

RESOLUTION NO. CA-7-16

RESOLUTION OF THE MAYOR AND CITY COUNCIL OF GAITHERSBURG
TO AMEND SECTION 54 OF THE CITY CHARTER ENTITLED
"BORROWING IN ANTICIPATION OF TAXES AND REVENUES" SO
AS TO DELETE LANGUAGE OF LIMITATIONS

WHEREAS, Section 54 of the Charter of the City of Gaithersburg establishes the borrowing power and authority for the City; and

WHEREAS, the Mayor and City Council has determined that the proposed amendment is in the best interest of the City; and

WHEREAS, the amendment of Section 54 of the Charter of the City of Gaithersburg was duly considered by the Mayor and City Council at a public hearing held on May 2, 2016.

NOW, THEREFORE, BE IT RESOLVED, by the Mayor and City Council of Gaithersburg, in public meeting assembled, that Section 54 of the City Charter is hereby amended as follows:

Section 1 – That Section 54 of the Charter of the City of Gaithersburg be, and the same is, amended to read as follows:

Sec. 54. - Borrowing in anticipation of taxes and revenues.

In addition to any other borrowing power which the city may presently have, from whatever source derived, and notwithstanding any other provision or limitation of public general or public local law, the city shall have the power to borrow money and incur indebtedness, from time to time, for any public purpose, in anticipation of the collection of taxes or revenues, or both, direct or indirect, and to issue tax anticipation notes, notes in the nature of commercial paper or other evidences of indebtedness (hereinafter collectively referred to as "notes") which shall be a first lien upon the proceeds of such taxes and revenues. All notes shall be authorized by ordinance, which ordinance shall not be subject to the referendum provision of section 12 of this Charter and shall be fully

Boldface	<i>Heading or defined term.</i>
<u>Underlining</u>	<i>Added to existing law by original bill.</i>
Single strikethrough	<i>Deleted from existing law by original bill.</i>
<u>Double underlining</u>	<i>Added by Amendment.</i>
Double boldface strikethrough	<i>Deleted from existing law or the bill by amendment.</i>
* * *	<i>Existing law unaffected by bill.</i>

effective upon its final passage. The council shall have the power to determine by such ordinance the form and terms and all other matters concerning the issuance and sale of notes, ~~including, without limitation:~~

- ~~(a) The manner of sale of such notes, which may be by private negotiation without notice of sale or solicitation of competitive bids;~~
- ~~(b) The purchase price for such notes, which may be at, above or below the par value thereof;~~
- ~~(c) The medium of payment therefor, which may be cash or other consideration;~~
- ~~(d) The rate or rates of interest payable thereon, which may vary from time to time; such notes may be non-interest bearing;~~
- ~~(e) The date or dates of maturity of such notes, provided, however, that no notes shall mature later than eighteen months from their respective dates of issue; and~~
- ~~(f) Any additional security for such notes, including, but not limited to, a trust indenture with a corporate trustee or trustees, which may be any trust company or a bank having the powers of a trust company within or without the state, a letter of credit, line of credit or any other credit arrangement with a bank or lending institution.~~

Section 2 – BE IT FURTHER RESOLVED that the date of the adoption of this resolution is June 6, 2016, and that the amendment to the Charter of the City of Gaithersburg, as herein adopted, shall be and become effective on July 26, 2016, unless on or before said date a proper petition for referendum of this resolution shall be filed as permitted by law.

Section 3 – BE IT FURTHER RESOLVED that a complete and exact copy of this resolution shall be posted at City Hall, 31 South Summit Avenue, Gaithersburg, Maryland 20877, until July 16, 2016, and a fair summary of the proposed Charter amendment contained in this resolution shall be published in a newspaper of general circulation in the City of Gaithersburg not fewer than four (4) times at weekly intervals before July 16, 2016.

Section 4 – AND BE IT FURTHER RESOLVED that as soon as the Charter amendment hereby enacted shall become effective, either as herein provided or following a referendum, the City shall send or cause to be sent to the Department of Legislative Reference the following information concerning this Charter resolution: (1) the complete text of this resolution; (2) the date of enactment of the Charter amendment; (3) the date of the referendum election, if any; (4) the number of votes cast for or against this resolution whether by the City Council or in a referendum; and (5) the effective date of the Charter amendment contained herein.

ADOPTED by the City Council this 6th day of June, 2016.



JUD ASHMAN, MAYOR and
President of the Council

THIS IS TO CERTIFY that the foregoing Resolution was adopted by the City Council, in a public meeting assembled on the 6th day of June, 2016. This Resolution will become effective on the 26th day of July, 2016.



Tony Tomasello, City Manager