

EXECUTIVE ORDER  
COUNTY EXECUTIVE  
OF  
HOWARD COUNTY, MARYLAND

Executive Order No. 2017-04

Subject: An Order determining various matters in connection with the sale and issuance of Howard County, Maryland General Obligation Bonds, Consolidated Public Improvement Project Bonds, 2017 Series A, Consolidated Public Improvement Refunding Bonds, 2017 Series B and Metropolitan District Project and Refunding Bonds, 2017 Series C

WHEREAS, pursuant to Council Bill No. 48-2011 passed by the County Council of Howard County, Maryland (the "County Council") on October 3, 2011 and approved by the County Executive of Howard County, Maryland (the "County Executive") and effective on October 12, 2011; Council Bill No. 32-2012 passed by County Council on October 1, 2012 approved by the County Executive and effective on October 5, 2012; Council Bill No. 42-2013 passed by County Council on October 7, 2013 approved by the County Executive and effective on October 9, 2013; Council Bill No. 1-2015 passed by the County Council on February 2, 2015 and approved by the County Executive and effective on February 4, 2015; Council Bill No. 50-2015 passed with amendments by the County Council on December 7, 2015 and approved by the County Executive and effective on December 8, 2015; and Council Bill No. 61-2016 passed by the County Council on October 5, 2016 and approved by the County Executive and effective on October 12, 2016 (collectively, the "Bond Ordinances"), and Council Bill No. 62-2016 passed by the County Council on October 5, 2016 and approved by the County Executive on October 12, 2016 (the "Refunding Ordinance"), it was provided that the County Executive shall determine by order matters concerning the advertisement, sale, issuance, delivery and payment of the Bonds (as defined below), including maturities of outstanding general obligation bonds of Howard County, Maryland (the "County") to be refunded, the date or dates of sale, date or dates of the Bonds, the aggregate principal amount of the Bonds, the interest payment dates of the Bonds, manner of authentication of the Bonds, manner of numbering of the Bonds and selection of a paying agent and bond registrar; and

WHEREAS, the net proceeds of the Bonds will be used to (i) repay all or a portion of the County's General Obligation Bond Anticipation Tax-Exempt Note, Series 2014 (Public Improvement Projects) and General Obligation Bond Anticipation Tax-Exempt Note, Series 2014 (Metropolitan District Projects) (collectively, the "Notes"), (ii) pay or reimburse the County for the payment of costs related to certain projects, (iii) refund certain of the County's

outstanding general obligations bonds (the "Refunded Bonds"), and (iv) pay the costs of issuing the Bonds; and

WHEREAS, the County Executive has determined to prescribe such terms of the Bonds by this Order.

NOW, THEREFORE, BE IT ORDERED AND DETERMINED:

Section 1. General obligation bonds of Howard County, Maryland (the "County") designated as "Consolidated Public Improvement Project Bonds, 2017 Series A" (the "CPI Bonds") are authorized to be issued, sold and delivered pursuant to the Bond Ordinances, this Order, and the statutes and other authority cited therein and shall be issued in the maximum aggregate principal amount of \$133,565,000, subject to the provisions of this Order. General obligation bonds of Howard County, Maryland (the "County") designated as "Consolidated Public Improvement Refunding Bonds, 2017 Series B" (the "Refunding CPI Bonds" and together with the CPI Bonds, the "Public Improvement Bonds") are authorized to be issued, sold and delivered pursuant to the Bond Ordinances, the Refunding Ordinance, this Order, and the statutes and other authority cited therein and shall be issued in the maximum aggregate principal amount of \$145,445,000, subject to the provisions of this Order.

Section 2. General obligation bonds of the County designated as "Metropolitan District Project and Refunding Bonds, 2017 Series C" (the "Metropolitan District Bonds") are authorized to be issued, sold and delivered pursuant to the Bond Ordinances, the Refunding Ordinance, this Order, and the statutes and other authority cited therein and shall be issued in the maximum aggregate principal amount of \$79,750,000, subject to the provisions of this Order.

Section 3. The Metropolitan District Bonds and the Public Improvement Bonds (together, the "Bonds") shall be dated the date of their initial delivery and shall be issuable in registered form in the denomination of Five Thousand Dollars (\$5,000) each or any integral multiple thereof. The Bonds will initially be issued in book-entry only form without physical distribution of certificates to the public. The Depository Trust Company, New York, New York ("DTC") will act as the securities depository for the Bonds and the Bonds will be registered in the name of Cede & Co. as nominee for DTC. The Bonds of each issue, when first issued, may be numbered from No. R-1 upward in the order of their maturities or in some other manner which conforms to standard bond registration practices and is acceptable to DTC and the Director of Finance. Registration books (the "Bond Register") for the Bonds shall be maintained by the County, which shall also act as paying agent for the Bonds (the "Bond Registrar and Paying Agent"). As long as the Bonds are issued in book-entry only form, no other entity need be designated as Bond Registrar and Paying Agent. The Director of Finance from time to time may designate a bank or other financial institution to serve as Bond Registrar and Paying Agent upon thirty (30) days' prior written notice to the registered owners of the Bonds.

