the sub-award. Revised reports may only be submitted if an initial 30 calendar day report was submitted as required. ALL Final financials must be submitted within the 60 days or GOCCP reserves the right to complete an administrative closeout on this grant award and de-obligate all remaining funds.

Revisions are a manual process that requires hand written corrections on a copy of the previously submitted 30 day report, with the word "FINAL" written in red ink. The corrections must be actual expenditures, not the variance. New signatures and current dates are required in blue ink. The revised report can be mailed, emailed, or delivered.

- 4 The financial and programmatic reports for the last reporting period are due within 7 business days. Financial reports received after this date may not be honored and the Governor's Office of Crime Control & Prevention reserves the right to perform an administrative close out, deobligating all remaining funds.
- 5 FINAL quarterly programmatic and financial reports for this award must be submitted no later than 30 calendar days from the End Date of the sub-award and must be submitted by an authorized official, project director, fiscal officer or alternate authorized signer.

Financial reports received after this date may not be honored and the Governor's Office of Crime Control & Prevention reserves the right to perform an administrative close out, de-obligating all remaining funds.

FINAL quarterly programmatic reports for this award indicating progress towards the attainment of each program/project objective must be submitted by the 15th. Financial reports submitted with Programmatic reports cannot be processed for payment unless programmatic reports are in "Submitted" status online.

- 6 At the request of GOCCP, any law enforcement sub-recipient shall provide a report, in the format provided by GOCCP, which details the number of fingerprint and palm print matches received from DPSCS and the number of associated arrests arising from those matches.
- 7 As requested, any law enforcement sub-recipient agrees to provide information to GOCCP on any matches, or "hits", between crime scene DNA evidence samples and the DNA profiles of known offenders contained in either the convicted offender or charge DNA databases.
- 8 Any law enforcement sub-recipient shall ensure that the Maryland State Police receive UCR data within 30 days of the close of every quarter.

- 9** Any law enforcement sub-recipient shall provide an annual report, in the format provided by GOCCP, on DNA crime scene evidence samples. DNA crime scene evidence samples are defined as crime scene evidence that has been collected AND submitted to a crime laboratory for DNA analysis.
- 10** Any law enforcement sub-recipient that maintains a SWAT team(s) shall provide a semi-annual report to GOCCP, in the format provided by GOCCP, on: 1) The number of times SWAT teams were deployed; 2) The locations where the SWAT teams were deployed; 3) The reasons for deployments; 4) The legal authority, including the type of warrant, if any, for each deployment; and 5) The result of each deployment, including: number of arrests; whether a forcible entry was made; whether a weapon was discharged by a SWAT team member; and whether a person or domestic animal was injured or killed by a SWAT team member.
- 11** A copy of all contracts associated with line items listed in the Contractual Services category must be submitted to GOCCP.



Governor's Office of Crime Control and Prevention

Regional Monitor:  
Fiscal Specialist:Jones, Quentin  
Quinn, Laura

## Budget Notice

**Grant Award Number:** SOCM-2018-0024  
**Sub-recipient:** Cumberland Police Department  
**Project Title:** Monitoring Sex Offender Compliance  
**Implementing Agency:** Cumberland Police Department  
**Award Period:** **07/01/2017 - 06/30/2018**

CFDA: State

Funding Summary	Grant Funds	100.0 %	<b>\$20,800.00</b>
	Cash Match	0.0 %	<b>\$0.00</b>
	In-Kind Match	0.0 %	<b>\$0.00</b>
	<b>Total Project Funds</b>		<b>\$20,800.00</b>

### Personnel

Description of Position	Salary Type	Funding	Total Budget
CPD Officers	Overtime	Grant Funds	\$10,000.00
<b>Personnel Total:</b>			<b>\$10,000.00</b>

### Contractual Services

Description	Funding	Quantity	Unit Cost	Total Budget
ACSO Dupties	Grant Funds	250	\$40.00	\$10,000.00
<b>Contractual Services Total:</b>				<b>\$10,000.00</b>

### Equipment

Description	Funding	Quantity	Unit Cost	Total Budget
Digital Camera- Allegany County Sheriff's Office	Grant Funds	4	\$100.00	\$400.00
Digital Camera- Cumberland PD	Grant Funds	4	\$100.00	\$400.00
<b>Equipment Total:</b>				<b>\$800.00</b>

Approved:

\_\_\_\_\_  
 Governor's Office of Crime Control and Prevention Authorized  
 Representative

Effective Date: 7/1/2017



Governor's Office of Crime Control and Prevention



Control Number: 33839

Regional Monitor: Jones, Quentin

Fiscal Specialist: Quinn, Laura

Submitted Date:

**Programmatic Reporting**

<b>Grant Award Number:</b>	<b>SOCM-2018-0024</b>	
<b>Sub-recipient:</b>	Cumberland Police Department	
<b>Project Title:</b>	Monitoring Sex Offender Compliance	
<b>Implementing Agency:</b>	Cumberland Police Department	
<b>Award Period:</b>	<b>07/01/2017 - 06/30/2018</b>	CFDA: State

The information collected on this form helps us measure the progress you are making in achieving your project's goals and objectives. It also helps us determine what, if any, technical assistance you may need in implementing your project.

**Performance Measures (28)**

1	While utilizing grant funds during this reporting period, how many warrants did your department serve?	
2	Of this number, how many are Tier 1 registrants.	
3	Of this number, how many are Tier 2 registrants.	
4	Of this number, how many are Tier 3 registrants.	
5	Provide the number of sexual offenders registered and re-registered during this reporting period.	
6	Provide the number of compliance verifications (through actual home visits or other investigative verification techniques) conducted to ensure that the information provided by the registrant at the time of registration is valid and current.	
7	Provide the number of registrants living in your jurisdiction during the reporting period.	
8	Provide the number of registrants living in your jurisdiction that were verified as compliant during this reporting period.	
9	Provide the number of registrants living in your jurisdiction that were verified and non-compliant during this reporting period.	
10	Provide the number of warrants obtained for non-compliance/absconders during this reporting period.	
11	Provide the number of sex crimes investigated during this reporting period.	
12	Provide the number of cases cleared during this reporting period.	
13	Provide the number of arrests that occurred during this reporting period.	

Item # 17

14	Percentage of individuals that are convicted sex offenders that are registered with the Maryland Sex Offender Registry	
15	Percentage of Tier 1 Registrants that are registered with the Sex Offender Registry in person	
16	Percentage of Tier 2 Registrants that are registered with the Sex Offender Registry in person	
17	Percentage of Tier 3 Registrants that are registered with the Sex Offender Registry in person	
18	Percentage of registrants that initially registered with a supervising authority or designated law enforcement within 3 days of release	
19	Percentage of registrants that initially registered with a supervising authority or designated law enforcement within 3 days of ending permanent residency in Maryland	
20	Percentage of registrants that initially registered with a supervising authority or designated law enforcement prior to release from a correctional facility	
21	Percentage of Maryland registrants that updated their registration within 3 days of being released from any period of arrest or incarceration	
22	% of Maryland Registrants that updated their registration statements within 3 days of changing residences	
23	% of Maryland Registrants that updated their registration statements within 3 days of changing employment	
24	% of Maryland Registrants that updated their registration statements within 3 days of changing any information on the registration statement	
25	% of Non-Residents that initially registered with a supervising authority or with the designated local law enforcement unit within 3 days of beginning employment in Maryland	
26	% of Non-Residents that initially registered with a supervising authority or with the designated local law enforcement unit within 3 days of registering as a student at a Maryland school	
27	% of Non-Residents that initially registered with a supervising authority or with the designated local law enforcement unit upon entering the state as a transient individual	
28	% of Non-Residents that initially registered with a supervising authority or with the designated local law enforcement unit within 3 days of beginning permanent residency in Maryland	

### **Progress Report Questions (7)**

1	If no funds or minimal funds (less than 25%) were expended during this reporting period please provide an explanation as to why and when you anticipate requesting funds. Your detailed explanation should address each budget category.
2	Every quarterly report should provide a brief narrative assessment of the projects effectiveness thus far. The brief narrative should include qualitative and quantitative evidence, as available, and also highlight factors that the author considers to have facilitated or impaired the project's effectiveness.
3	Please explain how this award helped reduce crime and/or improve public safety in your jurisdiction.

- 4 Describe barriers/challenges to implementing or completing any of the objectives. Include corrective actions taken or planned to overcome described barriers (include timeline). Are there any obstacles or barriers that could prevent you from expending all grant funds? Please include any requests for technical assistance needed.
- 5 Summarize the progress of completed goals for the quarter, including program highlights or strategy activities (special events, program achievements, etc.) and dates of completion, if applicable. Also, highlight the status of any objectives that were delayed the previous quarter.
- 6 List any trainings that were attended during this reporting period; also provide names, titles and indicate if a certificate was given upon completion of training. Please attach a copy of certificates with the programmatic reports.
- 7 Did overtime hours occur during this reporting period? If so, please give a brief description of the accomplishments due to the funded law enforcement overtime. If overtime hours were not utilized, explain why and describe your agency's course of action to spend or de-obligate these funds.

**Signed:** \_\_\_\_\_ **Date:** \_\_\_\_\_

*Project Director - Ternent, Chuck*

*(Project Director is preferred, Fiscal Contact or Authorized Official if Project Director is unavailable)*

**Printed Name:** \_\_\_\_\_ **Phone:** \_\_\_\_\_



Regular Council Agenda  
June 6, 2017

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**Description**

Order authorizing the execution of Change Order No. 1 to the current contract with Shaffer Construction for the Cavanaugh Ball Field Renovations (01-17-RE) in the increased amount of \$18,500.00, bringing the new contract total to an amount not to exceed \$77,240

**Approval, Acceptance / Recommendation**

It is the Engineering Department's recommendation to execute Change Order No.1 to the current contract with Shaffer Construction in the increased amount of \$18,500.00. This work will add a new roof to the concession building and the installation of under drain in the playing field area.

