

COUNTY COUNCIL OF WICOMICO COUNTY, MARYLAND

2018 Legislative Session

Legislative Session Day No. 23

Resolution No. ~~111~~-2018

Introduced by: The President of the Council at the Request of the County Executive

A RESOLUTION OF THE COUNTY COUNCIL (THE "COUNTY COUNCIL") OF WICOMICO COUNTY, MARYLAND (THE "COUNTY"), SUPPLEMENTAL TO BILL NO. 2018-08 OF THE LEGISLATIVE SESSION OF THE COUNTY COUNCIL PASSED ON JULY 17, 2018 AND APPROVED BY THE COUNTY EXECUTIVE OF THE COUNTY (THE "COUNTY EXECUTIVE") ON JULY 17, 2018 ("BILL NO. 2018-08"), AS SUPPLEMENTED BY RESOLUTION NO. 110-2018 OF THE LEGISLATIVE SESSION OF THE COUNTY COUNCIL ADOPTED ON OCTOBER 2, 2018 (THE "BOND RESOLUTION"), PROVIDING FOR THE AWARD OF NINE MILLION SIX HUNDRED FIVE THOUSAND DOLLARS (\$9,605,000) AGGREGATE PRINCIPAL AMOUNT OF WICOMICO COUNTY, MARYLAND PUBLIC IMPROVEMENT BONDS OF 2018; FIXING THE MATURITIES OF THE BONDS SO AUTHORIZED, FIXING THE INTEREST RATES PAYABLE UPON THE BONDS AND AWARDED THE BONDS TO THE SUCCESSFUL BIDDER THEREFOR UPON THE BASIS OF THE BIDS RECEIVED THIS DAY, IN ACCORDANCE WITH THE OFFICIAL NOTICE OF SALE OF SAID BONDS DESCRIBED IN THE BOND RESOLUTION, AS MODIFIED; AND DETERMINING VARIOUS MATTERS IN CONNECTION THEREWITH.

RECITALS

A public sale of up to Ten Million Five Hundred Thousand Dollars (\$10,500,000) aggregate principal amount of Wicomico County, Maryland Public Improvement Bonds of 2018 (the "Bonds") was held this day, in accordance with the terms of the Notice of Sale (duly published in summary form in The Salisbury Daily Times on October 4, 2018 and October 11, 2018, and disseminated in full in the Preliminary Official Statement dated October 4, 2018 relating to the Bonds, as such Notice of Sale was modified in accordance with the terms thereof (the "Notice of Sale"), in the offices of the Director of Finance, Government Office Building, Room 102, 125 N. Division Street, Salisbury, Maryland 21801.

The Bond Resolution provides that the award of the Bonds, if any, shall be made by the County Council by supplemental Resolution of the County Council, unless the County Council determines not to come into session for such purpose.

The Preliminary Official Statement dated October 4, 2018 relating to the Bonds (the "Preliminary Official Statement") and the Notice of Sale provided for the issuance of the Bonds in a preliminary aggregate principal amount of \$9,915,000 and maturing on October 1 in the years 2019 to 2033, inclusive, subject to adjustment both pre- and post-sale as provided for in the Bond Resolution and the Notice of Sale; provided that, the final aggregate principal amount of the Bonds may not exceed \$10,500,000.

Subsequent to the release of the Preliminary Official Statement, the financial advisor to the County (ii) advised that due to other bond sales scheduled for today, the County's bond sale be moved from 11:00 a.m., prevailing Eastern time, to 10:45 a.m., prevailing Eastern time. Therefore, in accordance with the Bond Resolution and the Notice of Sale, the County Executive provided on October 11, 2018 for a change in the time of the bond sale and corresponding changes to the time by which any post-sale adjustments and the bond award shall be communicated, and such changes were communicated via TM3 (as defined in the Notice of Sale) in accordance with the Bond Resolution and the Notice of Sale.

