

EXECUTIVE ORDER
COUNTY EXECUTIVE
OF
HOWARD COUNTY, MARYLAND

Executive Order No. 2020-07
Subject: An Order determining various matters in connection with the execution and delivery by Howard County, Maryland of its Bond Anticipation Note Revolving Line of Credit from Bank of America, N.A.

RECITALS

Pursuant to Section 19-212 of the Local Government Article of the Annotated Code of Maryland (2013 Replacement Volume and 2019 Supplement) (the “Bond Anticipation Note Act”), certain bond enabling laws (collectively, the “Bond Enabling Laws”), Ordinance No. 3-2014 passed by the County Council of Howard County, Maryland (the “County Council”), approved by the County Executive of Howard County, Maryland (the “County Executive”) and effective on March 7, 2014 (the “Ordinance” and together with the Bond Enabling Laws and the Bond Anticipation Note Act, the “Authorizing Legislation”), Howard County, Maryland (the “County”) is authorized to issue bond anticipation notes in anticipation of the issuance of the County’s general obligation bonds (the “Bonds”), which Bonds are issued pursuant to an ordinance of the County Council (a “Bond Ordinance”); and

Pursuant to the authority granted by the Authorizing Legislation and based upon the recommendation of the County’s financial advisor, Davenport & Company LLC (the “Financial Advisor”), the County Executive of the County (the “County Executive”) has determined that under the current market conditions issuing bond anticipation notes under a revolving line of credit will afford the County the greatest borrowing flexibility at the least overall cost. The County desires to execute and deliver a revolving line of credit agreement with Bank of America, N.A. (the “Bank”) in which the Bank will make advances to the County from time to time. In consideration for each advance under the line of credit, the County shall execute and deliver to the Holder (as defined in the Credit Agreement) one or more bond anticipation notes.

NOW, THEREFORE, BE IT ORDERED AND DETERMINED:

Section 1. The Recitals shall be incorporated herein and made a part hereof.

Section 2. (a) The County will enter into a revolving line of credit agreement with the Bank (the “Credit Agreement”) in the maximum principal amount of up to \$200,000,000, with such insertions, omissions and variations as may be approved by the Director of Finance of the

County (the "Director of Finance"), the execution and delivery of the Credit Agreement to constitute conclusive evidence of such approval.

(b) Under the Credit Agreement, the Bank has agreed to make advances to the County from time to time in amounts not to exceed at any time the aggregate principal amount of \$200,000,000 (each an "Advance"). Each Advance made by the County shall be in a minimum principal amount of \$1,000,000.

Section 3. There is hereby authorized to be executed and delivered from time to time under this Order, taxable and tax exempt bond anticipation notes for the purpose of financing and refinancing all or a portion of the costs of capital projects of the County described in the Enabling Laws (each a "Note" and collectively, the "Notes"). The maximum aggregate principal amount of Notes that may be outstanding hereunder at any one time shall not exceed \$200,000,000; as such amount may be reduced or increased in accordance with this Section. The Notes initially shall be issued as two note certificates one for the taxable advances and one for tax exempt advances in principal amounts specified by the Director of Finance. The maximum aggregate principal amount of Notes authorized to be outstanding may, by the enactment of a supplemental order, (a) be increased to an amount which is not greater than the amount of the Commitment (as defined in the Credit Agreement) or (b) may be decreased, *provided* that the maximum aggregate principal amount of any Notes authorized to be outstanding may not be reduced below the then-outstanding aggregate principal amount of the Notes.

Section 4. (a) The Notes shall be issued by the County in substantially the form set forth in Exhibit A to this Order. The County hereby adopts the form of Note, and all of the covenants and conditions set forth therein, as and for the form of obligation to be incurred by the County, and the covenants and conditions set forth therein shall be binding upon the County as though set forth in full herein.

(b) The Notes shall be executed on behalf of the County by the County Executive and the Director of Finance, and the corporate seal of the County shall be impressed thereon and attested by the signature of the Chief Administrative Officer of the County. In case any officer of the County whose signature shall appear on any of the Notes shall cease to be such officer before the authentication and delivery of such Notes, such signature shall nevertheless be valid and sufficient for all purposes, as if such officer had remained in office until authentication and delivery. It shall not be necessary that the same officers sign all of the Notes that may be issued or delivered hereunder at any one time or from time to time.

Section 5. The principal of and interest on the Notes are general obligations of the County and the full faith and credit and the unlimited taxing power of the County are hereby irrevocably pledged to their payment when due (whether at maturity or otherwise). The County hereby covenants and agrees with the Holder (as defined in the Credit Agreement) to levy and cause to be collected the taxes hereinabove described and to take any further action that may be appropriate from time to time during the period that any such principal and interest remains outstanding and unpaid to provide the funds necessary to make such payments.

Section 6. The Notes shall have such maturity dates, redemption dates as specified in the Credit Agreement and each Note.

Section 7. With respect to the Series A Note (as defined in the Credit Agreement), the County shall comply with the provisions of the Internal Revenue Code of 1986, as amended (the "Code"), applicable to the Series A Note, including, without limitation, compliance with any provisions of the Code regarding the timing of the expenditure of the proceeds of such Series A Note, the use of such proceeds, the restriction of investment yields, the filing of information with the Internal Revenue Service and the rebate of certain earnings resulting from the investment of the proceeds of the Series A Note. The County shall make such use of the proceeds of such Series A Note, 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 Series A Note.

Section 8. The proceeds of advances made under the Credit Agreement shall be paid to the County and deposited in the Bond Anticipation Note Fund created by the County and shall be used to pay for costs of Projects in accordance with the provisions of the Authorizing Legislation.

Section 9. The Chief Administrative Officer of the County and the Director of Finance are hereby authorized and directed to take such actions required or permitted to be taken and execute such documents and agreements required to consummate the transaction contemplated by this Order.

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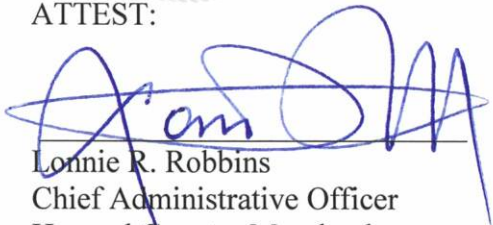
This Order shall take effect this 7th day of May, 2020.

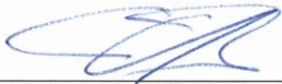
[SEAL]



HOWARD COUNTY, MARYLAND

ATTEST:


Lonnie R. Robbins
Chief Administrative Officer
Howard County, Maryland

By: 
Calvin Ball
County Executive
Howard County, Maryland

[Signature page to Executive Order]