Budgeted

1st Reading

2nd Reading

3rd Reading

**Value of Award (if applicable)**

\$18,500.00

**Source of Funding (if applicable)**

111.436.6300 \$15,139.00

001.078.45700 \$3,361.00

**- ORDER -**  
*of the*  
**Mayor and City Council of Cumberland**  
**MARYLAND**

ORDER NO. \_\_\_\_\_

DATE: June 6, 2017**ORDERED, By the Mayor and City Council of Cumberland, Maryland,**

**THAT,** the City Administrator be and is hereby authorized to execute Change Order No. 1 to the existing contract with Shaffer Construction Company, Inc., P.O. Box 231, Ellerslie, Maryland 21529 for City Project "Cavanaugh Ball Field Renovations" (01-17-RE), in the increased amount of Eighteen Thousand, Five Hundred Dollars and No Cents (\$18,500.00); and

**BE IT FURTHER ORDERED,** that the total revised amount of this contract be and is hereby an amount not to exceed Seventy-seven Thousand, Two Hundred Forty Dollars and No Cents (\$77,240.00).

---

**Mayor Brian K. Grim**

<b>Shaffer Construction Company, Inc. 01-17-RE</b>	<i>Total Bid</i>
Original Contract Amount	\$58,740.00
Change Order No. 1	\$18,500.00
New Contract Amount	\$77,240.00

**Source of Funding:**

111.436.6300 \$15,139.00

001.078.45700 \$3,361.00

### City of Cumberland

**Change Order Number: 1**

**Project:** Cavernagh Concession Renovations  
**City Project No.:** 01-17-01  
**Contractor:** Smith Construction  
**Vendor No.:** 303173

The Change Order modifies (adds or deletes work) the contract as follows:

Add / Delete	UNITS	QTY	UNIT PRICE	Description	Delete	Add
ADD	Fee	1	\$ 12,000.00	INSTALL A NEW METAL ROOF		\$12,000.00
ADD	FEE	1	\$ 6,500.00	INSTALL FIELD UNDER DRAIN		\$6,500.00
Total Change Order Amount:					\$0.00	\$18,500.00

The Original Contract Sum was: \$38,740.00  
 Previous Change Orders: \$0.00  
 Contract Sum as a result of Previous Change Orders: \$38,740.00  
 The Contract Sum increased/decreased by this Change Order: \$18,500.00  
 The New Contract Sum as a result of this Change Order is: \$57,240.00

Contract Type Change:

Recommended by: Kim Root Date: 5/23/17

Contractor: [Signature] Date: \_\_\_\_\_

Accepted by: John J. N. Forgo Date: 5/23/17

Approved By: \_\_\_\_\_ Date: \_\_\_\_\_

Mayer and City Council Order Number Authorizing this Change Order: \_\_\_\_\_

# City of Cumberland

**Change Order Number: 1**

**Project:** Cavanaugh Concession Renovations  
**City Project No.:** 01-17-M  
**Contractor:** Shaffer Construction  
**Vendor No.:** 303173

The Change Order modifies (adds or deletes work) the contract as follows:

Add / Delete	UNITS	QTY	UNIT PRICE	Description	Delete	Add
ADD	Fee	1	\$ 12,000.00	INSTALL A NEW METAL ROOF		\$12,000.00
ADD	FEE	1	\$ 6,500.00	INSTALL FIELD UNDER DRAIN		\$6,500.00
Total Change Order Amount:					\$0.00	\$18,500.00

The Original Contract Sum was:	\$58,740.00
Previous Change Orders:	\$0.00
Contract Sum as a result of Previous Change Orders:	\$58,740.00
The Contract Sum increased/decreased by this Change Order:	\$18,500.00
The New Contract Sum as a result of this Change Order is:	<b>\$77,240.00</b>

Contract Time Change:

**Recommended by:** \_\_\_\_\_ *Date*

**Contractor:** \_\_\_\_\_ *Date*

**Accepted by:** \_\_\_\_\_ *Date*

**Approved By:** \_\_\_\_\_ *Date*

**Mayor and City Council Order Number Authorizing this Change Order:** \_\_\_\_\_



Regular Council Agenda  
June 6, 2017

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**Description**

Order accepting the Sole Source proposal of Gwin, Dobson & Foreman, Inc. for Water Filtration Plant (WFP) & Wastewater Treatment Plant (WWTP) Facility Evaluations in the estimated not-to-exceed cost of \$133,600

**Approval, Acceptance / Recommendation**

This is the recommendation of both the Engineering and Utilities Divisions and the sole source proposal was requested from Gwin, Dobson & Foreman, Inc. after a review of previous engineering work for the City which did not include doing major design at either plant. This process was previously approved by the City Administrator after a confirmation from the City Attorney that the process used was acceptable for Professional Services. The proposal covers all of the work believed to be necessary for this evaluation of our current plant facilities as well as our current operations. The evaluation will include recommendations concerning operations as well as future capital considerations to keep up with drinking water and wastewater standards. The proposal also includes some optional work, which may be determined to be needed, however if the work is shown to be important to the City, additional authorization will be requested at that time.

Budgeted

1st Reading

2nd Reading

3rd Reading

**Value of Award (if applicable)**

Water Plant Evaluation \$65,427.28

Wastewater Plant Evaluation \$68,172.72

**Source of Funding (if applicable)**

Budget Codes: WFP - 002.210.20100; WWTP - 003.310.20100

**- Order -**  
*of the*  
**Mayor and City Council of Cumberland**  
 MARYLAND

ORDER NO. \_\_\_\_\_

DATE: June 17, 2014**ORDERED, By the Mayor and City Council of Cumberland, Maryland**

THAT the sole source proposal of Gwin, Dobson & Foreman, Inc., 3121 Fairway Drive, #B, Altoona, Pennsylvania, 16602, for the Water Filtration Plant (WFP) and Wastewater Treatment Plant (WWTP) Facility Evaluations in the estimated not-to-exceed cost of One Hundred Thirty-three Thousand, Six Hundred Dollars and No Cents (\$133,600.00), be and is hereby approved.

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**Brian K. Grim, Mayor**

<i>Gwin, Dobson &amp; Foreman, Inc.</i> <i>WFP and WWTP Evaluations</i>	
WFP	\$65,427.28
WWTP	\$68,172.72
<b>Total Both Plants</b>	<b>\$133,600.00</b>

