

COUNTY COUNCIL OF WICOMICO COUNTY, MARYLAND

2016 Legislative Session

Legislative Session Day No. 12

Resolution No. 1402016

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. 2016-08 OF THE LEGISLATIVE SESSION OF THE COUNTY COUNCIL PASSED ON AUGUST 16, 2016 AND APPROVED BY THE COUNTY EXECUTIVE OF THE COUNTY (THE "COUNTY EXECUTIVE") ON AUGUST 16, 2016 ("BILL NO. 2016-08"), AS SUPPLEMENTED BY RESOLUTION NO. 130-2016 OF THE LEGISLATIVE SESSION OF THE COUNTY COUNCIL ADOPTED ON OCTOBER 4, 2016 (THE "BOND RESOLUTION"), PROVIDING FOR THE AWARD OF TWENTY MILLION THREE HUNDRED THOUSAND DOLLARS (\$20,300,000) AGGREGATE PRINCIPAL AMOUNT OF WICOMICO COUNTY, MARYLAND PUBLIC IMPROVEMENT BONDS OF 2016; FIXING THE MATURITIES OF THE BONDS SO AUTHORIZED, FIXING THE INTEREST RATES PAYABLE UPON THE BONDS AND AWARDING 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; AND DETERMINING VARIOUS MATTERS IN CONNECTION THEREWITH.

RECITALS

A public sale of up to Twenty Million Three Hundred Thousand Dollars (\$20,300,000) in aggregate principal amount of Wicomico County, Maryland Public Improvement Bonds of 2016 (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 20, 2016 and October 27, 2016 and disseminated in full in the Preliminary Official Statement dated October 18, 2016 relating to the Bonds (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 order of the County Executive or, if the County Council determines to come into session for such purpose, by supplemental Resolution of the County Council. The County Council has determined to come into session for purposes of rejecting all bids for, or awarding, the Bonds.

The Preliminary Official Statement dated October 18, 2016 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 \$20,300,000 and maturing on November 1 in the years 2017 to 2031, 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 \$20,300,000.

No adjustments to the amortization schedule for the Bonds or the bidding parameters for the Bonds set forth in the Notice of Sale were made after release of the Preliminary Official Statement.

The Notice of Sale provides that after receipt of bids, adjustments may be made by the County's financial advisor (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 County's financial advisor advises 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, that the successful bidder for the Bonds has signed-off on such adjustment, and that no further 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 M&T Securities, 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 following receipt of bids, and also 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 M&T Securities, 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 in accordance with the adjustment to the amortization schedule referenced in Section 4 below), 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 has been received; said remaining purchase price for the Bonds to be paid to or at the direction of the Director of Finance of the County.

Section 4: That the Bonds, to be designated as the “Wicomico County, Maryland Public Improvement Bonds of 2016”, being general obligation bonds of Wicomico County, Maryland, shall be issued in the aggregate principal amount of \$20,300,000, shall mature on November 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, and the County’s financial advisor has advised that such maturity schedule will not be further subject to adjustment (as authorized by the provisions of the Notice of Sale) 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 this Resolution shall take effect immediately.

[CONTINUED ON FOLLOWING PAGE]

Done at Salisbury, Maryland, this 1st day of November, 2016.

ATTEST:

COUNTY COUNCIL OF
WICOMICO COUNTY, MARYLAND


Matthew E. Creamer
Council Administrator


John T. Cannon
Council President

CERTIFICATION

This Resolution was Adopted , Adopted with Amendments _____, Failed _____, Withdrawn _____ by the County Council on
November 1, 2016.

Certified by


Matthew E. Creamer, Council Administrator

#191282;58025.037

EXHIBIT A

TRUE INTEREST COST

[See Attached]

11:00:23 a.m. EDST Upcoming Calendar Overview Compare Summary

Bid Results

Wicomico County
\$20,300,000 General Obligation Public Improvement Bonds
of 2016

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
1	M&T Securities Inc.	2.089842
2	SunTrust Robinson Humphrey	2.092944
3	Janney Montgomery Scott LLC	2.093172
4	Piper Jaffray	2.098733
5	Fifth Third Securities, Inc.	2.118218
6	FTN Financial Capital Markets	2.144936
7	J.P. Morgan Securities LLC	2.153341
8	Bank of America Merrill Lynch	2.189192
9	Raymond James & Associates, Inc.	2.195835
10	PNC Capital Markets	2.214593
11	Robert W. Baird & Co., Inc.	2.228610
12	Hilltop Securities Inc.	2.245697

*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, Maryland
General Obligation Public Improvement Bonds of 2016
Final Numbers

Bond Component	Maturity Date	Principal Amount	Interest Rate	Yield	Price	Yield to Maturity	Call Date	Call Price
Bond Component:								
	11/01/2017	\$ 1,350,000	3.000%	0.750%	102.150			
	11/01/2018	1,355,000	5.000%	0.870%	108.013			
	11/01/2019	1,355,000	5.000%	0.980%	111.703			
	11/01/2020	1,355,000	5.000%	1.080%	115.159			
	11/01/2021	1,355,000	5.000%	1.190%	118.301			
	11/01/2022	1,355,000	5.000%	1.290%	121.220			
	11/01/2023	1,355,000	5.000%	1.430%	123.573			
	11/01/2024	1,355,000	5.000%	1.580%	125.489			
	11/01/2025	1,355,000	5.000%	1.720%	127.130			
	11/01/2026	1,355,000	4.000%	1.840%	119.576			
	11/01/2027	1,355,000	4.000%	2.020%	117.783 C	2.168%	11/01/2026	100.000
	11/01/2028	1,350,000	4.000%	2.150%	116.508 C	2.404%	11/01/2026	100.000
	11/01/2029	1,350,000	4.000%	2.230%	115.731 C	2.566%	11/01/2026	100.000
	11/01/2030	1,350,000	4.000%	2.290%	115.152 C	2.691%	11/01/2026	100.000
	11/01/2031	1,350,000	4.000%	2.360%	114.481 C	2.808%	11/01/2026	100.000
		20,300,000						

Dated Date	11/15/2016
Delivery Date	11/15/2016
First Coupon	05/01/2017
Par Amount	20,300,000.00
Premium	3,410,978.85
Production	23,710,978.85
Underwriter's Discount	-106,575.00
Purchase Price	23,604,403.85
Accrued Interest	116,277,851%
Net Proceeds	23,604,403.85