

**CITY OF ANNAPOLIS**  
**SPECIAL MEETING OF THE CITY COUNCIL**  
 May 29, 2012 5:30 p.m.

Call to Order  
 Invocation  
 Pledge of Allegiance  
 Roll Call

Mayor Cohen  
 Mayor Cohen  
 Mayor Cohen  
 City Clerk Watkins-Eldridge

**PETITIONS, REPORTS AND COMMUNICATIONS**

National Preservation Month Proclamation  
 Reports by Committees

Mayor Cohen

Finance Committee report on the Mayor's proposed FY 2013 operating budget and related legislation (**available Tuesday, May 29**)

Comments by the General Public

*A person appearing before the City Council with a petition, report or communication shall be limited to a presentation of not more than three minutes.*

**PUBLIC HEARING**

**O-19-12 Assistance for Aldermen and Alderwomen** – For the purpose of establishing the civil service position of City Council Associate reporting to the City Manager.

LEGISLATIVE HISTORY			
<i>Legislative referrals are subject to City Council action at the time of introduction and are reflected in the City Council's adopted minutes</i>			
First Reading	Public Hearing	Fiscal Impact Note	90 Day Rule
5/14/12	5/29/12	5/23/12	8/10/12
Referred to	Referral Date	Meeting Date	Action Taken
Rules and City Gov't	5/14/12		

**O-20-12 Issuance of Bonds** – For the purpose of authorizing and empowering the City of Annapolis (the "City") to issue and sell, upon its full faith and credit, general obligation bonds in the aggregate principal amount not to exceed Seven Million Six Hundred Ninety Thousand Dollars (\$7,690,000), pursuant to Sections 31 through 39, inclusive, of Article 23A of the Annotated Code of Maryland (2011 Replacement Volume), as amended, and Article VII, Section 11 of the Charter of the City of Annapolis, as amended, to be designated as "Public Improvements Bonds, 2012 Series" and said bonds to be issued and sold for the public purpose of financing and refinancing certain capital projects of the City as provided in this Ordinance; prescribing the form and tenor of said bonds; determining the method of sale of said bonds and other matters relating to the issuance and sale thereof; providing for the disbursement of the proceeds of said bonds; covenanting to levy and collect all taxes necessary to provide for the payment of the principal of and interest on said bonds; and generally providing for and determining various matters relating to the issuance, sale and delivery of all said bonds.

LEGISLATIVE HISTORY			
<i>Legislative referrals are subject to City Council action at the time of introduction and are reflected in the City Council's adopted minutes</i>			
First Reading	Public Hearing	Fiscal Impact Note	90 Day Rule
5/14/12	5/29/12	Available 5/29/12	8/10/12
Referred to	Referral Date	Meeting Date	Action Taken

Economic Matters	5/14/12		
Finance	5/14/12		
Financial Advisory Commission	5/14/12		

**LEGISLATIVE ACTIONS**  
**ORDINANCE – 2<sup>ND</sup> READING**

**O-5-12 Re-Instituting a City Council Vote at the First Reader Introduction of Legislation** – For the purpose of re-instituting a City Council vote at the first reader introduction of legislation.

LEGISLATIVE HISTORY			
<i>Legislative referrals are subject to City Council action at the time of introduction and are reflected in the City Council's adopted minutes</i>			
First Reading	Public Hearing	Fiscal Impact Note	90 Day Rule
2/13/12	3/12/12	2/16/12	5/14/12
Referred to	Referral Date	Meeting Date	Action Taken
Rules and City Gov't	2/13/12	4/11/12	Favorable

**ORDINANCES and RESOLUTIONS – 1<sup>ST</sup> READING**

**O-17-12 Central Services** – For the purpose of amending the City Code to conform to the City organization chart adopted as part of the FY 2012 operating budget in regards to the Central Services functions.

LEGISLATIVE HISTORY			
<i>Legislative referrals are subject to City Council action at the time of introduction and are reflected in the City Council's adopted minutes</i>			
First Reading	Public Hearing	Fiscal Impact Note	90 Day Rule
5/29/12			8/27/12
Referred to	Referral Date	Meeting Date	Action Taken
Public Safety	5/29/12		
Rules and City Gov't	5/29/12		
Transportation	5/29/12		

**O-22-12 Multi-Family Dwellings in the BR Zoning District** – For the purpose of permitting multi-family dwellings in the BR zoning district.