Budget Codes: WFP: 002.210.20100  
 WWTP: 003.310.20100

City of Cumberland - Water & Wastewater Treatment Facilities Evaluation

Gwin, Dobson & Foreman - Cost Proposal and Labor Tabulation

Date: May 25, 2017 Revised: May 31, 2017

No.	Work Element	Personnel	Hours	Rate/Hour	Overhead	Fixed Fee	Total Rate	Cost	Sub-Total
<b>WASTEWATER TREATMENT FACILITY EVALUATION</b>									
<b>1</b>	<b>Condition Assessment</b>	Project Principal (Balliet)	12	\$ 50.50	\$ 59.59	\$ 16.51	\$ 126.60	\$ 1,519.24	
		Environmental Engr (Baird)	18	\$ 32.50	\$ 40.95	\$ 11.02	\$ 84.47	\$ 1,520.42	
		Electrical Engineer (Johnson)	12	\$ 50.50	\$ 63.63	\$ 17.12	\$ 131.25	\$ 1,574.99	
		Structural Engineer (Arnold)	12	\$ 41.00	\$ 51.66	\$ 13.90	\$ 106.56	\$ 1,278.71	
		Sub-Total	54						\$ 5,893.36
<b>2</b>	<b>Operations Experience</b>	Project Principal (Balliet)	8	\$ 50.50	\$ 59.59	\$ 16.51	\$ 126.60	\$ 1,012.83	
		Environmental Engr (Baird)	18	\$ 32.50	\$ 40.95	\$ 11.02	\$ 84.47	\$ 1,520.42	
		Electrical Engineer (Johnson)	8	\$ 50.50	\$ 63.63	\$ 17.12	\$ 131.25	\$ 1,050.00	
		Sub-Total	34						\$ 3,583.24
<b>3</b>	<b>Data Collection</b>	Project Principal (Balliet)	8	\$ 50.50	\$ 59.59	\$ 16.51	\$ 126.60	\$ 1,012.83	
		Environmental Engr (Baird)	36	\$ 32.50	\$ 40.95	\$ 11.02	\$ 84.47	\$ 3,040.83	
		Staff Engineer (Eckenrode)	32	\$ 26.00	\$ 32.76	\$ 8.81	\$ 67.57	\$ 2,162.37	
		Sub-Total	76						\$ 6,216.03
<b>4</b>	<b>Documents Review</b>	Project Principal (Balliet)	8	\$ 50.50	\$ 59.59	\$ 16.51	\$ 126.60	\$ 1,012.83	
		Environmental Engr (Baird)	40	\$ 32.50	\$ 40.95	\$ 11.02	\$ 84.47	\$ 3,378.70	
		Staff Engineer (Eckenrode)	12	\$ 26.00	\$ 32.76	\$ 8.81	\$ 67.57	\$ 810.89	
		Sub-Total	60						\$ 5,202.42
<b>5</b>	<b>Permit Compliance</b>	Project Principal (Balliet)	8	\$ 50.50	\$ 59.59	\$ 16.51	\$ 126.60	\$ 1,012.83	
		Environmental Engr (Baird)	24	\$ 32.50	\$ 40.95	\$ 11.02	\$ 84.47	\$ 2,027.22	
		Staff Engineer (Eckenrode)	12	\$ 26.00	\$ 32.76	\$ 8.81	\$ 67.57	\$ 810.89	
		Sub-Total	44						\$ 3,850.94
<b>6</b>	<b>Pretreatment Program</b>	Project Principal (Balliet)	12	\$ 50.50	\$ 59.59	\$ 16.51	\$ 126.60	\$ 1,519.24	
		Environmental Engr (Baird)	24	\$ 32.50	\$ 40.95	\$ 11.02	\$ 84.47	\$ 2,027.22	
		Staff Engineer (Eckenrode)	6	\$ 26.00	\$ 32.76	\$ 8.81	\$ 67.57	\$ 405.44	
		Sub-Total	42						\$ 3,951.91
<b>7</b>	<b>Sludge Handling &amp; Biosolds</b>	Project Principal (Balliet)	8	\$ 50.50	\$ 59.59	\$ 16.51	\$ 126.60	\$ 1,012.83	
		Environmental Engr (Baird)	36	\$ 32.50	\$ 40.95	\$ 11.02	\$ 84.47	\$ 3,040.83	
		Staff Engineer (Eckenrode)	20	\$ 26.00	\$ 32.76	\$ 8.81	\$ 67.57	\$ 1,351.48	
		Sub-Total	64						\$ 5,405.14
<b>8</b>	<b>Process Design Analysis</b>	Project Principal (Balliet)	8	\$ 50.50	\$ 59.59	\$ 16.51	\$ 126.60	\$ 1,012.83	
		Environmental Engr (Baird)	42	\$ 32.50	\$ 40.95	\$ 11.02	\$ 84.47	\$ 3,547.64	
		Staff Engineer (Eckenrode)	8	\$ 26.00	\$ 32.76	\$ 8.81	\$ 67.57	\$ 540.59	
		Sub-Total	58						\$ 5,101.06
<b>9</b>	<b>Pumping Station Evaluation</b>	Project Principal (Balliet)	8	\$ 50.50	\$ 59.59	\$ 16.51	\$ 126.60	\$ 1,012.83	
		Electrical Engineer (Johnson)	30	\$ 50.50	\$ 63.63	\$ 17.12	\$ 131.25	\$ 3,937.49	
		Sub-Total	38						\$ 4,950.31
<b>10</b>	<b>Optimization Recommendations</b>	Project Principal (Balliet)	16	\$ 50.50	\$ 59.59	\$ 16.51	\$ 126.60	\$ 2,025.66	
		Environmental Engr (Baird)	20	\$ 32.50	\$ 40.95	\$ 11.02	\$ 84.47	\$ 1,689.35	
		Staff Engineer (Eckenrode)	0	\$ 26.00	\$ 32.76	\$ 8.81	\$ 67.57	\$ -	
		Sub-Total	36						\$ 3,715.01
<b>11</b>	<b>Treatment System Alternatives</b>	Project Principal (Balliet)	24	\$ 50.50	\$ 59.59	\$ 16.51	\$ 126.60	\$ 3,038.48	
		Environmental Engr (Baird)	36	\$ 32.50	\$ 40.95	\$ 11.02	\$ 84.47	\$ 3,040.83	
		Electrical Engineer (Johnson)	12	\$ 50.50	\$ 63.63	\$ 17.12	\$ 131.25	\$ 1,574.99	
		Structural Engineer (Arnold)	6	\$ 41.00	\$ 51.66	\$ 13.90	\$ 106.56	\$ 639.35	
		Sub-Total	78						\$ 8,293.66
<b>12</b>	<b>Work Product &amp; Final Report</b>	Project Principal (Balliet)	16	\$ 50.50	\$ 59.59	\$ 16.51	\$ 126.60	\$ 2,025.66	
		Environmental Engr (Baird)	50	\$ 32.50	\$ 40.95	\$ 11.02	\$ 84.47	\$ 4,223.38	
		CADD Technician (Luko)	40	\$ 24.15	\$ 30.43	\$ 8.19	\$ 62.77	\$ 2,510.63	
		Secretarial (Kordish)	52	\$ 24.15	\$ 30.43	\$ 8.19	\$ 62.77	\$ 3,263.82	
		Sub-Total	106						\$ 8,759.67
	<b>Sub-Total, Wastewater Trmt Facility Evaluation</b>		<b>690</b>						<b>\$ 64,922.72</b>
<b>WATER TREATMENT FACILITY EVALUATION</b>									
<b>1</b>	<b>Conditional Assessment</b>	Project Principal (Balliet)	12	\$ 50.50	\$ 59.59	\$ 16.51	\$ 126.60	\$ 1,519.24	
		Environmental Engr (Gibson)	24	\$ 33.75	\$ 42.53	\$ 11.44	\$ 87.72	\$ 2,105.19	
		Electrical Engineer (Johnson)	12	\$ 50.50	\$ 63.63	\$ 17.12	\$ 131.25	\$ 1,574.99	
		Structural Engineer (Arnold)	12	\$ 41.00	\$ 51.66	\$ 13.90	\$ 106.56	\$ 1,278.71	
		Sub-Total	60						\$ 6,478.13
<b>2</b>	<b>Operations Experience</b>	Project Principal (Balliet)	8	\$ 50.50	\$ 59.59	\$ 16.51	\$ 126.60	\$ 1,012.83	
		Environmental Engr (Gibson)	36	\$ 33.75	\$ 42.53	\$ 11.44	\$ 87.72	\$ 3,157.79	
		Electrical Engineer (Johnson)	8	\$ 50.50	\$ 63.63	\$ 17.12	\$ 131.25	\$ 1,050.00	
		Sub-Total	52						\$ 5,220.61
<b>3</b>	<b>Data Collection</b>	Project Principal (Balliet)	8	\$ 50.50	\$ 59.59	\$ 16.51	\$ 126.60	\$ 1,012.83	
		Environmental Engr (Gibson)	36	\$ 33.75	\$ 42.53	\$ 11.44	\$ 87.72	\$ 3,157.79	
		Staff Engineer (Berkavich)	24	\$ 22.62	\$ 28.50	\$ 7.67	\$ 58.79	\$ 1,410.95	
		Sub-Total	68						\$ 5,581.56
<b>4</b>	<b>Document Reviews</b>	Project Principal (Balliet)	8	\$ 50.50	\$ 59.59	\$ 16.51	\$ 126.60	\$ 1,012.83	
		Environmental Engr (Gibson)	36	\$ 33.75	\$ 42.53	\$ 11.44	\$ 87.72	\$ 3,157.79	
		Staff Engineer (Berkavich)	24	\$ 22.62	\$ 28.50	\$ 7.67	\$ 58.79	\$ 1,410.95	
		Sub-Total	68						\$ 5,581.56