So long as Cede & Co. is the registered owner of the Bonds, as nominee of DTC, the County will send all payments of principal of and premium, if any, and interest on and notices to Cede & Co., and consider Cede & Co. as registered owner for all other purposes under the Bond Ordinances and Refunding Ordinance. Principal payments shall be made to Cede & Co. by

check, draft or wire transfer at its address as it appears on the Bond Register on the respective payment or redemption dates. Interest shall be paid to Cede & Co. by check, draft or wire transfer at its address as it appears on the Bond Register, such interest being payable semi-annually on February 15 and August 15 in each year (commencing August 15, 2017), accruing from the most recent date to which interest has been paid or, if no interest has been paid, from the date of initial delivery of the Bonds.

The Bonds shall contain similar provisions to and be in substantially the forms set forth in Exhibits A, B, and C attached hereto, with such variations as are necessary to reflect the provisions with respect to book-entry bonds set forth herein as long as the Bonds are in book-entry form. So long as the Bonds are in book-entry form, the manual or facsimile signature of the Director of Finance shall be sufficient to authenticate the Bonds. Bonds issued substantially in accordance with such forms, with appropriate insertions as indicated, when properly executed and authenticated as required by this Section, shall be deemed to constitute unconditional general obligations of the County, to the payment of which, in accordance to the terms thereof, the County's full faith and credit are pledged, and all the covenants and conditions contained in such Bonds shall be deemed to be binding on the County.

Section 4. The net proceeds of the Bonds will be used to repay all or a portion of the Notes, refund the Refunded Bonds, as set forth in Exhibit D attached hereto, pay or reimburse the County for the payment of costs related to certain projects and pay the costs of issuing the Bonds, and as otherwise permitted under the Bond Ordinances and the Refunding Ordinance. The refunding of the Refunded Bonds meets a public purpose of restructuring the debt of such Refunded Bonds in order to realize savings to the County in the aggregate cost of debt service. The Director of Finance is hereby authorized to finally determine the maturities of the Refunded Bonds to be redeemed with the proceeds of the Bonds in accordance with the provisions of this Order.

Section 5. A portion of the proceeds of the sale of the Bonds, including any premium received therefor, shall be paid to the Director of Finance who shall deposit the same with an escrow deposit agent in trust accounts established in the name of the County as hereinafter provided. Such proceeds shall be paid over to Wilmington Trust, N.A., to be held, administered and disbursed by it in its capacity as escrow deposit agent under an Escrow Deposit Agreement (the "Escrow Deposit Agreement") substantially in the form attached hereto as Exhibit E, with such additions, deletions, and modifications as the Director of Finance shall deem necessary or appropriate.

Section 6. (a) The CPI Bonds shall mature on February 15 in installments as serial or term bonds, commencing on February 15, 2018 and shall bear interest at the rates set forth in the bids selected by the Director of Finance in accordance with Section 9 of this Order. The final maturity for the CPI Bonds shall not be later than February 15, 2037.

(b) The Refunding CPI Bonds shall mature on February 15 in installments as serial or term bonds, commencing on February 15, 2018 and shall bear interest at the rates set forth in the bids selected by the Director of Finance in accordance with Section 9 of this Order. The final maturity for the Refunding CPI Bonds shall not be later than February 15, 2031.

(c) The Metropolitan District Bonds shall mature on February 15 in installments as serial or term bonds, commencing on February 15, 2018 and shall bear interest at the rates set forth in the bids selected by the Director of Finance in accordance with Section 9 of this Order. The final maturity for the Metropolitan District Bonds shall not be later than February 15, 2047.

Section 7. Bonds maturing on and after February 15, 2028 are subject to redemption prior to their respective maturities, at the option of the County, on or at any time after February 15, 2027, in whole or in part, at a redemption price of 100 percent of the principal amount thereof, together with interest accrued to the redemption date.

Section 8. The Bonds shall be sold at a public sale on April 11, 2017, in accordance with the Official Notices of Sale relating to the Bonds substantially in the forms set forth in Appendix B attached to the Preliminary Official Statement relating to the Bonds (the "Preliminary Official Statement") and Exhibit F attached hereto, with such changes, modifications and amendments as the Director of Finance determines is necessary and appropriate to effect the sale of the Bonds and such Preliminary Official Statement is hereby ratified and approved. The distribution of the Preliminary Official Statement, is hereby ratified and the execution and delivery of a final official statement (the "Official Statement") regarding the issuance and sale of the Bonds is hereby authorized. The Chief Administrative Officer and the Director of Finance are hereby authorized and directed to prepare, execute, issue and distribute the Official Statement in connection with the sale of the Bonds.

Section 9. The Director of Finance of the County is hereby authorized to award each Series of the Bonds to a purchaser whose proposal is determined by the Director of Finance, to be legally acceptable as to both form and substance, to be the most favorable proposal received for the purchase of such Bonds upon recommendation of the financial advisor of the County, and to be in accordance with the Bond Ordinances, the Refunding Ordinance and this Order.

