

# **COUNCIL OF THE TOWN OF LEONARDTOWN**

## **CHARTER AMENDMENT RESOLUTION NO. CA-06-02**

**Introduced by Mayor J. Harry Norris, III**

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### **A RESOLUTION concerning**

#### **CHARTER AMENDMENT – General Obligation Borrowing**

**FOR** the purpose of amending the Charter of The Commissioners of Leonardtown (the “Town”) to authorize the Town to borrow money for any proper public purpose and to evidence such borrowing by the issuance and sale of its general obligation bonds, notes or other evidences of indebtedness; authorizing the Council to determine by ordinance and/or resolution various matters pertaining to the manner in which, and the terms and conditions on which, general obligation bonds, notes or other evidences of indebtedness of the Town may be issued, sold, delivered, secured and paid; authorizing the issuance and sale of general obligation bonds, notes or other evidences of indebtedness at either private (negotiated) sale or public sale; authorizing the issuance and sale of general obligation bonds, notes or other evidences of indebtedness for a price or prices at, above or below the par value thereof; authorizing the issuance and sale of general obligation bonds, notes or other evidences of indebtedness at a rate or rates of interest that may be fixed or variable or determined by a method approved or provided for by the Council; authorizing the issuance and sale of general obligation bonds, notes or other evidences of indebtedness for cash or other valuable consideration; authorizing the redemption (at a price or prices at or above par value) prior to maturity of general obligation bonds, notes or other evidences of indebtedness and the publication or otherwise giving of notice of such redemption; authorizing the Town to enter into agreements for the purpose of enhancing the marketability of or as security for its general obligation bonds, notes or other evidences of indebtedness and for securing any tender option granted to the holders thereof; authorizing the imprinting in facsimile of the official signatures and seals affixed to any general obligation bonds, notes or other evidences of indebtedness; providing for or authorizing the methods by which any general obligation bonds, notes or other evidences of indebtedness may be bid for in connection with the sale of the same by solicitation of competitive bids at public sale and the methods by which any such notice of sale may be published or disseminated; providing that any resolution adopted by the Council pursuant to Article 7, Section 719 of the Charter may be introduced and adopted in a single session and shall not be subject to petition to referendum; providing that the Town may pledge to the payment of its general obligation bonds, notes or other evidences of indebtedness, or provide that the same may be payable in the first instance from, any other sources of revenue available to the Town; providing that the power conferred on the Town by Article 7, Section 719 of the Charter is additional and supplemental to any other general obligation borrowing authority granted to the Town by applicable law; providing that the provisions of Article 7, Section 719 of the Charter shall not apply to any tax anticipation borrowing incurred pursuant to Article 7, Section 718 of

the Charter; providing that all general obligation bonds, notes or other evidences of indebtedness validly issued by the Town previous to the effective date of the Charter amendments adopted by this Resolution, and all ordinances and resolutions passed concerning them, are declared to be valid, legal and binding and of full force and effect as if fully set forth in the Charter; generally relating to the issuance and terms of such general obligation bonds, notes or other evidences of indebtedness of the Town; and providing for compliance with certain provisions of the Annotated Code of Maryland pertaining to Charter amendments.

**BY** repealing and re-enacting, with amendments,  
Charter of the Town of Leonardtown  
ARTICLE 7, Finance  
Section 719

**SECTION 1: BE IT RESOLVED BY THE COUNCIL OF THE TOWN OF LEONARDTOWN** that, pursuant to the authority of Article XI-E of the Constitution of Maryland, as published in the Constitution of Maryland Article of the Annotated Code of Maryland (West 2002 and 2005 Cumulative Supplement), and Section 13 of Article 23A of the Annotated Code of Maryland (West 2002 and 2005 Cumulative Supplement), the Charter of the Town of Leonardtown (as published in Municipal Charters of Maryland, Volume 5, 1990 Edition and November 2005 Supplement) be, and the same is hereby, amended by repealing Section 719 of Article 7 of the Charter in its entirety and by enacting a new Section 719 of Article 7 of the Charter to read as follows:

## ARTICLE 7

### FINANCE

Section 719. Authority for general obligation borrowings.