City of Cumberland - Water & Wastewater Treatment Facilities Evaluation									
Gwin, Dobson & Foreman - Cost Proposal and Labor Tabulation									
Date: May 25, 2017 Revised: May 31, 2017									
No.	Work Element	Personnel	Hours	Rate/Hour	Overhead	Fixed Fee	Total Rate	Cost	Sub-Total
5	Permit Compliance	Project Principal (Balliet)	8	\$ 50.50	\$ 59.59	\$ 16.51	\$ 126.60	\$ 1,012.83	
		Environmental Engr (Gibson)	36	\$ 33.75	\$ 42.53	\$ 11.44	\$ 87.72	\$ 3,157.79	
		Staff Engineer (Berkavich)	24	\$ 22.62	\$ 28.50	\$ 7.67	\$ 58.79	\$ 1,410.95	
		Sub-Total	68						\$ 5,581.56
6	Solids Handling	Project Principal (Balliet)	8	\$ 50.50	\$ 59.59	\$ 16.51	\$ 126.60	\$ 1,012.83	
		Environmental Engr (Gibson)	20	\$ 33.75	\$ 42.53	\$ 11.44	\$ 87.72	\$ 1,754.33	
		Staff Engineer (Berkavich)	8	\$ 22.62	\$ 28.50	\$ 7.67	\$ 58.79	\$ 470.32	
		Sub-Total	36						\$ 3,237.47
7	Process Design Assessment	Project Principal (Balliet)	8	\$ 50.50	\$ 59.59	\$ 16.51	\$ 126.60	\$ 1,012.83	
		Environmental Engr (Gibson)	20	\$ 33.75	\$ 42.53	\$ 11.44	\$ 87.72	\$ 1,754.33	
		Staff Engineer (Berkavich)	8	\$ 22.62	\$ 28.50	\$ 7.67	\$ 58.79	\$ 470.32	
		Sub-Total	36						\$ 3,237.47
8	Optimization Recommnts	Project Principal (Balliet)	15	\$ 50.50	\$ 59.59	\$ 16.51	\$ 126.60	\$ 1,899.05	
		Environmental Engr (Gibson)	16	\$ 33.75	\$ 42.53	\$ 11.44	\$ 87.72	\$ 1,403.46	
		Staff Engineer (Berkavich)	6	\$ 22.62	\$ 28.50	\$ 7.67	\$ 58.79	\$ 352.74	
		Sub-Total	37						\$ 3,655.25
9	Treatment System Alternatives	Project Principal (Balliet)	20	\$ 50.50	\$ 59.59	\$ 16.51	\$ 126.60	\$ 2,532.07	
		Environmental Engr (Gibson)	48	\$ 33.75	\$ 42.53	\$ 11.44	\$ 87.72	\$ 4,210.38	
		Electrical Engineer (Johnson)	12	\$ 50.50	\$ 63.63	\$ 17.12	\$ 131.25	\$ 1,574.99	
		Structural Engineer (Arnold)	6	\$ 41.00	\$ 51.66	\$ 13.90	\$ 106.56	\$ 639.35	
		Sub-Total	86						\$ 8,956.80
10	Alternatives Evaluation (Water & Wastewater)	Project Principal (Glenn)	20	\$ 61.00	\$ 71.98	\$ 19.95	\$ 152.93	\$ 3,058.54	
		Environmental Engr (Gibson)	34	\$ 33.75	\$ 42.53	\$ 11.44	\$ 87.72	\$ 2,982.35	
		Staff Engineer (Berkavich)	6	\$ 22.62	\$ 28.50	\$ 7.67	\$ 58.79	\$ 352.74	
		Sub-Total	60						\$ 6,393.63
11	Work Product and Report	Project Principal (Balliet)	12	\$ 50.50	\$ 59.59	\$ 16.51	\$ 126.60	\$ 1,519.24	
		Environmental Engr (Gibson)	50	\$ 32.50	\$ 40.95	\$ 11.02	\$ 84.47	\$ 4,223.38	
		CADD Technician (Luko)	40	\$ 24.15	\$ 30.43	\$ 8.19	\$ 62.77	\$ 2,510.63	
		Secretarial (Kordish)	52	\$ 24.15	\$ 30.43	\$ 8.19	\$ 62.77	\$ 3,263.82	
		Sub-Total	102						\$ 8,253.25
Sub-Total, Water Treatment Plant Evaluation			673						\$ 62,177.28
Reimbursable Expenses (5%)		Mileage, Repro, Phone, Postage							\$ 6,500
<b>TOTAL, WATER/WASTEWATER FACILITIES EVALUATION</b>			<b>1,363</b>						<b>\$ 133,600</b>
<b>OPTIONAL WORK TASK (NOT INCLUDED IN BASE PROPOSAL)</b>									
1	Dynamic Process Modeling (Biowin)-Wastewater Treatment Facility	Project Principal (Balliet)	24	\$ 50.50	\$ 59.59	\$ 16.51	\$ 126.60	\$ 3,038.48	
		Environ. Engrs (Baird/Gunnett)	275	\$ 32.50	\$ 40.95	\$ 11.02	\$ 84.47	\$ 23,228.56	
		Staff Engineer (Eckenrode)	15	\$ 26.00	\$ 32.76	\$ 8.81	\$ 67.57	\$ 1,013.61	
Notes		Sub-Total	314						\$ 27,281
* Assume sampler rental of 4 samplers; 14 days samplers for 14 days		Reimbursable Expenses							
		a. Mileage, Repr, Phone, Postage						\$ 1,000	
** Testing matrix includes standard wastewater parameters including pH, temp., TKN, TN, TP, PO4, BOD5, COD5, TSS along with alkalinity, metals, VSS, etc.		b. Intensive Sampling (14 days)*						\$ 4,500	
		c. Analytical Laboratory Testing**						\$ 50,000	
		Sub-Total							\$ 55,500
		Total							\$ 82,781
									<b>USE \$ 83,000</b>

**CITY OF CUMBERLAND  
WATER & WASTEWATER TREATMENT FACILITY EVALUATION**

**GWIN, DOBSON & FOREMAN, INC.  
TECHNICAL PROPOSAL  
MAY 25, 2017  
REVISED MAY 31, 2017**

**WASTEWATER TREATMENT FACILITY**

**Condition Assessment:** Inspect and review physical condition of wastewater treatment facilities (WWTF) facilities and buildings for structural adequacy and functionality ; review mechanical process systems, piping and rotating equipment for long-term serviceability; assess electrical power and distribution systems; instrumentation and control systems function and operation; estimate functional timeframes for process units, facilities and structures

**Operations Experience:** Discuss treatment facility operations with designated plant personnel; collect information on current standard operating procedures and perceived limitations and problems of existing process treatment systems; maintenance requirements

**Data Collection:** Obtain operational records (5-years, minimum) for daily influent and effluent flow; WWTF and combine sewer overflow (CS) wet-weather and peak flows; influent and effluent water quality data including organic (BOD<sub>5</sub>/COD), suspended solids, nutrients (total nitrogen, TKN, NH<sub>3</sub>-N), phosphorous (total, soluble and insoluble), bacteriological, miscellaneous data (pH, temperature, alkalinity, dissolved oxygen, if available); data on solids generation, digestion, dewatering and disposal (% solids, dewatering schedules,

**Document Reviews:** Review existing drawings of WWTF and combined sewer overflow control facilities; standard operating procedures; maintenance protocols and procedures; Long Term CSO Control Plan; CSO Nine-Minimum Control; recent facilities plans or preliminary engineering reports; bio-solids plan and reports; facilities planning and programming reports

**Permit Compliance:** Review WWTF/CSO NPDES permits; notices of NPDES permit violations (if any); EPA/MDE compliance plans, corrective action plans or administrative/consent orders (if any); compliance schedules (if any); enforcement and compliance actions (if any); future regulatory compliance or NPDES limits

**Pretreatment Program:** Review of MDE-approved pretreatment program and limits; recent industrial inspections and water quality data for Significant Industrial Users (categorical and non-categorical); recent Local Limits development and Headworks Analysis; incidents of industrial discharge interference with treatment process; published industrial pretreatment program non-compliance; discharge problems with satellite wastewater systems

**Sludge Handling and Biosolids:** Compile and analyze data on solids generation for process, thickened, digester and dewatering processes including solids loading rates, digestion detention, primary and secondary digester volatile suspended solids, % solids (waste, digested and dewatered) and related metrics (alkalinity, pH and temperature)

**Process Design Analysis:** Review existing WWTF design information for treatment process and unit operations; perform desk-top analysis to verify hydraulic capacity of unit operations and process metrics (aeration, oxygen transfer and mixing, internal recycle (including nitrate), RAS, WAS, MLSS, F/M, flow rates and concentrations, sludge age, etc.); compile data on process limitations (if any) and restrictions

**Pumping Stations Evaluation:** Inspect stations at Smousse Mill Pumping Station and Evitts Creek Lift Station for condition assessment including pump control systems. Review pump performances and capacities based on certified pump curves provided by the City and wet well capacity. Provide limited review of pump station flow metering records and pump run times. Review electrical systems, stand-by power generation and transfer switch for serviceability. Provide recommendations for pump station improvements including new control systems, variable frequency drives, electrical systems, new pumps, etc.

**Optimization Recommendations:** Based on process design and data analysis, recommend low-cost optimization methods (if any) within capabilities of existing plant at a minimum of cost. These include process adjustments, wet-weather flow, solids handling, sampling, testing, etc.

**Treatment System Alternatives:** If required and based on system evaluation and condition assessment, provide alternative treatment systems, techniques and technologies; provide summary of benefits/drawbacks of alternative systems

**Alternatives Evaluation:** Prepare planning-level capital costs estimates (including construction, engineering, administrative, financing costs, etc.); provide planning-level O&M costs; perform cost-effectiveness evaluation; identify non-monetary factors for each alternative; provide ranking of alternatives; provide project schedules with major milestones; based on alternatives evaluation recommended treatment system alternative

**Work Product and Report:** Prepare a comprehensive report summarizing the data collection, evaluation and analysis efforts; summarize recommendations and alternatives; prepare an executive summary, provide the necessary maps, graphics and other descriptive information, provide data addenda; provide report in both hardcopy and digital formats

## WATER TREATMENT FACILITY

**Condition Assessment:** Inspect and review physical condition of water treatment facilities (WTF) facilities and buildings for structural adequacy and functionality ; review mechanical process systems, piping and rotating equipment for long-term serviceability; assess electrical power and distribution systems; instrumentation and control systems function and operation; estimate functional timeframes for process system and equipment, facilities and structures

**Operations Experience:** Discuss treatment facility operations with designated plant personnel; collect information on current standard operating procedures and perceived limitations and problems of existing process treatment systems; maintenance requirements

**Data Collection:** Obtain records (5-years, minimum) for the following operational parameters:

- \* Daily raw water/finish water turbidity
- \* Analytical testing for microbiological parameters (coliform, e-coli)
- \* Total coliform rule sampling data
- \* Secondary contaminants (iron, manganese, copper, zinc, nickel, aluminum, chloride, fluoride, etc.)
- \* Organic/inorganic testing
- \* Microbial testing (*cryptosporidium*, *giardia*)
- \* Reservoir blue-green algae sampling, if any
- \* Unregulated contaminant monitoring rule (UCMR) testing
- \* Conventional chemical parameters (pH, total hardness, nitrate (n), nitrite (n), color, alkalinity, sulfate, total dissolved solids)
- \* Corrosivity testing, if any (Langlier index)
- \* Daily air/water temperature record
- \* Lead-copper testing
- \* Daily coagulant chemical and corrosion control chemical usage
- \* Daily lime/caustic/soda ash chemical usage for ph/alkalinity adjustment
- \* Microscopic particle examinations (MPE) for rawwater/finish water
- \* All PADEP filter performance test reports
- \* Daily water production/daily metered consumption
- \* Projected Water Demand
- \* Filtration metrics characteristics - backwash frequency & duration; backwash rate; backwash volume, filter-to-waste duration
- \* Disinfection Byproducts testing - source and distribution system sampling (TTHM, HAA5, TOC, etc.)
- \* Daily chlorine consumption
- \* Daily finish water chlorine residual
- \* Plant power consumption data; power outage frequency and duration
- \* Pump run times (raw water, finish water and backwash)
- \* Waste solids production (estimated amount of solids removed from sedimentation tank and drying beds)

**Document Reviews:** Review existing drawings of WTF and water distribution system; standard operating procedures; maintenance protocols and procedures; PADEP water allocation permit; PADEP filter performance evaluations; PADEP Annual Water Supply Reports; PADEP disinfection contact time tracer studies; recent facilities plans or preliminary engineering reports; facilities planning and programming reports

**Permit Compliance:** Review Public Water Supply permits; notices of violations (if any); EPA/MDE compliance plans, corrective action plans or administrative and consent orders (if any); compliance schedules (if any); enforcement and compliance actions (if any); future regulatory compliance plans

**Solids Handling:** Analyze data on backwash solids generation, dewatering or drying and disposal. Review efficiency of existing dewatering systems and polymer feed systems. Provide recommendations for system improvements.

