

COUNTY ORDINANCE NO. 25-11

AN EMERGENCY BILL ENTITLED

“INCURRENCE AND ASSUMPTION OF INDEBTEDNESS IN CONNECTION WITH
ACQUISITION OF PUBLIC FACILITIES”

A PUBLIC LOCAL LAW TO AUTHORIZE AND EMPOWER QUEEN ANNE’S COUNTY, MARYLAND (THE “**COUNTY**”), FROM TIME TO TIME, TO INCUR AND ASSUME INDEBTEDNESS IN AN AGGREGATE AMOUNT NOT TO EXCEED FIVE MILLION FIVE HUNDRED THOUSAND DOLLARS (\$5,500,000) IN CONNECTION WITH THE COUNTY’S ACQUISITION, FOR THE BENEFIT OF ITS QUEEN ANNE’S COUNTY SANITARY DISTRICT, OF CERTAIN WATER AND SEWER PUBLIC FACILITIES FROM THE TOWN OF SUDLERSVILLE, MARYLAND (THE “**TOWN**”), INCLUDING THE ASSUMPTION BY THE COUNTY OF CERTAIN INDEBTEDNESS OF THE TOWN, ALL AS MORE PARTICULARLY DESCRIBED HEREIN, AND TO EVIDENCE SUCH ASSUMPTION OF INDEBTEDNESS BY THE ISSUANCE, UPON ITS FULL FAITH AND CREDIT, OF ONE OR MORE SERIES OF ITS GENERAL OBLIGATION BONDS (THE “**BONDS**”) IN LIKE PAR AMOUNT; EMPOWERING AND DIRECTING THE COUNTY TO ADOPT A RESOLUTION IN ACCORDANCE WITH SECTION 19-504(d) OF THE LOCAL GOVERNMENT ARTICLE OF THE ANNOTATED CODE OF MARYLAND (2013 REPLACEMENT VOLUME AND 2024 SUPPLEMENT) (THE “**CODE**”) PRIOR TO ISSUING ALL OR ANY PART OF THE BONDS; EMPOWERING AND DIRECTING THE COUNTY TO LEVY AD VALOREM TAXES IN RATE AND AMOUNT SUFFICIENT TO PROVIDE FUNDS FOR THE PAYMENT OF THE MATURING PRINCIPAL OF AND INTEREST ON THE BONDS AND PLEDGING THE COUNTY’S FULL FAITH AND

CREDIT AND UNLIMITED TAXING POWER TO THE PAYMENT THEREOF; EXEMPTING THE BONDS FROM THE PROVISIONS OF SECTIONS 19-205 TO 19-206, INCLUSIVE, OF THE CODE; AUTHORIZING THE ISSUANCE OF REFUNDING BONDS; AND RELATING GENERALLY TO THE ISSUANCE AND SALE OF SUCH BONDS.

NOW, THEREFORE, BE IT ENACTED BY THE BOARD OF COUNTY COMMISSIONERS OF QUEEN ANNE'S COUNTY:

Section 1. Queen Anne's County, Maryland (the "**County**"), for the benefit of its Queen Anne's County Sanitary District (the "**Sanitary District**"), is hereby authorized and empowered to incur and assume indebtedness for the public purposes described in Section 2 hereof, at one time or from time to time as the County may determine, in an aggregate principal amount not exceeding FIVE MILLION FIVE HUNDRED THOUSAND DOLLARS (\$5,500,000), and to evidence such incurrence and assumption of indebtedness by the issuance, upon its full faith and credit, of its general obligation bonds in like par amount.

Section 2. The bonds authorized to be issued hereunder shall evidence the obligations of the County with respect to the acquisition of certain water and sewer facilities (the "**Public Facilities**") by the County, for the benefit of the Sanitary District (the "**Acquisition**"), from the Town of Sudlersville, Maryland (the "**Town**"). The obligations of the County with respect to the Acquisition are reflected in an Amended Agreement dated July 2, 2025 between the County and the Town (the "**Agreement**"), which obligations include, among other things, the obligation to assume four loans of the Town from the United States of America, acting through the Rural Utilities Service, United States Department of Agriculture ("**USDA**"), which loans financed and refinanced the Public Facilities.