LEGISLATIVE HISTORY			
<i>Legislative referrals are subject to City Council action at the time of introduction and are reflected in the City Council's adopted minutes</i>			
First Reading	Public Hearing	Fiscal Impact Note	90 Day Rule
5/29/12			8/27/12
Referred to	Referral Date	Meeting Date	Action Taken
Rules and City Gov't	5/29/12		
Planning Commission	5/29/12		

**R-25-12**      **Commemorating the War of 1812** – For the purpose of commemorating the War of 1812 by supporting the docking of the HMS Bounty; and waiving docking fees associated with the HMS Bounty docking in the City of Annapolis on June 14-18, 2012.

LEGISLATIVE HISTORY			
<i>Legislative referrals are subject to City Council action at the time of introduction and are reflected in the City Council's adopted minutes</i>			
First Reading	Public Hearing	Fiscal Impact Note	90 Day Rule
5/29/12			8/27/12
Referred to	Referral Date	Meeting Date	Action Taken
Finance	5/29/12		

**BUSINESS and MISCELLANEOUS**

1. Appointments

**UPCOMING CITY COUNCIL EVENTS**

Special Meeting; Monday, June 4, 2012 7:00 p.m. City Council Chambers  
Regular Meeting; Monday, June 11, 2012 7:30 p.m. City Council Chambers  
Special Meeting; Monday, June 18, 2012 7:00 p.m. City Council Chambers  
Work Session; Thursday, June 21, 2012 1:30-4:30 p.m. City Council Chambers

Jessica Cowles  
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May 23, 2012

TO: The Capital Legal Notices: legalad@capgaz.com  
FROM: Jessica Cowles, Legislative and Policy Analyst  
RE: Notice of Public Hearing  
PUBLISH: Please publish on: **Sunday, May 27, 2012 and Monday, May 28, 2012**

Please send bill and certificate of publication to the City of Annapolis Office of Law, 93 Main Street, 3rd Floor, Annapolis, MD 21401.

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**NOTICE OF ANNAPOLIS CITY COUNCIL PUBLIC HEARING**

Notice is hereby given that the Annapolis City Council will hold a public hearing on Tuesday, May 29, 2012 at 5:30 p.m., in City Council Chambers, 160 Duke of Gloucester Street, Annapolis, for a public hearing on:

- O-19-12 Assistance for Aldermen and Alderwomen** – For the purpose of establishing the civil service position of City Council Associate reporting to the City Manager.
  
- O-20-12 Issuance of Bonds** – For the purpose of authorizing and empowering the City of Annapolis (the “City”) to issue and sell, upon its full faith and credit, general obligation bonds in the aggregate principal amount not to exceed Seven Million Six Hundred Ninety Thousand Dollars (\$7,690,000), pursuant to Sections 31 through 39, inclusive, of Article 23A of the Annotated Code of Maryland (2011 Replacement Volume), as amended, and Article VII, Section 11 of the Charter of the City of Annapolis, as amended, to be designated as “Public Improvements Bonds, 2012 Series” and said bonds to be issued and sold for the public purpose of financing and refinancing certain capital projects of the City as provided in this Ordinance; prescribing the form and tenor of said bonds; determining the method of sale of said bonds and other matters relating to the issuance and sale thereof; providing for the disbursement of the proceeds of said bonds; covenanting to levy and collect all taxes necessary to provide for the payment of the principal of and interest on said bonds; and generally providing for and determining various matters relating to the issuance, sale and delivery of all said bonds.

The above legislation on the City Council agenda for public hearing can be viewed on the City’s website at: <http://www.annapolis.gov/Government/Departments/LawOffice/PendingLegis.aspx>

Finance Committee report on the  
Mayor's proposed FY 2013 operating  
budget and related legislation  
**(available Tuesday, May 29)**

**CITY COUNCIL OF THE  
City of Annapolis**

**Ordinance No. O-19-12**

**Introduced by: Alderwoman Finlayson and Alderman Arnett**

LEGISLATIVE HISTORY			
<i>Legislative referrals are subject to City Council action at the time of introduction and are reflected in the City Council's adopted minutes</i>			
First Reading	Public Hearing	Fiscal Impact Note	90 Day Rule
Referred to	Referral Date	Meeting Date	Action Taken
5/14/12			8/10/12
Rules and City Gov't	5/14/12		

