

COUNTY COUNCIL OF WICOMICO COUNTY, MARYLAND

2017 Legislative Session

Legislative Session Day No. 28

Resolution No. 167-2017

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 (I) BILL NO. 2017-10 OF THE LEGISLATIVE SESSION OF THE COUNTY COUNCIL PASSED ON OCTOBER 3, 2017 AND APPROVED BY THE COUNTY EXECUTIVE OF THE COUNTY (THE "COUNTY EXECUTIVE") ON OCTOBER 9, 2017 ("BILL NO. 2017-10"), AND (II) BILL NO. 2009-10 OF THE LEGISLATIVE SESSION OF THE COUNTY COUNCIL PASSED ON SEPTEMBER 15, 2009 AND APPROVED BY THE COUNTY EXECUTIVE ON SEPTEMBER 25, 2009 ("BILL NO. 2009-10"), AS SUPPLEMENTED BY RESOLUTION NO. 131-2017 OF THE LEGISLATIVE SESSION OF THE COUNTY COUNCIL ADOPTED ON NOVEMBER 7, 2017 (THE "BOND RESOLUTION"), PROVIDING FOR THE AWARD OF NINETEEN MILLION EIGHT HUNDRED NINETY THOUSAND DOLLARS (\$19,890,000.00) AGGREGATE PRINCIPAL AMOUNT OF WICOMICO COUNTY, MARYLAND CONSOLIDATED PUBLIC IMPROVEMENT AND REFUNDING BONDS OF 2017, SUBJECT TO FURTHER ADJUSTMENT AS PROVIDED HEREIN ; 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, SUBJECT TO FURTHER ADJUSTMENT AS DESCRIBED HEREIN; DETERMINING THE MATURITIES OR PORTIONS OF MATURITIES OF THE POTENTIAL REFUNDED BONDS REFERRED TO HEREIN TO BE REFUNDED IN A CROSSOVER REFUNDING; AND DETERMINING VARIOUS MATTERS IN CONNECTION THEREWITH.

RECITALS

A public sale of up to Twenty-Four Million Eight Hundred Ten Thousand Dollars (\$24,810,000) aggregate principal amount of Wicomico County, Maryland Consolidated Public Improvement and Refunding Bonds of 2017 (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 December 1, 2017 and December 8, 2017 and disseminated in full in the Preliminary Official Statement dated December 4, 2017 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 December 4, 2017 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 \$20,670,000 (and the amortization schedule set forth in the Notice of Sale differed from the amortization schedule set forth in the published summary form of the Notice of Sale) and maturing on December 1 in the years 2018 to 2034, 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 \$24,810,000.

Subsequent to the release of the Preliminary Official Statement, the financial advisor to the County, (i) as authorized by the Bond Resolution, recommended that given current market conditions and in order to achieve stated County goals, including paying all issuance costs from reoffering premium and minimizing any additional proceeds to be received that correspond to the reoffering premium, the aggregate principal amount of the Bonds pre-sale be reduced from \$20,670,000 to \$19,685,000, and the amortization schedule therefor be modified accordingly, and (ii) advised that current market conditions dictate that the bidding parameters for the Bonds be modified prior to the sale thereof. Therefore, in accordance with the Bond Resolution and the Notice of Sale, the County Executive provided on December 11, 2017 (i) for an adjustment in the aggregate principal amount of the Bonds to \$19,685,000 for purposes of submission of bids and changes in the amortization schedule for the Bonds, and (ii) for a modification to the bidding parameters for the Bonds, 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 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 with respect to which bids were submitted, and that such amortization schedule remains subject to additional modifications in accordance with the Notice of Sale following adoption of this Resolution.

The Bond Resolution further provides that the final actual maturities or portions of maturities of the Potential Refunded Bonds identified on Exhibit A to the Bond Resolution to be crossover refunded from proceeds of the Bonds shall be determined by supplemental Resolution adopted by the County Council in conjunction with the award of the Bonds.

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 Morgan Stanley & Co, LLC, 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 following receipt of bids, and subject to further adjustment, to fix the interest rates payable on the Bonds in accordance with the terms of such bid, and to determine the Potential Refunded Bonds to be crossover refunded.

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 Morgan Stanley & Co., LLC, 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 following receipt of bids, and subject to further adjustment in accordance with the Notice of Sale and subject to verification, 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 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. In addition, in the event that final pricing results are not verified in accordance with the Notice of Sale, the County Executive, on behalf of the County, is hereby authorized and empowered 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 or by executing an order to such effect that shall be retained in the records of the County).

Section 4: That the Bonds, to be designated as the "Wicomico County, Maryland Consolidated Public Improvement and Refunding Bonds of 2017", being general obligation bonds of Wicomico County, Maryland, shall be issued in the aggregate principal amount of \$19,890,000.00, subject to further adjustment as described herein, shall mature on December 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. Such maturity schedule set forth in Exhibit B hereto remains subject to adjustment by the County's financial advisor in accordance with the provisions of the Notice of Sale.

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 Refunded Bonds to be crossover refunded are hereby determined to be those Potential Refunded Bonds or portions of maturities of the Potential Refunded Bonds that are identified on Exhibit C hereto. The Refunded Bonds shall be subject to redemption prior to their respective maturities on December 1, 2019 at the redemption price of 100% of the principal amount thereof being refunded, together with interest accrued to such date fixed for redemption.