**Process & Hydraulic Design Analysis:** Review existing WTF design information for treatment process and unit operations; perform desk-top analysis to verify hydraulic capacity of unit operations and process metrics; compile data on process limitations (if any) and restrictions; hydraulic analysis will include an evaluation of water age and residence time/turnover, mixing and related tank water quality data

**Optimization Recommendations:** Based on process design and data analysis, recommend low-cost optimization methods (if any) within capabilities of existing plant at a minimum of cost. These include process adjustments and backwash protocol, disinfection; contact time improvements; pumping, etc.

**Treatment System Alternatives:** If required and based on system evaluation and condition assessment, provide alternative treatment systems, techniques and technologies; provide summary of benefits/drawbacks of alternative systems

**Alternatives Evaluation:** Prepare planning-level capital costs estimates (including construction, engineering, administrative, financing costs, etc.); provide planning-level O&M costs; perform cost-effectiveness evaluation; identify non-monetary factors for each alternative; provide ranking of alternatives; provide project schedules with major milestones; based on alternatives evaluation recommended treatment system alternative

**Work Product and Report:** Prepare a comprehensive report summarizing the data collection, evaluation and analysis efforts; summarize recommendations and alternatives; prepare an executive summary, provide the necessary maps, graphics and other descriptive information, provide data addenda; provide report in both hardcopy and digital formats

**OPTIONAL WORK TASK (NOT INCLUDED IN TECHNICAL & COST PROPOSAL)**

**Dynamic Process Modeling (Optional)** - Perform modeling of existing wastewater treatment process calibrated with data from an extensive 14-day influent sampling program. The BioWin™ process modeling software will be used to evaluate treatment capacity and performance at various design point conditions. BioWin™ is a wastewater treatment process simulator that integrates biological, chemical, and physical process inputs and parameters in the design, upgrade, and optimization of wastewater treatment plants of all types. The process model will be run for a 365-day scenario which will provide the seasonal and temperature variations necessary for a complete plant performance evaluation. The process model can be run for a variety of wastewater process alternatives.



Regular Council Agenda  
June 6, 2017

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**Description**

Order authorizing the City Administrator to execute FY18 Employment Agreements for part-time employees

**Approval, Acceptance / Recommendation**

Budgeted

1st Reading

2nd Reading

3rd Reading

**Value of Award (if applicable)**

**Source of Funding (if applicable)**



Regular Council Agenda  
June 6, 2017

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**Description**

Order authorizing the execution of a Memorandum of Understanding with the MD Department of Housing and Community Development for the administration of the federally funded Section 8 Housing Choice Voucher Program

**Approval, Acceptance / Recommendation**

- Budgeted
  
- 1st Reading
- 2nd Reading
- 3rd Reading

**Value of Award (if applicable)**

**Source of Funding (if applicable)**

**- ORDER -**  
*of the*  
**Mayor and City Council of Cumberland**  
**MARYLAND**

ORDER NO. \_\_\_\_\_

DATE: June 6, 2017

**ORDERED, By the Mayor and City Council of Cumberland, Maryland**

THAT, the Mayor be and is hereby authorized to execute a Memorandum of Understanding by and between the MD Department of Housing and Community Development and the Mayor and City Council of Cumberland for the administration of the federally funded Section 8 Housing Choice Voucher Program in the city of Cumberland for the term July 1, 2017 through June 30, 2020.

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**Mayor Brian K. Grim**

**MEMORANDUM OF UNDERSTANDING  
FOR ADMINISTRATION OF  
FEDERALLY FUNDED SECTION 8 HOUSING CHOICE VOUCHER PROGRAM  
IN THE CITY OF CUMBERLAND**

**THIS MEMORANDUM OF UNDERSTANDING** (“Agreement”) is made this \_\_\_\_\_ day of \_\_\_\_\_, 2017 by and between the **Department of Housing and Community Development**, 7800 Harkins Road, Lanham, Maryland 20706 (“DHCD”), a principal department of the State of Maryland (the “State”) and the **Mayor and City Council of Cumberland**, Maryland, P.O. Box 1702, 57 North Liberty Street, Cumberland, Maryland 21501.

**WHEREAS**, DHCD has entered into a Consolidated Annual Contributions Contract, as amended and revised from time to time (the “ACC”) with the U.S. Department of Housing and Urban Development (“HUD”) to receive federal housing subsidy funds under the Section 8 Housing Choice Voucher Program (the “Program”) and has authority to serve as a Public Housing Agency (“PHA”) in utilizing these funds throughout the State; and

**WHEREAS**, DHCD desires to use a portion of these funds to administer the Program in the Local Jurisdiction; and

**WHEREAS**, DHCD is willing to allocate a portion of its Annual Budget Authority to the Local Jurisdiction to administer the Program in the Local Jurisdiction; and

**WHEREAS**, HUD determines annually the amount of funding that DHCD receives and, by extension, the amount provided to the Local Jurisdiction; and

**WHEREAS**, HUD assigns a baseline number of vouchers to DHCD each year to be used throughout the State, DHCD will assign a portion of these vouchers to the Local Jurisdiction to serve its low-income families;

**NOW WHEREFORE**, DHCD and the Local Jurisdiction in consideration of their respective obligations hereinafter set forth enter into the following Agreement:

1. **Term of Agreement**. This Agreement shall begin on July 1, 2017 and shall continue until agreed upon services are completed, but in any case shall terminate no later than on June 30, 2020.

2. **Scope of Services**.

A. DHCD shall assign a baseline of **380** vouchers to the Local Jurisdiction. DHCD shall have the unilateral right to change in writing the number of vouchers at any time.

B. With the concurrence, or at the direction of DHCD, the Local Jurisdiction shall provide DHCD with all services and equipment necessary to administer the Program in the Local Jurisdiction.

C. The Local Jurisdiction shall do, perform and carry out in a manner satisfactory to DHCD all of the following:

1. Make known to the public the availability and nature of housing assistance for lower-income families. Such public notices shall meet all applicable HUD requirements.

2. Invite owners to make dwelling units available for leasing and develop working relationships with property owners, management companies and appropriate associations and groups.

3. Receive and review applications and establish and maintain a waiting list for applicants for Housing Choice Vouchers.

4. Determine applicant family eligibility for the Program, in accordance with schedules and criteria established by HUD, and select families for assistance in accordance with the approved equal opportunity housing plan. Notify families determined to be ineligible.

5. Issue Housing Choice Vouchers; provide voucher holder packets and brief families concerning their responsibilities and the responsibilities of the property owner. Provide information to voucher holders on applicable housing quality standards and inspection procedures, search for and selection of housing and basic Program regulations.

6. Review and approve Requests for Tenancy Approval for the proposed unit and establish rent reasonableness. Determine whether or not the requested lease and contract are acceptable. Inspect the unit in accordance with HUD's Housing Quality Standards. Advise owners of defects and/or deficiencies to be corrected prior to approval.

7. Determine Total Tenant Payment Amounts.

8. Determine amounts of Housing Assistance Payments on behalf of families. Determine tenant rent portions. Determine utility reimbursement payments.

9. Execute Housing Assistance Payments Contracts with owners.

10. Receive Program contributions from DHCD, properly account for such contributions, authorize and disburse payments to owners.

11. Re-examine family composition, household income, allowable deductions and exclusions, Total Tenant Payments and Housing Assistance Payments in accordance with HUD regulations.

12. Reset amount of rent payable by the family and reset the amount of housing assistance, using any utility allowances that may apply.
13. Inspect units prior to leasing and at least annually to determine if they meet Housing Quality Standards. Notify owners and families of findings.
14. Monitor evictions, in compliance with the requirements of applicable federal and state law and in accordance with HUD regulations.
15. Administer and enforce Housing Assistance Payments Contracts with owners and take appropriate actions in cases of noncompliance or default, including entering into repayment agreements, after consultation with DHCD.
16. Comply with all HUD Equal Opportunity Requirements.
17. Prepare and provide to DHCD all budgets, financial plans, financial reports, vouchers, requests for payments and other financial management documents required by HUD and DHCD in administration of the Program. Prepare and provide to DHCD other reports required by HUD.
18. Provide information for the Annual Plan.
19. Establish and maintain an automated system to enter Program data into HUD's PIH Information Center ("PIC") system. Enter Program information into the system using the schedule mandated by HUD.
20. Accept sanctions when HUD reduces fees due to failure to enter information into HUD's PIC system on schedule.
21. Maintain all records required for the administration of the Program. Assure that actual Program operating costs do not exceed HUD and DHCD approved budget allowances.
22. Maintain an active working relationship with DHCD.
23. Notify DHCD promptly of all problems regarding the Program generally and, where appropriate, of problems regarding particular owners and families.
24. Prepare and provide to DHCD any reports required to allow DHCD to exercise its responsibilities under the Program.
25. Prepare or submit data for utility allowance schedules, rental housing surveys, fair housing affirmative action plans, etc., as required by HUD regulations.