Section 10. Prior to the delivery of the Bonds, the County shall have received a report from a firm of independent certified public accountants, nationally recognized in the field of refunding of tax exempt obligations, verifying that the maturing principal amounts of the obligations held in the funds created under the Escrow Deposit Agreement and interest earned thereon, together with any other amounts deposited in such funds, will be sufficient to pay all principal of and interest on the Refunded Bonds when due and all redemption prices of the Refunded Bonds and accrued interest thereon on their respective dates of redemption.

Section 11. The aggregate principal amount of the Bonds authorized pursuant to this Order may be adjusted within the parameters set forth in the Official Notices of Sale relating to the Bonds as approved by the Director of Finance.

Section 12. The publication of summary notices of sale of the Bonds at least twice in one or more daily or weekly newspapers having general circulation in the County, the first such publication which was at least ten (10) days prior to the date of sale, is hereby ratified and approved.

Section 13. In connection with the Bonds, the County shall enter into a continuing disclosure agreement pursuant to which the County shall provide certain information and notices to the Municipal Securities Rulemaking Board (the "MSRB") in an electronic format as prescribed by the MSRB. Such continuing disclosure agreement shall be substantially in the form attached as Appendix C to the Preliminary Official Statement. The Director of Finance of the County is hereby authorized to execute and deliver such continuing disclosure agreement in connection with the issuance of the Bonds.

Section 14. The County shall comply with the provisions of the Internal Revenue Code of 1986, as amended (the "Code"), applicable to the Bonds, including, without limitation, compliance with any provisions of the Code regarding the timing of the expenditure of the proceeds of such Bonds, the use of such proceeds, the restriction of investment yields, the filing of information with the IRS and the rebate of certain earnings resulting from the investment of the proceeds of the Bonds. The County 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 exclusion from gross income for federal income tax purposes of interest on the Bonds.

Section 15. There may be deducted from the gross proceeds received from the sale of the Bonds the cost of advertising, printing and legal fees and expenses relating to such sale as may be determined by the Director of Finance. There may also be deducted from the gross proceeds of the sale of the Bonds any other incidental expenses relating thereto and the reimbursement of the general tax receipts of the County for any monies previously expended therefrom for the projects more specifically described in this Order.

Section 16. The Chief Administrative Officer of the County is hereby authorized and directed to take such actions required or permitted to be taken by the County Executive pursuant to the Bond Ordinances and Refunding Ordinance in connection with the sale and issuance of the Bonds.

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This Order shall take effect this \_\_\_\_ day of April, 2017.

[SEAL]



HOWARD COUNTY, MARYLAND

ATTEST:

By:

A handwritten signature in blue ink, appearing to read "Allan H. Kittleman", written over a horizontal line.

Allan H. Kittleman  
County Executive  
Howard County, Maryland

A handwritten signature in blue ink, appearing to read "Nancy E. Gray", written over a horizontal line.

for Lonnie R. Robbins  
Chief Administrative Officer  
Howard County, Maryland

[Signature page to Executive Order]

This Order shall take effect this \_\_\_\_ day of April, 2017.

[SEAL]


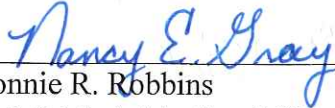
HOWARD COUNTY, MARYLAND

ATTEST:

By:



Allan H. Kittleman  
County Executive  
Howard County, Maryland

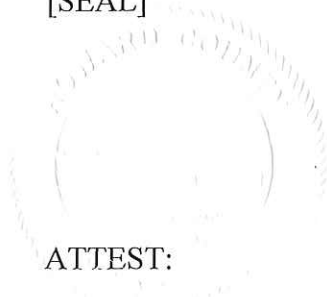
  


*for* Lonnie R. Robbins  
Chief Administrative Officer  
Howard County, Maryland

[Signature page to Executive Order]

This Order shall take effect this \_\_\_\_ day of April, 2017.

[SEAL]



HOWARD COUNTY, MARYLAND

ATTEST:

By: *Allan H. Kittleman*  
Allan H. Kittleman  
County Executive  
Howard County, Maryland

*Nancy E. Gray*  
for Lonnie R. Robbins  
Chief Administrative Officer  
Howard County, Maryland

[Signature page to Executive Order]

FORM OF CONSOLIDATED PUBLIC IMPROVEMENT PROJECT BONDS,  
2017 SERIES A

**FORM OF CONSOLIDATED PUBLIC IMPROVEMENT REFUNDING BONDS,**  
**2017 SERIES B**

FORM OF METROPOLITAN DISTRICT PROJECT AND REFUNDING BONDS,  
2017 SERIES C

**Exhibit D**

**REFUNDED BONDS**

[TABLE FROM DAVENPORT NUMBERS TO BE INSERTED]

**Exhibit E**

**FORM OF ESCROW DEPOSIT AGREEMENT**

[See Attached]

**Exhibit F**

**OFFICIAL NOTICES OF SALE**

[See Attached]