Section 3. Prior to issuing all or any part of the bonds authorized to be issued hereunder, the Board of County Commissioners shall adopt a resolution containing all of the provisions required under Section 19-504(d) of the Local Government Article of the Annotated Code of Maryland (2013 Replacement Volume and 2024 Supplement) (the “**Code**”). The resolution may also contain such other provisions as the Board of County Commissioners may deem appropriate or as otherwise required by USDA or the Agreement. The resolution may be adopted by the Board of County Commissioners at any time after the enactment of this public local law and the appropriate officers of the County may take any action deemed appropriate to effectuate the timely issuance of the bonds pursuant to the resolution at any time after the enactment of this public local law, provided only that the resolution may not become finally effective until the effective date of this public local law. The bonds may be issued on any date or dates after the effective date of this public local law.

Section 4. For the purpose of satisfying the debt service requirements on the bonds authorized to be issued hereunder, the Sanitary District shall impose and collect certain benefit assessments which the Sanitary District hereby authorizes for that purpose within the Sanitary District’s service areas. To the extent that such funds are insufficient to pay the principal of or interest on the bonds when due, the County shall levy for each and every fiscal year during which any of the bonds may be outstanding ad valorem taxes upon all real and tangible personal property within its boundaries subject to assessment for unlimited County taxation in rate and amount sufficient to provide for the prompt payment of the principal of and the interest on the bonds maturing in each fiscal year; and, in the event the proceeds from the collection of the taxes so levied in any such fiscal year prove to be inadequate for such purpose, additional taxes shall be levied in the subsequent fiscal year to make up any deficiency.

The full faith and credit and unlimited taxing power of the County are hereby irrevocably pledged to the prompt payment of the maturing principal of and interest on the bonds authorized to be issued hereunder as and when the same become due, and to the levy and collection of the taxes hereinabove described as and when such taxes become necessary in order to provide sufficient funds to meet the debt service requirements of the bonds. The County hereby covenants with each holder of any of the bonds to take any action that may be appropriate from time to time during the period that any of the bonds remain outstanding and unpaid to provide the funds necessary to make the principal and interest payments due thereon and further covenants and agrees to levy and collect the taxes hereinabove described.

Section 5. The bonds authorized to be issued hereunder are hereby specifically exempted from the provisions of Sections 19-205 to 19-206, inclusive, of the Code.

Section 6. The County is hereby authorized pursuant to Section 19-207 of the Code (the “**Refunding Act**”) to issue its bonds (“**Refunding Bonds**”) for the purpose of refunding any bonds issued hereunder. References to the bonds in Sections 2 through 5, inclusive, above shall include the Refunding Bonds, unless the context requires otherwise. The Refunding Bonds may be issued at one time or from time to time, for one or more of the public purposes specified for the issuance of refunding bonds in the Refunding Act, and may be sold at public or private sale, as provided in the resolution of the Board of County Commissioners adopted pursuant to Section 3 hereof. The aggregate principal amount of Refunding Bonds shall not exceed 120% of the principal amount of the bonds being refunded. The validity of any such Refunding Bonds shall in no way be dependent upon or affected by the validity or invalidity of the obligations so refunded.

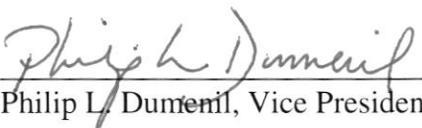
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Section 7. This public local law is declared to be an Emergency Bill and shall take effect immediately upon passage by a four-fifths vote of the County Commissioners of Queen Anne's County.

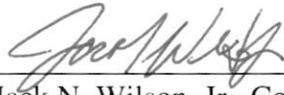
COUNTY COMMISSIONERS OF
QUEEN ANNE'S COUNTY, MARYLAND



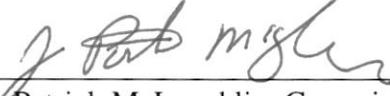
Christopher M. Corchiarino, President



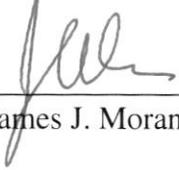
Philip L. Dumont, Vice President



Jack N. Wilson, Jr., Commissioner



J. Patrick McLaughlin, Commissioner



James J. Moran, Commissioner

Date Introduced: August 12, 2025

Public Hearing Held: August 26, 2025 @ [5:55 p.m.]

Vote: 5 Yea 0 Nay

Date Enacted: August 26, 2025

Effective Date: August 26, 2025