**AN ORDINANCE** concerning

**Assistance for Aldermen and Alderwomen**

**FOR** the purpose of establishing the civil service position of City Council Associate reporting to the City Manager.

**BY** repealing and re-enacting with amendments the following portions of the Code of the City of Annapolis, 2011 Edition  
Chapter 2.16

**SECTION I: BE IT ESTABLISHED AND ORDAINED BY THE ANNAPOLIS CITY COUNCIL** that the Code of the City of Annapolis shall be amended to read as follows:

**Chapter 2.16 – City Council**

**Article II- Generally.**

**2.16.190 - Standing committees.**

A. There are designated the following standing committees of the City Council, which shall review and make recommendations with regard to matters referred to them and shall perform other general duties and responsibilities:

1. Finance Committee. The Finance Committee shall handle all matters relating to the review of the budget and continuous surveillance of the budget. The Finance Committee shall have power to review and make recommendations with regard to the Mayor's annual operating budget and shall submit recommendations with regard to the budget to the City Council not later than the second Monday in May of each year. The Finance Committee shall review all proposed amendments to Title 6 (Revenue and Finance) of this code.

2. Public Safety Committee. The Public Safety Committee shall consider matters affecting public safety in the City. The Public Safety Committee shall review all proposed amendments to Title 11 (Public Peace, Morals and Welfare) and Title 12, (Vehicles and Traffic) of this code.

1 3. Rules and City Government Committee. The Rules and City Government Committee  
2 shall review and consider all proposed amendments to the Charter and all proposed  
3 amendments to Title 1 (General Provisions), Title 2 (Administration), Title 3 (Personnel),  
4 Title 4 (Elections), Title 20 (Subdivisions), Title 21 (Planning and Zoning) and Title 22  
5 (Adequate Public Facilities) of this code.

6 4. Economic Matters Committee. The Economic Matters Committee shall consider  
7 matters affecting the economy of the City; make recommendations to the City Council on  
8 issues relating to the operation of the Markethouse and the regulation of the City Dock;  
9 study, independently and with private historic preservation organizations, issues  
10 concerning historic structures in the City; and study, consider and make recommendations  
11 regarding issues of cable television service to the City of Annapolis and its citizens. The  
12 Economic Matters Committee shall review all proposed amendments to Title 7 (Business  
13 Licenses, Taxes and Regulations) and Title 17 (Buildings and Construction) of this code.

14 5. Housing and Human Welfare Committee. The Housing and Human Welfare  
15 Committee shall consider issues of housing and matters affecting the general health,  
16 welfare and quality of life of the residents of the City. The Housing and Human Welfare  
17 Committee shall review all proposed amendments to Title 8 (Animals), Title 10 (Health and  
18 Safety), and Title 18 (Landlord and Tenant Relations) of this code.

19 6. Environmental Matters Committee. The Environmental Matters Committee shall  
20 consider matters affecting the natural environment of the City. The Environmental Matters  
21 Committee shall review all proposed amendments to Title 14 (Streets, Sidewalks and  
22 Public Places), Title 15 (Harbors and Waterfront Areas), and Title 16 (Public Services) of  
23 this code.

24 7. Transportation Committee. The Transportation Committee shall consider matters  
25 affecting parking, public transportation, and vehicular traffic. The Transportation Committee  
26 shall review all proposed amendments to Title 12 (Vehicles and Traffic), Title 14 (Streets,  
27 Sidewalks and Public Places), and Title 22 (Adequate Public Facilities) of this Code.

28 B. Each of the committees as enumerated in this section shall have other and further duties  
29 and responsibilities as are designated to them by the City Council. The Mayor may designate  
30 any other standing or special committees as the Mayor deems appropriate from time to time.

31  
32  
33 **2.16.200 - Membership on boards and commissions.**

34 In the capacity of an ex officio, nonvoting member, the Mayor and each Alderman may attend  
35 the meetings and participate in the discussions of the following bodies:

- 36 A. Commission on Aging;
- 37 B. Environmental Commission;
- 38 C. Human Relations Commission;
- 39 D. Recreation Advisory Board; and
- 40 E. Transportation Board.

41  
42  
43 **2.16.210 - Assistance for Alderman.**

44 [Subject to the availability of funds,] CIVIL SERVICE staff may be employed or services  
45 engaged by contract to assist aldermen, individually or collectively, with their public  
46 responsibilities.