(a) In addition to the authority provided for in Section 718 of this Charter with respect to tax anticipation borrowings, the Town shall have the power to borrow money for any proper public purpose and to evidence such borrowing by the issuance and sale of its general obligation bonds, notes or other evidences of indebtedness in the manner prescribed in this Section.

(b) As determined by or provided for in the authorizing ordinance and/or resolution of the Council, the general obligation bonds, notes or other evidences of indebtedness of the Town may be issued and sold:

(1) By private (negotiated) sale without advertisement or solicitation of competitive bids or by the solicitation of competitive bids at public sale after publication or dissemination of the notice of sale, as determined by the Council by ordinance or resolution;

(2) For a price or prices that may be at, above or below the par value of the bonds, notes or other evidences of indebtedness;

(3) At a rate of interest or rates of interest that may be fixed or variable or may be determined by a method approved or provided for by the Council; and

(4) For cash or other valuable consideration.

(c) The ordinance or resolution that authorizes the general obligation bonds, notes or other evidences of indebtedness may provide for their redemption prior to maturity, at such price or prices at or above par value as determined or provided for by the Council, and for the manner of publishing or otherwise giving notice of such redemption.

(d) The Town may enter into agreements with agents, banks, fiduciaries, insurers or others for the purpose of enhancing the marketability of or as security for the general obligation bonds, notes or other evidences of indebtedness and for securing any tender option granted to holders thereof.

(e) The official signatures and seals affixed to any of the general obligation bonds, notes or other evidences of indebtedness may be imprinted in facsimile.

(f) In connection with any sale of general obligation bonds, notes or other evidences of indebtedness by the solicitation of competitive bids at public sale, and as determined or provided for by the Council by ordinance or resolution, any such competitive bids may be delivered by electronic and/or facsimile means and/or by any other then-commercially reasonable manner for the sale of municipal obligations at competitive bid, any notice of sale may be published in whole and/or in summary form in a newspaper of general circulation in the Town and/or in a generally recognized financial journal such as *The Bond Buyer*, or any notice of sale may be disseminated solely in electronic form and/or by any other then-commercially reasonable manner for the sale of municipal obligations, and the date or dates of publishing or disseminating any notice of sale or summary thereof shall be determined or provided for by the Council by ordinance or resolution.

(g) Any resolution adopted by the Council pursuant to this Section 719 may be introduced and adopted in a single session and shall not be subject to petition to referendum, notwithstanding the provisions of any other section of this Charter.

(h) In connection with the authorization of its general obligation bonds, notes or other evidences of indebtedness, the Town may pledge to the payment thereof, or provide that such obligations shall be payable in the first instance from, any other sources of revenue available to the Town.

(i) The power conferred on the Town under this Section 719 of the Charter shall be deemed to be additional and supplemental to any other general obligation borrowing authority granted to the Town by Maryland public general or public local law, and the Town may authorize, issue and secure any such general obligation debt in conformity with this Charter and/or any other applicable law.

(j) The provisions of this Section 719 shall not apply to any tax anticipation borrowing incurred in accordance with Section 718 of this Charter.

(k) All general obligation bonds, notes or other evidences of indebtedness validly issued by the Town previous to the effective date of this Charter, as amended, and all ordinances and resolutions passed concerning them, are hereby declared to be valid, legal and binding and of full force and effect as if herein fully set forth.

**SECTION 2: AND BE IT FURTHER RESOLVED BY THE COUNCIL OF THE TOWN OF LEONARDTOWN** that if any provision of this Resolution, or the application thereof to any person or circumstance, is held invalid for any reason, such invalidity shall not affect the other provisions or any other application of this Resolution which can be given effect without the invalid provision or application and, to this end, all the provisions of this Resolution are hereby declared to be severable.