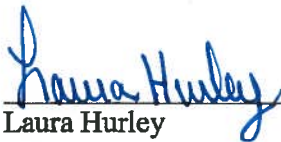
Section 7: That the actions taken on behalf of the County between the date of adoption of the Bond Resolution and the date of adoption of this Resolution as described in the Recitals hereto are hereby ratified, confirmed and approved.

Section 8: That this Resolution supplements the provisions of the Bond Resolution and shall take effect immediately.

Done at Salisbury, Maryland, this 12th day of December, 2017.

ATTEST:

COUNTY COUNCIL OF
WICOMICO COUNTY, MARYLAND



Laura Hurley
Council Administrator



John T. Cannorr
Council President

CERTIFICATION

This Resolution was Adopted , Adopted with Amendments ____, Failed ____, Withdrawn ____ by the County Council on December 12, 2017.

Certified by Laura Hurley
Laura Hurley, Council Administrator

#200659;58025.039

EXHIBIT A

TRUE INTEREST COST

[See Attached]

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

Bid Results

**Wicomico County
\$19,685,000 General Obligation Consolidated Public Improvement
and Refunding Bonds of 2017**

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"/>	Morgan Stanley & Co. LLC	2.568437
<input type="checkbox"/>	J.J.B. Hilliard, W.L. Lyons, Inc.	2.613838
<input type="checkbox"/>	Piper Jaffray	2.662332
<input type="checkbox"/>	J.P. Morgan Securities LLC	2.663160
<input type="checkbox"/>	M&T Securities Inc.	2.671227
<input type="checkbox"/>	Janney Montgomery Scott LLC	2.742829
<input type="checkbox"/>	Robert W. Baird & Co., Inc.	2.763608
<input type="checkbox"/>	UBS Financial Services Inc.	2.778383

*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
 2017 Financing: New Money and Crossover Refunding of 2009 BABs
 Preliminary Final Numbers Subject to Verification

Maturity Date	Amount	Rate	Yield	Price	Yield to Maturity	Call Date	Call Price
12/01/2018	600,000	4.000%	1.250%	102.520			
12/01/2019	600,000	4.000%	1.500%	104.725			
12/01/2020	1,145,000	4.000%	1.550%	106.978			
12/01/2021	1,165,000	4.000%	1.630%	108.974			
12/01/2022	1,190,000	4.000%	1.720%	110.721			
12/01/2023	1,210,000	4.000%	1.830%	112.131			
12/01/2024	1,235,000	4.000%	1.920%	113.426			
12/01/2025	1,265,000	4.000%	2.000%	114.589			
12/01/2026	1,290,000	4.000%	2.100%	115.388			
12/01/2027	1,320,000	4.000%	2.200%	115.969			
12/01/2028	1,350,000	4.000%	2.350%	114.529	C 2.474%	12/01/2027	100.000
12/01/2029	1,380,000	4.000%	2.430%	113.770	C 2.646%	12/01/2027	100.000
12/01/2030	1,405,000	4.000%	2.500%	113.110	C 2.785%	12/01/2027	100.000
12/01/2031	1,440,000	4.000%	2.550%	112.642	C 2.891%	12/01/2027	100.000
12/01/2032	1,470,000	3.000%	3.000%	100.000			
12/01/2033	900,000	3.000%	3.050%	99.371			
12/01/2034	925,000	3.000%	3.100%	98.689			
<hr/>							
19,890,000							

Dated Date	12/28/2017	
Delivery Date	12/28/2017	
First Coupon	06/01/2018	
Par Amount	19,890,000.00	
Premium	1,996,558.20	
Production	21,886,558.20	110.038000%
Underwriter's Discount	-108,921.42	-0.547619%
Purchase Price	21,777,636.78	109.490381%
Accrued Interest		
Net Proceeds	21,777,636.78	

EXHIBIT C

IDENTIFICATION OF REFUNDED BONDS

[See Attached]



SUMMARY OF BONDS REFUNDED

Wicomico County, MD
Potential Crossover Refunding of 2009 BABs

PRI - Prior Debt

Bond	Maturity Date	Interest Rate	Par Amount	Call Date	Call Price
Public Improvement Bonds of 2009 (Taxable Build America Bonds - Direct Payment), 2009BAB:					
SERIAL	12/01/2020	4.800%	580,000.00	12/01/2019	100.000
	12/01/2021	5.000%	600,000.00	12/01/2019	100.000
	12/01/2022	5.200%	620,000.00	12/01/2019	100.000
	12/01/2023	5.250%	640,000.00	12/01/2019	100.000
	12/01/2024	5.300%	665,000.00	12/01/2019	100.000
	12/01/2025	5.500%	690,000.00	12/01/2019	100.000
	12/01/2026	5.625%	715,000.00	12/01/2019	100.000
	12/01/2027	5.750%	745,000.00	12/01/2019	100.000
	12/01/2028	5.875%	775,000.00	12/01/2019	100.000
	12/01/2029	6.000%	805,000.00	12/01/2019	100.000
	12/01/2030	6.000%	840,000.00	12/01/2019	100.000
	12/01/2031	6.000%	875,000.00	12/01/2019	100.000
	12/01/2032	6.000%	910,000.00	12/01/2019	100.000
	12/01/2033	6.125%	950,000.00	12/01/2019	100.000
	12/01/2034	6.125%	985,000.00	12/01/2019	100.000
			11,395,000.00		