47

1 A. CIVIL SERVICE ASSISTANCE. THERE SHALL BE ESTABLISHED THE CIVIL SERVICE  
2 POSITION OF CITY COUNCIL ASSOCIATE, REPORTING TO THE CITY MANAGER. THE  
3 CITY COUNCIL ASSOCIATE SHALL PROVIDE CONTINUITY AND EXPERTISE THAT SPANS  
4 ACROSS CITY COUNCIL TERMS OF OFFICE. THE CITY COUNCIL ASSOCIATE SHALL  
5 PROVIDE LOGISTICAL AND ADMINISTRATIVE ASSISTANCE TO THE CITY COUNCIL AND  
6 SERVE AS RECORDING SECRETARY FOR CITY COUNCIL STANDING COMMITTEES.

7  
8 B. CONTRACTUAL ASSISTANCE. The [aldermen] ALDERMAN OR ALDERWOMAN who is  
9 senior in service (senior alderman OR ALDERWOMAN) shall, at the direction of a majority of  
10 the aldermen AND ALDERWOMEN, advise the Department of Human Resources of the nature  
11 of ANY CONTRACTUAL assistance needed. The Department OF HUMAN RESOURCES shall  
12 encourage qualified persons to apply. With the approval of a majority of the aldermen AND  
13 ALDERWOMEN, the Department shall employ or engage on a contractual basis a qualified  
14 person. The person so CONTRACTUALLY employed or engaged shall be subject to the  
15 immediate supervision of the [Director of the Department of Human Resources] CITY  
16 MANAGER. However, the overall direction of the work shall be determined by a majority of the  
17 aldermen AND ALDERWOMEN acting through the senior alderman OR ALDERWOMAN. At the  
18 request of a majority of the aldermen AND ALDERWOMEN, acting through the senior alderman  
19 OR ALDERWOMAN, the [Director of the Department of Human Resources] CITY MANAGER  
20 shall dismiss the person so CONTRACTUALLY employed or engaged. While  
21 CONTRACTUALLY employed or engaged to assist the aldermen AND ALDERWOMEN with  
22 their public responsibilities, the CONTRACTUAL person is not part of the merit system.

23  
24 **2.16.215 - Dedicated office space in City Hall.**

25 In order to execute the public responsibilities of their position, Aldermen and Alderwomen shall  
26 be provided with dedicated work and meeting space in City Hall. Such work and meeting space  
27 shall include desk(s), and a secure locker and file cabinet for each Alderwoman and Alderman,  
28 a conference table and chairs and other similar amenities to make the space functional.  
29 Aldermen and Alderwomen shall have access to appropriate information technology such as  
30 computers, printers and telephones. The office of any staff provided for Aldermen and  
31 Alderwomen assistance in Section 2.16.210 shall be co-located within the office space  
32 designated for the Aldermen and Alderwomen.  
33

34 **SECTION II: AND BE IT FURTHER ESTABLISHED AND ORDAINED BY THE**  
35 **ANNAPOLIS CITY COUNCIL** that this Ordinance shall take effect from the date of its passage.

36  
37 **ADOPTED** this \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_.

38  
39  
40  
41  
42  
43  
44  
ATTEST:

THE ANNAPOLIS CITY COUNCIL

BY

\_\_\_\_\_  
Regina C. Watkins-Eldridge, MMC, City Clerk

\_\_\_\_\_  
Joshua J. Cohen, Mayor

**EXPLANATION**

CAPITAL LETTERS indicate matter added to existing law.

[brackets] indicate matter stricken from existing law.

Underlining indicates amendments.

## **Policy Report**

**O-19-12**

### **Assistance for Aldermen and Alderwomen**

The proposed ordinance would provide for the civil service position of City Council Associate within the City Manager's Office. The proposed ordinance would establish the City Council Associate position to provide logistical and administrative assistance to the City Council and serve as recording secretary for City Council Standing Committees.

Prepared by Jessica Cowles, Legislative and Policy Analyst, Office of Law at [JCCowles@annpolis.gov](mailto:JCCowles@annpolis.gov) or (410) 263-1184.

## FISCAL IMPACT NOTE

**Legislation No:** O-19-12

**First Reader Date:** 5-14-12

**Note Date:** 5-23-12

**Legislation Title:** Assistance for Aldermen and Alderwomen

**Description:** For the purpose of establishing the civil service position of City Council Associate reporting to the City Manager.