D. DHCD shall provide the Local Jurisdiction with the following services and materials in connection with the Program:

1. An approved Program application to HUD, including an Administrative Plan, a Fair Housing Affirmative Action Plan and a Schedule of Utility Allowances.
2. Sufficient quantities of printed materials, including information brochures, materials for participants and landlords, forms for reporting to DHCD, and other items.
3. Program administrative and management materials, including record keeping and reporting forms.
4. Provide review and reconciliation of financial statements and submissions.
5. Provide monitoring of the Program.
6. Provide annual Housing Quality Control Inspections.

E. DHCD shall have the unilateral right to order in writing changes in the work within the scope of this Contact.

3. **System of Administration and Administrative Forms.**

The Local Jurisdiction shall perform its obligation hereunder in accordance with the system for administration developed by DHCD, and HUD. The Local Jurisdiction agrees to utilize administrative forms prescribed by DHCD unless specific permission to modify or not utilize a particular form is granted, in writing, by DHCD.

4. **Compensation and Method of Payment.**

For each unit under a Housing Assistance Payments (HAP) Contract for which DHCD is serving as the Public Housing Agency (PHA), the Local Jurisdiction will be compensated monthly in the amount of seventy-two and one half percent (72.5%) of the HUD published column B or equivalent administrative fee rate for the Local Jurisdiction less any HUD prorated funding reduction applied by DHCD. The Department may establish a rate that will consider proportionately all areas in which participants are located. For City of Cumberland, the fee rate will be calculated using the Washington County rate schedule. DHCD reserves the right to change the rate schedule associated with the local jurisdiction. This compensation shall be received for each unit under HAP Contract as of the first of the month and shall terminate upon termination of the HAP Contract for that unit.

If the Local Jurisdiction is billed for payments according to the HUD rules for portability for a unit under HAP Contract which is located in a jurisdiction in which DHCD does not serve as the PHA (DHCD positioned as initial PHA), but which unit is occupied by a tenant holding a voucher for which DHCD is the PHA, the Local Jurisdiction will be compensated the lower of ninety percent (90%) of the HUD published column B or equivalent administrative fee rate for

the Local Jurisdiction less any HUD prorated funding reduction applied by DHCD or 100% of the receiving PHA's column B rate less any HUD prorated funding reduction applied by DHCD.

If the Local Jurisdiction is billing payments according to the HUD billing requirements implemented through the publication of the final portability rule (DHCD positioned as the receiving PHA), the Local Jurisdiction will be compensated the lower of 70% of the initial PHA's column B administrative fee rate less any HUD prorated funding reduction applied by DHCD or seventy-two and one half percent (72.5%) of the HUD published column B or equivalent administrative fee rate for the Local Jurisdiction less any HUD prorated funding reduction applied by DHCD. DHCD may deduct from and set-off against any amounts due and payable to the Local Jurisdiction for excess portability fees collected.

The administrative fee is an amount established and published by HUD. Future adjustments in the administrative fee earning shall be effective on the first day of the month subsequent to the date of HUD's publication of revised administrative fees.

The Local Jurisdiction shall keep and maintain, in the form and manner prescribed by DHCD, and furnish to DHCD, upon request, all records of occupancy, leases and HAP Contracts. In the event of any change in HUD's rate of compensation under the Program to be administered by the Local Jurisdiction under this Agreement, DHCD may renegotiate the amount of compensation under this section or terminate this Agreement as provided for in the Termination of Agreement for Convenience provision of this Agreement.

5. **Federal Tax Identification Number.** The Local Jurisdiction's federal tax identification number is \_\_\_\_\_.

6. **Funding, Disbursement and Accounting.**

The Local Jurisdiction agrees to place all funds received pursuant to this Agreement in separate bank accounts or within special accounts in the appropriate municipal or city/county financial system. DHCD will remit to this account monthly an amount (1) representing an advance of sum of the anticipated housing assistance payments, and (2) administrative fees due and owing for the prior month as described in this Agreement. The Local Jurisdiction shall make monthly payments to the cooperating lessors and shall account for all disbursements by submitting such documents to DHCD as may be required.

7. **Incorporation of ACC.** Each and every obligation, responsibility and covenant assumed by DHCD in the ACC with HUD is expressly incorporated herein and made a part hereof and shall be performed by the Local Jurisdiction in accordance with the terms and provisions set forth therein and within the scope of this Agreement. The ACC is kept by DHCD and the Local Jurisdiction may review the ACC at such time and place as agreed upon between the parties hereto.

8. **Insurance.** The Local Jurisdiction shall provide and maintain at its' expense during the term of this Agreement, the following insurance coverage with companies satisfactory to DHCD:

A. Comprehensive automobile liability written on automobiles owned, not owned and/or leased in an amount for combined single limit public liability coverage of not less than \$300,000 or the minimum required by law, whichever is greater;

B. Comprehensive general liability, in an amount not less than \$100,000 or the minimum required by law, whichever is greater, which includes contractual, completed operations, and personal injury coverage with the fellow employee coverage deleted;

C. Workmen's Compensation insurance broad form, with employer's liability of \$100,000 or the minimum required by law, whichever is greater, for all persons engaged in work for the Contract;

D. In form acceptable to DHCD, the Local Jurisdiction shall supply for the term of this Agreement, a fidelity bond with a single incident coverage of not less than \$175,000 or other assurance for the faithful performance of duties for any and all employees or agents of the Local Jurisdiction who handle or disburse monies pursuant to this Agreement;

Evidence of the above insurance requirements will be required at initial Agreement execution. The policies will be received and approved for acceptability by DHCD. The Local Jurisdiction further asserts that coverage will be maintained as specified as long as this Agreement is in effect and will notify DHCD of any changes in coverage or carriers.

If the Local Jurisdiction fails for any reason to provide and maintain any of the insurance policies required herein, DHCD in its sole discretion may obtain any such insurance at the expense of the Local Jurisdiction and may deduct any costs, including premiums, related thereto from any payments due to the Local Jurisdiction under this Agreement.

9. **Responsibility for Claims and Liability; Indemnification.**

A. The Local Jurisdiction shall be responsible for all damages to life and property due to its activities or those of its agents or employees, in connection with the services required under this Agreement.

B. The Local Jurisdiction hereby indemnifies and holds harmless DHCD and the State, their respective officers, agents and employees from and against all claims, suits, damages, losses, liabilities, and expenses, of every name and description, including attorney's fees, arising out of or resulting in any manner from the Local Jurisdiction's performance, or any of its agents or employees, of this Agreement, except for claims, suits, judgments, expenses, actions, damages and costs arising from acts that are solely attributable to DHCD, its officers, agents or employees.

C. The Local Jurisdiction shall immediately notify DHCD of any claim or suit made or filed against the Local Jurisdiction or its subcontractors regarding any matter resulting from or relating to the Local Jurisdiction's obligations under this Agreement, and will cooperate, assist, and consult with DHCD in the defense or investigation of any claim, suit, or action made or filed against DHCD or the State as a result of or relating to the Local Jurisdiction's performance under this Agreement.

D. DHCD and the State shall not assume any obligation to indemnify, hold harmless, or pay attorneys' fees that may arise from or in any way be associated with the performance or operation of this Agreement.

10. **Final Agreement.** This Agreement, including all exhibits and other documents incorporated by reference, constitutes the entire agreement of the parties hereto and all other communications prior to its execution, whether written or oral, with reference to the subject matter of this agreement are superseded by this Agreement.

11. **Amendment and Modification.**

All amendments to this Agreement must first be approved in writing by DHCD, subject to any additional approvals required by State law. No amendment or modification to this Agreement shall be binding unless in writing and signed by the parties hereto.

12. **Governing Law.** This Agreement shall be governed by the law of the State of Maryland.

13. **Commercial Nondiscrimination.**

A. As a condition of entering into this Agreement, the Local Jurisdiction represents and warrants that it will comply with the State's Commercial Nondiscrimination Policy, as described under Title 19 of the State Finance and Procurement Article of the Annotated Code of Maryland. As part of such compliance, the Local Jurisdiction may not discriminate on the basis of race, color, religion, ancestry, national origin, sex, age, marital status, sexual orientation, , sexual identity, genetic information or an individual's refusal to submit to a genetic test or make available the results of a genetic test, or on the basis of disability or other unlawful forms of discrimination in the solicitation, selection, hiring, or commercial treatment of subcontractors, vendors, suppliers, or commercial customers, nor shall the Local Jurisdiction retaliate against any person for reporting instances of such discrimination. The Local Jurisdiction shall provide equal opportunity for subcontractors, vendors, and suppliers to participate in all of its public sector and private sector subcontracting and supply opportunities, provided that nothing contained in this clause shall prohibit or limit otherwise lawful efforts to remedy the effects of marketplace discrimination that have occurred or are occurring in the marketplace. The Local Jurisdiction understands and agrees that a material violation of this clause shall be considered a material breach of this Agreement and may result in termination of this Agreement, disqualification from participating in State contracts, or other sanctions. This clause is not enforceable by or for the benefit of, and creates no obligation to, any third party. The Local Jurisdiction shall include this clause in all sub-contracts.

