

COUNTY COUNCIL OF WICOMICO COUNTY, MARYLAND

2014 Legislative Session

Legislative Day No. 19

**Resolution No. 137-2014**

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

A RESOLUTION AUTHORIZING A LOAN FROM THE GENERAL FUND-FUND BALANCE TO THE WICOMICO COUNTY URBAN SERVICE COMMISSION, IN THE AMOUNT OF ONE MILLION DOLLARS (\$1,000,000), AND APPROVING A PROMISSORY NOTE BETWEEN WICOMICO COUNTY, MARYLAND AND THE WICOMICO COUNTY URBAN SERVICE COMMISSION.

WHEREAS, a number of private water wells in the Morris Mill Road area have been contaminated with Trichloroethylene (TCE)-constituting an imminent health hazard; and

WHEREAS, the Wicomico County Urban Service Commission, at a public hearing held on October 14, 2013, deemed it necessary for the health, safety and welfare of the residents to create an urban service district for the purpose of providing a potable water system to the property owners of the Morris Mill Road area; and

WHEREAS, funding has been secured from the State of Maryland and the United States Department of Agriculture-Rural Development for the installation of a water supply system; and

WHEREAS, the Urban Service Commission will need to forward fund a portion of the project costs for the water supply system prior to receipt of the State and Federal funding by the County; and

WHEREAS, the Urban Service Commission would like to proceed with the project, without delay, and desires to forward fund a portion of the project costs in the amount of One Million Dollars (\$1,000,000) from the General Fund-FUND BALANCE; and

WHEREAS, upon receipt of the State and Federal funding by the County, the Urban Service Commission will repay the General Fund-FUND BALANCE as provided in the Promissory Note attached as Exhibit "A"; and

WHEREAS, the Director of Finance has certified that the appropriation to be transferred is not encumbered and funds are available for transfer.

NOW, THEREFORE, BE IT RESOLVED, by the County Council of Wicomico County, Maryland as follows:

1. The following loan of funds is authorized and approved:

From: General Fund-FUND BALANCE \$1,000,000

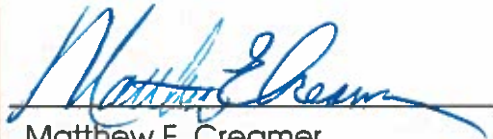
To: Morris Mill Urban Service District Water Project  
03A0524-456000-314MM \$1,000,000

2. The County Executive is authorized to execute the Promissory Note, in substantially the same form as Exhibit "A," and all related loan documents, to finance a portion of the project costs for the Morris Mill Urban Service District Water Project.

Done at Salisbury, Maryland, this 7<sup>th</sup> day of October, 2014.

ATTEST:

COUNTY COUNCIL OF  
WICOMICO COUNTY, MARYLAND



Matthew E. Creamer,  
Council Administrator

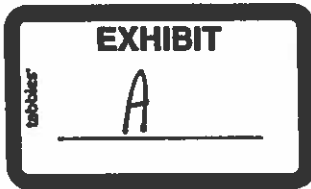


Matt Holloway,  
Council President

CERTIFICATION

This Resolution was Adopted  , Adopted with Amendments  , Failed  , Withdrawn  by the County Council on October 7, 2014.

Certified by   
Matthew E. Creamer, Council Administrator



PROMISSORY NOTE

\$ 1,000,000.00

October \_\_, 2014

WHEREAS, Wicomico County secured funding for the Morris Mill Urban Service District Water Project from the State of Maryland, in the amount of Three Million Dollars (\$3,000,000), and from the United States Department of Agriculture-Rural Development, in the amount of Two Million Dollars (\$2,000,000) in loans and Three Million Dollars (\$3,000,000) in grants; and

WHEREAS, Wicomico County and the Urban Service Commission will need to forward fund a portion of the Morris Mill Urban Service District Water Project costs prior to receipt of the State and Federal funding by the County; and

WHEREAS, Wicomico County and the Urban Service Commission would like to proceed with the project, without delay, and desires to forward fund a portion of the project costs in the amount of One Million Dollars (\$1,000,000) from the Wicomico County General Fund-Fund Balance.

NOW, THEREFORE, FOR VALUE RECEIVED, the undersigned, Wicomico County Urban Service Commission, "Borrower," promises to pay Wicomico County, Maryland, "Lender," the principal sum of One Million Dollars (\$1,000,000.00), with interest on the unpaid principal balance from the date of this Note, until paid, at the rate of two and one-half percent (2.5%) per annum.

Annual installments of interest only on the principal sum shall be calculated on a monthly basis, commencing on \_\_\_\_\_. The entire amount of principal shall become immediately payable upon demand by the Lender, but demand shall not be made later than November 1, 2017.

All interest and principal payments shall be paid in lawful money of the United States of America at the Wicomico County Department of Finance, P.O. Box 4036, Salisbury, Maryland 21803 or such other place as the Lender may designate in writing to the Borrower.

Borrower may prepay the principal amount outstanding in whole or in part at any time without penalty. Any partial prepayment shall be applied against the principal amount outstanding.

This Note shall be governed by and construed under the laws of the State of Maryland.

IN WITNESS WHEREOF, the Maker has caused this Note to be executed in its name, under its seal, and on its behalf the day and year first written above.

ATTEST:

WICOMICO COUNTY URBAN SERVICE COMMISSION

\_\_\_\_\_

\_\_\_\_\_(SEAL)  
BY: Matt Holloway, President

ATTEST:

WICOMICO COUNTY, MARYLAND

\_\_\_\_\_

\_\_\_\_\_(SEAL)  
BY: Richard M. Pollitt, Jr., County Executive

STATE OF MARYLAND  
COUNTY OF WICOMICO  
TO WIT:

I HEREBY CERTIFY that on this \_\_\_ day of \_\_\_\_\_, 2014, before me, the subscriber, a Notary Public in and for the State and County aforesaid, personally appeared Matt Holloway, who acknowledged himself to be the President of the Wicomico County Urban Services Commission, and that he, as such being authorized to do so, executed the foregoing Promissory Note for the purposes therein contained by signing, in my presence, the name of the corporation by himself as President.

AS WITNESS my hand and Notarial Seal.

Notary Public: \_\_\_\_\_  
My Commission Expires: \_\_\_\_\_

STATE OF MARYLAND  
COUNTY OF WICOMICO  
TO WIT:

I HEREBY CERTIFY that on this \_\_\_ day of \_\_\_\_\_, 2014, before me, the subscriber, a Notary Public in and for the State and County aforesaid, personally appeared Richard M. Pollitt, Jr., who acknowledged himself to be the County Executive of Wicomico County, Maryland, and that he, as such being authorized to do so, executed the foregoing Promissory Note for the purposes therein contained by signing, in my presence, the name of the corporation by himself as County Executive.

AS WITNESS my hand and Notarial Seal.

Notary Public: \_\_\_\_\_  
My Commission Expires: \_\_\_\_\_