### **Analysis of Fiscal Impact:**

This legislation would add a civil service position which has not yet been ranked. Using grade A10 as an example, with a salary range from \$41,162.44 to \$65,859.52, and assuming a new employee was hired at the base level, the cost for the first year, including salary, the City's share of Social Security and Medicare, the City's contribution to the Maryland State Retirement and Pension System, and an estimate of the City's contribution to health benefits, would be about \$61,815.

Funding is in the FY2012 and Fy2013 budgets via currently vacant positions.

**CITY COUNCIL OF THE  
City of Annapolis**

**Ordinance No. O-20-12**

**Introduced By: Mayor Cohen**

LEGISLATIVE HISTORY			
<i>Legislative referrals are subject to City Council action at the time of introduction and are reflected in the City Council's adopted minutes</i>			
First Reading	Public Hearing	Fiscal Impact Note	90 Day Rule
5/14/12			8/10/12
Referred to	Referral Date	Meeting Date	Action Taken
Economic Matters	5/14/12		
Finance	5/14/12		
Financial Advisory Commission	5/14/12		

**AN ORDINANCE** concerning

**Issuance of Bonds**

**FOR** the purpose of authorizing and empowering the City of Annapolis (the "City") to issue and sell, upon its full faith and credit, general obligation bonds in the aggregate principal amount not to exceed Seven Million Six Hundred Ninety Thousand Dollars (\$7,690,000), pursuant to Sections 31 through 39, inclusive, of Article 23A of the Annotated Code of Maryland (2011 Replacement Volume), as amended, and Article VII, Section 11 of the Charter of the City of Annapolis, as amended, to be designated as "Public Improvements Bonds, 2012 Series" and said bonds to be issued and sold for the public purpose of financing and refinancing certain capital projects of the City as provided in this Ordinance; prescribing the form and tenor of said bonds; determining the method of sale of said bonds and other matters relating to the issuance and sale thereof; providing for the disbursement of the proceeds of said bonds; covenanting to levy and collect all taxes necessary to provide for the payment of the principal of and interest on said bonds; and generally providing for and determining various matters relating to the issuance, sale and delivery of all said bonds.

**RECITALS**

For convenience of reference, the City of Annapolis, a municipal body corporate and politic of the State of Maryland, is hereinafter sometimes referred to as the "City" or as "Annapolis".

The authority for the powers herein exercised is contained in Article VII, Section 11 of the Charter of the City (the "Charter") and in Sections 31 through 39, inclusive, of Article 23A of

1 the Annotated Code of Maryland (2011 Replacement Volume), as amended, such authority  
2 being hereinafter sometimes referred to collectively as the “Enabling Act”.

3 The Enabling Act authorizes and empowers the City to borrow money for any proper  
4 public purpose and to evidence such borrowing by the issuance and sale of its general  
5 obligation bonds in accordance with the procedure prescribed by the Enabling Act, subject to  
6 the limitation imposed by the Charter, that no bonds shall be issued by the City if, by the  
7 issuance thereof, the total bonded indebtedness of the City incurred, less the amount of sinking  
8 funds established for the retirement thereof, would then exceed ten per centum (10%) of the  
9 assessed value of all real and personal property in the City taxable for municipal purposes.

10 The Charter further provides that, in computing compliance with such limitation,  
11 outstanding bonds or other indebtedness of the City issued pursuant to the authority of any  
12 public local law enacted by the General Assembly of Maryland prior to January 1, 1955, or  
13 pursuant to the authority of any public general law of the State of Maryland, other than the  
14 Enabling Act, together with tax anticipation notes issued pursuant to the Enabling Act, revenue  
15 bonds payable as to principal and interest solely from the revenues from revenue-producing  
16 projects, and short-term obligations issued pursuant to certain sections of the Charter, shall not  
17 be taken into account.

18 Pursuant to the Charter, the City Council of the City (the “City Council”), may in its  
19 discretion hold a referendum on any such bond issue or may be required to do so as a result of  
20 a proper petition of registered voters filed for the purpose after the giving of notice to the City as  
21 prescribed in the Charter.

22 The City proposes to spend the proceeds of the bonds authorized pursuant to this  
23 Ordinance to (i) finance and refinance the costs of certain public projects of the City, subject to  
24 the provisions of this Ordinance and (ii) pay the costs of issuing such bonds.