B. As a condition of entering into this Agreement, upon the request of the Maryland Commission on Civil Rights, and only after the filing of a complaint against the Local Jurisdiction under Title 19 of the State Finance and Procurement Article, as amended from time to time, the Local Jurisdiction agrees to provide to the State within sixty (60) days after the request a truthful and complete list of the names of all subcontractors, vendors, and suppliers that the Local Jurisdiction has used in the past four (4) years on any of its contracts that were undertaken within the State, including the total dollar amount paid by the Local Jurisdiction on each subcontract or supply contract. The Local Jurisdiction further agrees to cooperate in any investigation conducted by the State pursuant to the State's Commercial Nondiscrimination Policy as set forth under Title 19 of the State Finance and Procurement Article of the Annotated Code of Maryland, to provide any documents relevant to any investigation that are requested by the State. The Local Jurisdiction understands and agrees that violation of this clause shall be considered a material breach of this Agreement and may result in contract termination, disqualification by the State from participating in State contracts, and other sanctions covered by this Agreement.

14. **Living Wage.**

A. A State contract for services valued at \$100,000 or more may be subject to Title 18, State Finance and Procurement (SFP) Article, Annotated Code of Maryland.

B. This Agreement has been deemed to be a Tier 2 Contract.

C. Contractors and Subcontractors subject to the Living Wage Law shall pay each covered employee at least \$13.63 per hour, if State contract services valued at 50% or more of the total value of the contract are performed in the Tier 1 Area. If State contract services valued at 50% or more of the total contract value are performed in the Tier 2 Area, Contractors and Subcontractors shall pay each covered employee at least \$10.24 per hour.

D. The Local Jurisdiction shall comply with Title 18, State Finance and Procurement Article, Annotated Code of Maryland, including the submission of payroll reports to the Commissioner of Labor and Industry and the posting in a prominent and easily accessible place at the work site(s) of covered employees a notice of the Living Wage Rates, employee rights under the law, and the name, address, and telephone number of the Commissioner.

E. The Local Jurisdiction shall make any subcontractor on this Agreement aware of the Living Wage law requirements.

15. **Compliance with ADA.** The Local Jurisdiction shall comply with the Americans with Disabilities Act ("ADA"), 42 USC §§ 12101 et seq. and applicable regulations. To the extent required by the ADA, the Local Jurisdiction's facilities, services, and programs shall be accessible to persons with disabilities. The Local Jurisdiction shall bear sole responsibility for assuring that its activities under this Agreement conform to the ADA.

16. **Federal Lobbying Prohibition.** In accordance with 31 U.S.C. § 1352, DHCD and the Local Jurisdiction, and any subcontractors are prohibited from using any federal funds for the purpose of lobbying Congress or any federal agency in connection with the awarding of a particular Agreement, grant, cooperative agreement, or loan. Any recipient of federal funds that received over \$100,000 in federal monies must also file a “Disclosure of Lobby Activities” form (Federal Form SF LLL). The Local Jurisdiction hereby specifically agrees to abide by all applicable requirements of 31 U.S.C. § 1352.

17. **Political Contributions.**

A. The Local Jurisdiction shall not use any funds received under this Agreement to make contributions:

1. to any persons who hold, or are candidates for, elected office;
2. to any political party, organization, or action committee; or
3. in connection with any political campaign or referendum.

B. If, in any fiscal year ending during the term of this Agreement, the Local Jurisdiction derives more than fifty percent (50%) of its operating funds from State funding, it shall not contribute any money or thing of value:

1. to any persons who hold, or are candidates for, elected office;
2. to any political party, organization, or action committee; or
3. in connection with any political campaign or referendum.

C. This section is intended to ensure that administrative fees earned under this Agreement shall only be used as required by HUD for activities related to the provision of Section 8 tenant-based rental assistance, including related development activities. Examples of related development activities include, but are not limited to, unit modification for accessibility purposes and development of project-based voucher units. For purposes of this section, contributions do not include legitimate salaries paid by the Local Jurisdiction.

18. **Drug and Alcohol Free Workplace.** The Local Jurisdiction and DHCD shall comply with the State's policy concerning drug and alcohol free workplaces, as set forth in COMAR 01.01.1989.18 and 21.11.08, and shall remain in compliance throughout the term of this Agreement.

19. **Subcontracting or Assignment.** The benefits and obligations hereunder shall inure to and be binding upon the parties hereto and neither this Agreement nor the services to be performed hereunder shall be subcontracted, or assigned or otherwise disposed of, either in whole or in part, except with the prior written consent of DHCD, who reserves the right to withhold such consent for any reason DHCD or the State deems appropriate. Such written consent shall not be required for the purchase by the Local Jurisdiction of articles, supplies, equipment and services which are both necessary for and merely incidental to the performance of the work required under this Agreement. No provision of this section and no such approval by DHCD of any subcontract shall in any event give rise to any obligations by DHCD in addition to

the total contract price, and DHCD shall not be responsible for fulfillment of the Local Jurisdiction's obligation to subcontractors.

20. **Dissemination of Information.** During the term of this Agreement the Local Jurisdiction shall:

A. Not release any information related to the services or performance of the services under this Agreement nor publish any final reports or documents without the prior written consent of DHCD. To ensure compliance with HUD requirements, if the Local Jurisdiction receives a request for information, data or records pursuant to the Maryland Public Information Act or any applicable federal equivalent related to the services or performance of the services under this Agreement, the Local Jurisdiction shall promptly give written notice of the request to DHCD and shall consult with DHCD in responding to the request.

B. Indemnify and hold harmless DHCD and the State, their respective officers, agents and employees, from all liability which may be incurred by reason of dissemination, publication, distribution or circulation, in any manner whatsoever, of any information, data, documents, or materials pertaining in any way to this Agreement by the Local Jurisdiction, its agents or employees.

21. **Retention of Records.** The Local Jurisdiction shall retain and maintain all records and documents relating to the services provided under this Agreement for a minimum period of three (3) years after final payment under this Agreement by DHCD and shall make such records and documents available at all reasonable times for inspection and audit by DHCD, the State, HUD, and their respective agents and employees.

22. **Financial Disclosure.** The Local Jurisdiction shall comply with the provisions of Section 13-221 of the State Finance and Procurement Article of the Annotated Code of Maryland, which requires that every business that enters into contracts, leases, or other agreements with the State or its agencies during a calendar year under which the business is to receive in the aggregate \$100,000 or more, shall within thirty (30) days of the time when the aggregate value of these contracts, leases or other agreements reaches \$100,000, file with the Secretary of State of Maryland certain specified information to include disclosure of beneficial ownership of the business.

23. **Compliance with Laws.** The Local Jurisdiction hereby represents and warrants:

A. That it is qualified to do business in the State and that it will take such action as, from time to time hereafter, may be necessary to remain so qualified.

B. That it is not in arrears with respect to the payment of any monies due and owing the State, or any department or agency thereof, including but not limited to the payment of taxes and employee benefits, and that it shall not become so in arrears during the term of this Agreement.

C. That it shall comply with all federal, State and local laws, ordinances and rules and regulations applicable to its activities and obligations under this Agreement.

D. That it shall procure, at its expense, all licenses, permits, insurance and governmental approval, if any, necessary to the performance of its obligations under this Agreement.

24. **Termination of Multi-Year Agreement.** If funds are not appropriated or if funds are not otherwise made available for continued performance of this Agreement for any fiscal period, this Agreement shall be automatically cancelled at the beginning of the fiscal year for which funds were not appropriated or otherwise made available; however, this will not affect either DHCD's rights or the Local Jurisdiction's rights under any other termination clause in this Agreement. The effect of termination of this Agreement pursuant to this paragraph will be to discharge both the Local Jurisdiction and DHCD from future performance of this Agreement, but not from their obligations existing at the time of termination. The Local Jurisdiction shall be reimbursed for the reasonable value of any nonrecurring costs incurred but not amortized in the price of the services delivered under this Agreement. However, the Local Jurisdiction may not be reimbursed for any anticipatory profits which have not been earned up to the date of termination. Should funds be unavailable for any fiscal period of this contract succeeding the first fiscal period, DHCD shall promptly notify the Local Jurisdiction when DHCD has knowledge that the funds are not available for such succeeding fiscal period.

No payment shall be made hereunder by DHCD except out of funds received from HUD and this Agreement shall remain in full force and effect so long as DHCD continues to receive Program funds to discharge DHCD's obligations under this Agreement as they may become due.

25. **Termination of Agreement for Default.** If the Local Jurisdiction does not fulfill its obligations under this Contract or violates any provision of this Agreement, DHCD may terminate this Agreement by giving the Local Jurisdiction written notice of termination. Termination under this paragraph does not relieve the Local Jurisdiction from liability for any damages caused to DHCD. All finished or unfinished work products provided by the Local Jurisdiction shall, at DHCD's option, become DHCD's property. DHCD shall pay the Local Jurisdiction fair and equitable compensation for satisfactory performance prior to receipt of notice of termination, less the amount of damages caused by the Local Jurisdiction's breach.

26. **Termination of Agreement for Convenience.** DHCD may terminate this Agreement, in whole or in part, without showing cause upon prior written notice to the Local Jurisdiction specifying the extent and the effective date of the termination. DHCD shall pay all reasonable costs associated with this Agreement that the Local Jurisdiction has incurred up to the date of termination and all reasonable costs associated with termination of this Agreement. DHCD will pay all reasonable costs associated with this Agreement. However, the Local Jurisdiction may not be reimbursed for any anticipatory profits which have not been earned up to the date of termination.