The Notice of Sale provides that after receipt of bids, adjustments may be made by the financial advisor to the County (within the limitations stated therein) to the aggregate principal amount and principal maturities of the Bonds, and that any such changes shall be communicated to the successful bidder by 5:00 p.m. on the date hereof. The financial advisor to the County has advised that the amortization schedule for the Bonds provided for herein represents an adjustment from the amortization schedule set forth in the Preliminary Official Statement and the Notice of Sale, and that no additional adjustments to the amortization schedule will be made following adoption of this Resolution.

After study and computation, the Director of Finance reported to the County Council that the names of the bidders for the Bonds, and, as to each such bidder, the true interest cost to the County represented by their respective bids, are as set forth on Exhibit A hereto.

The Director of Finance of the County has determined (and the financial advisor to the County concurs) that the bid made by Citigroup Global Markets, Inc., by whatever legal name known (whether on its own behalf or on behalf of a syndicate), is the best bid received for the Bonds in accordance with the Notice of Sale.

The County is now prepared to accept the best bid for the Bonds at the price named by the bidder in such bid (the Bonds to bear interest in accordance with the terms of such bid), as adjusted as applicable based on the adjustment to the amortization schedule made by the financial advisor to the County following receipt of bids, and to fix the interest rates payable on the Bonds in accordance with the terms of such bid.

NOW, THEREFORE, BE IT RESOLVED BY THE COUNTY COUNCIL OF WICOMICO COUNTY, MARYLAND,

Section 1: That the Recitals to this Resolution set forth above are incorporated by reference in and made a substantive part hereof. Capitalized terms used in the Sections of this

Resolution and not otherwise defined herein shall have the meanings given to such terms in the title of or Recitals to this Resolution, as applicable.

Section 2: That the bid of Citigroup Global Markets, Inc., whether on its own behalf or on behalf of a syndicate and by whatever legal name known (the "Successful Bidder"), for the Bonds be and the same is hereby accepted.

Section 3: That the Bonds are hereby awarded to the Successful Bidder at the price named in its bid, as adjusted by the financial advisor to the County following receipt of bids, and the said Bonds, when prepared in definitive form, shall be executed and delivered to the Successful Bidder in accordance with the terms and conditions of the Notice of Sale, such delivery to be made upon receipt of the total purchase price for the Bonds, less the good faith deposit from the Successful Bidder to secure its bid, which good faith deposit shall be delivered by federal funds wire transfer on the date hereof in accordance with the Notice of Sale; said remaining purchase price for the Bonds to be paid to or at the direction of the Director of Finance of the County. Notwithstanding anything to the contrary contained in this Resolution or in Section 9 of the Bond Resolution, in the event the good faith deposit for the Bonds is not delivered to the County on the date hereof by the time provided in the Notice of Sale, the County Executive, on behalf of the County, is hereby authorized and empowered (1) to withdraw the award of the Bonds to the Successful Bidder and to provide that the Bonds are not awarded (either by so indicating on the BiDCOMP/Parity® system and/or by executing an order to such effect that shall be retained in the records of the County) and shall not be delivered in accordance with the provisions of this Resolution, or (2) in his discretion, to allow the Successful Bidder reasonable additional time to so deliver the good faith deposit.

Section 4: That the Bonds, to be designated as the "Wicomico County, Maryland Public Improvement Bonds of 2018", being general obligation bonds of Wicomico County, Maryland, shall be issued in the aggregate principal amount of \$9,605,000, shall mature on October 1 in the years and in the principal amounts set forth in Exhibit B hereto, and shall bear interest at the rates per annum set opposite the maturities thereof set forth in Exhibit B hereto. Such maturity schedule set forth in Exhibit B hereto reflects an adjustment following receipt of bids as contemplated by the Bond Resolution and the Notice of Sale. The financial advisor to the County has advised that such maturity schedule set forth in Exhibit B hereto shall not be subject to further adjustment after adoption of this Resolution.