**SECTION 3: AND BE IT FURTHER RESOLVED BY THE COUNCIL OF THE TOWN OF LEONARDTOWN** that the amendments to the Charter of the Town adopted by this Resolution shall become effective upon the fiftieth (50<sup>th</sup>) day after passage of this Resolution, unless a proper petition for referendum meeting the requirements of Section 13 of Article 23A of the Annotated Code of Maryland (West 2002 and 2005 Cumulative Supplement) shall be presented or mailed to the Council in accordance with such Section 13 of Article 23A of the Annotated Code of Maryland on or before the fortieth (40<sup>th</sup>) day after passage of this Resolution. A complete and exact copy of this Resolution shall be posted at the town hall or other main municipal building or public place for a period of at least forty (40) days following its adoption, and the title to this Resolution, being a fair summary of the amendments to the Charter adopted hereby, shall be published in a newspaper of general circulation in the Town not less than four (4) times, at weekly intervals, within a period of forty (40) days starting immediately after the date of adoption of this Resolution.

**SECTION 4: AND BE IT FURTHER RESOLVED BY THE COUNCIL OF THE TOWN OF LEONARDTOWN** that, pursuant to Section 9A(c)(1) of Article 23A of the Annotated Code of Maryland (West 2002 and 2005 Cumulative Supplement), the Mayor shall send or cause to be sent a copy of this Resolution to the Department of Legislative Services of the State of Maryland within ten (10) days after this Resolution becomes effective (whether by its terms or following a referendum).

**SECTION 5: AND BE IT FURTHER RESOLVED BY THE COUNCIL OF THE TOWN OF LEONARDTOWN** that, pursuant to Section 9A(b) and Section 9A(a)(2) of Article 23A of the Annotated Code of Maryland (West 2002 and 2005 Cumulative Supplement), the Mayor promptly shall send or cause to be sent by certified mail, return receipt requested, bearing a postmark from the United States Postal Service, to the Department of Legislative Services of the State of Maryland, the following documents or information concerning the Charter amendment: (1) the complete text of this Resolution; (2) the date of the referendum election, if any, held with respect thereto; (3) the number of votes cast for or against this Resolution by the Council or in a referendum, if any; and (4) the effective date of the Charter amendments.

**SECTION 6: AND BE IT FURTHER RESOLVED BY THE COUNCIL OF THE TOWN OF LEONARDTOWN** that the Mayor is hereby authorized and directed to carry out or cause to be carried out the provisions of Sections 3, 4 and 5 hereof; and as evidence of compliance herewith, the Mayor shall cause to be affixed to the minutes of the Council for the meeting at which this Resolution is adopted (1) a certificate to the effect that this Resolution was duly and properly posted as provided in Section 3 hereof, (2) an appropriate certificate of publication in the newspaper in which the fair summary of the Charter amendment shall have been published, and (3) evidence of the mailings referred to in Sections 4 and 5 hereof.

The above amendment to the Leonardtown Town Charter was adopted by the foregoing Resolution which was passed at a special public meeting of the Council of the Town of Leonardtown on September 25, 2006, 3 members of the Town Council voting in the affirmative, 1 members of the Town Council voting in the negative, and 1 members of the Town Council absent, and the said Resolution becomes effective in accordance with law on November 14, 2006.

**ADOPTED** this 25<sup>th</sup> day of September, 2006.

SEAL

**COUNCIL OF THE TOWN  
OF LEONARDTOWN**

Walter Wise  
Walter Wise, Vice President

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Thomas Collier, Councilmember

Robert C Combs  
Robert Combs, Councilmember

Absent  
J. Maguire Mattingly, III, Councilmember

Leslie E Roberts  
Leslie E. Roberts, Councilmember

ATTEST:

Laschelle E Miller  
Laschelle E. Miller, Town Administrator

Date: 9/25/06