27. **Delays and Extensions of Time.**

A. The Local Jurisdiction agrees to prosecute the work continuously and diligently and no charges or claims for damages shall be made by it for any delays or hindrances from any cause whatsoever during the progress of any portion of the work specified in this Agreement.

B. Time extensions will be granted only for excusable delays that arise from unforeseeable causes beyond the control and without the fault or negligence of the Local Jurisdiction, including but not restricted to, acts of God, acts of the public enemy, acts of the State in either its sovereign or contractual capacity, acts of another contractor in the performance of a contract with the State, fires, floods, epidemics, quarantine restrictions, strikes, freight embargoes, or delays of subcontractors or suppliers arising from unforeseeable causes beyond the control and without the fault or negligence of either the Local Jurisdiction or the subcontractors or suppliers.

28. **Suspension of Work.**

DHCD unilaterally may order the Local Jurisdiction in writing to suspend, delay, or interrupt all or any part of the work for such period of time as DHCD may determine to be appropriate for the convenience of DHCD or the State.

29. **Remedies.** In addition to, or in combination with, any other rights or remedies which DHCD may have under this Agreement, DHCD may exercise the remedies hereinafter specified.

A. **Correction of Errors, Defects and Omissions.** The Local Jurisdiction agrees to perform work as may be necessary to correct errors, defects, and omissions in the services required under this Agreement, without undue delays and without cost to DHCD. The acceptance of the work set forth herein by DHCD shall not relieve the Local Jurisdiction of the responsibility of subsequent correction of such errors.

B. **Set-Off.** DHCD may deduct from and set-off against any amounts due and payable to the Local Jurisdiction any back-charges, penalties, or damages sustained by the DHCD, its agents, employees or recipients of its services, by virtue of any breach of the Local Jurisdiction to perform the services or any part of the services in a satisfactory manner. Nothing herein shall be construed to relieve the Local Jurisdiction of liability for additional cost resulting from a failure to satisfactorily perform the services.

30. **Waiver.**

No waiver of a right or remedy of a party shall constitute a waiver of another right or remedy of that party.

31. **Responsibility of the Local Jurisdiction.**

A. The Local Jurisdiction shall perform the services with that standard of care, skill, and diligence normally provided by a local housing authority in the performance of services similar to the services hereunder.

B. Notwithstanding any review, approval, acceptance or payment for the service by DHCD, the Local Jurisdiction shall be responsible for professional and technical accuracy of its work, design, drawings, specifications and other material furnished by the Local Jurisdiction under this Agreement.

C. If the Local Jurisdiction fails to perform the services, or any part of the services, in conformance with the standard set forth in subparagraph A above, and such failure is made known to the Local Jurisdiction within two (2) years after expiration of this Agreement, it shall if required by DHCD, perform at its own expense and without additional cost to DHCD, those services necessary for the correction of any deficiencies or damage resulting, in whole or in part, from the Local Jurisdiction's failure, as provided under Section 29 of this Agreement.

D. The Local Jurisdiction shall obtain the services of an independent, Certified Public Accountant to perform an organization-wide Single Audit of the Local Jurisdiction in accordance with the Single Audit Act of 1984 and amendments thereto, and OMB Circulars A-128 or A-133 as appropriate ("Audit"). The Audit shall cover the entire operations of the Local Jurisdiction and shall comply with Generally Accepted Government Auditing Standards for Financial and Compliance Audits as contained in the Standards for Audit of Government Organizations, Programs, Activities, and Functions (1988 Revision), issued by the U.S. General Accounting Office. The Audit is due to DHCD within nine (9) months after the end of the Local Jurisdiction's fiscal year.

32. **Ownership of Documents and Materials.** The Local Jurisdiction agrees that all documents and materials including but not limited to reports, drawings, studies, specifications, estimates, maps, photographs, designs, graphics, mechanicals, artwork, and computations prepared by or for the Local Jurisdiction under the terms of this Agreement shall be at any time during the performance of the services made available to DHCD upon request by DHCD and shall become and remain the exclusive property of DHCD upon termination or completion of the services. DHCD shall have the right to use the same without restriction or limitation and without compensation to the Local Jurisdiction other than that provided in this Agreement. DHCD shall be the owner for the purposes of copyright, patent or trademark registration.

If the Local Jurisdiction obtains or uses for purposes of this Agreement, or subcontracts for any design, device, material, or process covered by letters of patent for copyright, it shall provide an assignment to DHCD of ownership for purposes of copyright, patent or trademark and of all rights to possess and to use such design, device, material or process, and a copy of a legally sufficient agreement with the patentee or owner.

The Local Jurisdiction shall indemnify and save harmless DHCD and the State from any and all claims for infringement by reason of the use of any such patented design, device,

materials, or process, or any trademark or copyright, and shall indemnify, protect and save harmless DHCD and the State, their respective officers, agents, and employees with respect to any claim, action, costs or infringement, or for royalties or user fees arising out of purchase or use of materials, construction, supplies, equipment or services covered by this Agreement.

33. **Severability.**

If a court of competent jurisdiction renders any provision or portion of a provision of this Agreement invalid or otherwise unenforceable, that provision or portion of a provision will be severed, and the remainder of this Agreement will continue in full force and effect as if the invalid provision or portion of a provision were not part of this Agreement.

34. **Headings and Section References; Construction.**

The section headings in this Agreement are inserted only for convenience and are not to be construed as part of this Agreement or as a limitation of the scope of the particular section to which the heading refers.

35. **Administrative Officers; Notices.**

A. DHCD designates Gregory Hare as Project Monitor. Contact information for the Project Monitor is as follows:

Address: 7800 Harkins Road  
Lanham, Maryland 20706  
Telephone: (301) 429-7775  
Facsimile: (410) 558-6579

B. The Local Jurisdiction designates \_\_\_\_\_ as Administrative Officer. Contact information for the Administrative Officer is as follows:

Address: \_\_\_\_\_  
\_\_\_\_\_  
Telephone: (\_\_\_\_) \_\_\_\_\_ - \_\_\_\_\_  
Facsimile: (\_\_\_\_) \_\_\_\_\_ - \_\_\_\_\_

C. Service of any notice under this Agreement shall be complete upon mailing such notice, postage prepaid to the Project Monitor, if such notice is to DHCD, or to the Administrative Officer, if such notice is to the Local Jurisdiction.

36. **Review of Insurance Documentation.** The insurance documentation of the Local Jurisdiction required under this Agreement has been reviewed and approved for acceptability this \_\_\_\_\_ day of \_\_\_\_\_, 2017.

\_\_\_\_\_  
DHCD Project Monitor

37. **Legally Binding Agreement.** This Contract shall become legally binding on the parties hereto upon execution by DHCD, subject to any required approvals by DHCD, the State or HUD, provided it has first been executed by the Local Jurisdiction.

**WITNESS** the signatures of the parties hereto and the dates thereof:

**Attest:**

**Mayor and City Council of Cumberland**

\_\_\_\_\_  
Witness

By: \_\_\_\_\_(SEAL)

Name: \_\_\_\_\_

Title: Mayor, City of Cumberland

Date: \_\_\_\_\_

Approved as to form and legal sufficiency  
this \_\_\_\_\_ day of \_\_\_\_\_, 2017.

\_\_\_\_\_  
City of Cumberland Attorney

**Attest:**

**Maryland Department of Housing and  
Community Development**

\_\_\_\_\_  
Witness

By: \_\_\_\_\_(SEAL)

Matthew Heckles  
Assistant Secretary

Date: \_\_\_\_\_

Approved as to form and legal sufficiency  
this \_\_\_\_\_ day of \_\_\_\_\_, 2017.

\_\_\_\_\_  
Assistant Attorney General



Regular Council Agenda  
June 6, 2017

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**Description**

Order approving a STAR District Tax Incentive Application for 302 N. Centre Street, owned by Arnold D'Epagnier, to provide a 7-year property tax assessment freeze beginning with the 2012 tax year based on an investment of 14.5% of the 2012 pre-improvement value of the property

**Approval, Acceptance / Recommendation**

Budgeted

1st Reading

2nd Reading

3rd Reading

**Value of Award (if applicable)**

**Source of Funding (if applicable)**

**- ORDER -**  
*of the*  
**Mayor and City Council of Cumberland**  
**MARYLAND**

ORDER NO. \_\_\_\_\_

DATE: June 6, 2017

**ORDERED, By the Mayor and City Council of Cumberland, Maryland**

**THAT**, a STAR District Tax Incentive Application for property located at 302 North Centre Street, owned by Arnold D'Epagnier, (Tax Acct. #05-019370), be and is hereby approved as follows:

1. Property tax assessment freeze for seven (7) years, due to an investment equaling 14.5% of the 2012 pre-improvement value of the property, which was \$39,400;
2. The property tax assessment of this property should be held at the 2012 level for a seven (7) year period.

\_\_\_\_\_  
**Mayor Brian K. Grim**

**STAR District Tax Incentive Program****By Kathy McKenney****302 North Centre Street****Owner: Arnold D'Epagnier****Contact: Arnold D'Epagnier****Tax Account #: 05019370**

A STAR Tax Incentive Application has been received from the owner of the property located at 302 North Centre Street. Based on research, calculations (within the allowable two-year project time period), and materials received, I would like to make the following recommendation:

- ❖ Property tax assessment for the 7 years due to an investment equaling 14.5% of the 2012 pre-improvement value of the property (\$39,400.00). The property tax assessment should be held at this 2012 level for the seven years.