Section 5: That the interest rates set forth in Exhibit B hereto are hereby fixed and adopted as and for the rates of interest payable on the Bonds.

Section 6: That the actions taken on behalf of the County between the date of adoption of the Bond Resolution and the date of adoption of this Resolution as described in the Recitals hereto are hereby ratified, confirmed and approved.

Section 7: That this Resolution supplements the provisions of the Bond Resolution and shall take effect immediately.

Done at Salisbury, Maryland, this 16th day of October, 2018.

ATTEST:

COUNTY COUNCIL OF
WICOMICO COUNTY, MARYLAND



Laura Hurley
Council Administrator



John T. Cannon
Council President

CERTIFICATION

This Resolution was Adopted , Adopted with Amendments _____, Failed _____, Withdrawn _____ by the County Council on October 16, 2018.

Certified by



Laura Hurley, Council Administrator

#207494;58025.040

EXHIBIT A

TRUE INTEREST COST

[See Attached]

10:45:59 a.m. EDST [Upcoming Calendar](#) [Overview](#) [Compare](#) [Summary](#)

Bid Results

**Wicomico County
\$9,915,000 Public Improvement Bonds of 2018**

The following bids were submitted using **PARITY**[®] and displayed ranked by lowest TIC.
Click on the name of each bidder to see the respective bids.

Bid Award*	Bidder Name	TIC
<input type="checkbox"/>	Citigroup Global Markets, Inc.	3.019360
<input type="checkbox"/>	Robert W. Baird & Co., Inc.	3.053951
<input type="checkbox"/>	FTN Financial Capital Markets	3.075313
<input type="checkbox"/>	UMB Bank, N.A.	3.076420
<input type="checkbox"/>	Fifth Third Securities, Inc.	3.078206
<input type="checkbox"/>	HilltopSecurities	3.084156
<input type="checkbox"/>	Raymond James & Associates, Inc.	3.101636

*Awarding the Bonds to a specific bidder will provide you with the Reoffering Prices and Yields.

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EXHIBIT B

AMORTIZATION SCHEDULE

[See Attached]



BOND PRICING

Wicomico County, MD
 General Obligation Public Improvement Bonds, Series 2018
 Preliminary Final Numbers

Bond Component	Maturity Date	Amount	Rate	Yield	Price	Yield to Maturity	Call Date	Call Price
Bond Component:								
	10/01/2019	645,000	5.000%	2.000%	102.717			
	10/01/2020	640,000	5.000%	2.080%	105.464			
	10/01/2021	640,000	5.000%	2.160%	107.991			
	10/01/2022	640,000	5.000%	2.250%	110.259			
	10/01/2023	640,000	5.000%	2.350%	112.241			
	10/01/2024	640,000	3.000%	2.470%	102.900			
	10/01/2025	640,000	5.000%	2.550%	115.449			
	10/01/2026	640,000	5.000%	2.640%	116.763			
	10/01/2027	640,000	5.000%	2.730%	117.860			
	10/01/2028	640,000	5.000%	2.810%	118.841			
	10/01/2029	640,000	5.000%	2.890%	118.082 C	3.041%	10/01/2028	100,000
	10/01/2030	640,000	5.000%	2.970%	117.328 C	3.236%	10/01/2028	100,000
	10/01/2031	640,000	5.000%	3.020%	116.860 C	3.378%	10/01/2028	100,000
	10/01/2032	640,000	4.000%	3.350%	105.445 C	3.502%	10/01/2028	100,000
	10/01/2033	640,000	4.000%	3.430%	104.756 C	3.585%	10/01/2028	100,000
		9,605,000						

Dated Date	10/30/2018
Delivery Date	10/30/2018
First Coupon	04/01/2019
Par Amount	9,605,000.00
Premium	1,107,054.25
Production	10,712,054.25
Underwriter's Discount	-35,824.25
Purchase Price	10,676,230.00
Accrued Interest	111.152837%
Net Proceeds	10,676,230.00