25 The Charter contains no limitations upon the rate at which *ad valorem* taxes may be  
26 levied by the City for the payment of the principal of and interest on said bonded indebtedness.

27 Since the adoption of Article XI-E as an amendment of the Constitution of Maryland, the  
28 General Assembly of Maryland has passed no law proposing a limitation upon the rate at which  
29 taxes may be levied by the City or a limitation upon the amount of bonded indebtedness which  
30 may be incurred by the City different from that set forth in the Charter.

31 **NOW, THEREFORE, BE IT ESTABLISHED AND ORDAINED BY THE CITY**  
32 **COUNCIL, that:**

33 SECTION 1. All terms used herein which are defined in the Recitals hereof shall have  
34 the meanings given such terms therein.

1 SECTION 2. It is in the best interest of the City to borrow money and incur indebtedness  
 2 and the City is authorized and empowered to issue and sell, upon its full faith and credit, its  
 3 general obligation, fully registered bonds in the aggregate principal amount not to exceed Seven  
 4 Million Six Hundred Ninety Thousand Dollars (\$7,690,000) to be known as “Public  
 5 Improvements Bonds, 2012 Series” (the “Bonds”) or such other designation as deemed  
 6 appropriate by the Mayor of Annapolis (the “Mayor”) and City Manager of Annapolis (the “City  
 7 Manager”) for the purposes of financing and refinancing the costs of the public projects listed  
 8 below (the “Projects”).

<u>FUND</u>	<u>TITLE</u>	<u>BOND FUNDING</u>
General	Maintenance Facilities	\$250,000
	Stanton Center	95,000
	Roadways	1,984,300
	City Dock Development	40,000
	Capital Grants	260,000
	Truxtun Park	113,046
<b>Total General Fund</b>		<b>\$2,742,346</b>
Stormwater Fund	Stormwater Management Retrofit Projects	\$100,000
Water Fund	Water Treatment Plant	277,000
	Water Distribution Upgrades	1,718,000
	SCADA/Radio Upgrade	173,000
Sewer Fund	SCADA/Radio Upgrade	240,000
	Sewer Pump Station Improvements	1,239,000
	Sewer Rehab and Improvements	1,050,000
<b>Total Enterprise Funds</b>		<b>\$4,797,000</b>
<b>Total All Funds</b>		<b>\$7,539,346</b>

9 The costs of the Projects shall include (without limitation) the costs of the planning,  
 10 construction, reconstruction, demolition, improvement, refurbishing, renovation, restoration,  
 11 extension, alteration, installation, repair, acquisition, conversion and modernization of  
 12 structures; the acquisition of structures and sites for structures; the acquisition of rights of way  
 13 for roads; architectural and engineering services, including preparation of plans, drawings and

1 specifications; development and restoration of grounds; and all customary and necessary  
2 furnishings and fixed permanent equipment for structures.

3 SECTION 3. The City hereby covenants that any Bonds issued hereunder shall comply  
4 with all limitations of the Charter and that no Bonds shall be issued by the City if, by the  
5 issuance thereof, the total bonded indebtedness of the City incurred, less the amount of sinking  
6 funds established for the retirement thereof, would then exceed ten per centum (10%) of the  
7 assessed value of all real and personal property in the City taxable for municipal purposes.

8 SECTION 4. The Bonds authorized by this Ordinance shall be dated the date of their  
9 delivery, shall be fully registered bonds without coupons in the denomination of Five Thousand  
10 Dollars (\$5,000) each or any integral multiple thereof and shall bear interest at the interest rate  
11 or rates fixed at the time of the awarding of the Bonds in accordance with an executive order of  
12 the Mayor and the provisions of this Ordinance as hereinafter provided. Interest on the Bonds  
13 shall be payable semi-annually on the dates and in the years as may be determined by the  
14 Mayor in an executive order. The Bonds shall mature, subject to the option of prior redemption,  
15 in annual installments, including any mandatory sinking fund installments, in the years as shall  
16 be determined by the Mayor pursuant to an executive order; provided however, that the final  
17 maturity of the Bonds shall not exceed 30 years from the date of delivery of the Bonds. Each  
18 Bond shall bear interest from the interest payment date next preceding the date on which it is  
19 authenticated, unless authenticated upon an interest payment date, in which event it shall bear  
20 interest from such interest payment date, or unless authenticated prior to the first interest  
21 payment date, in which event it shall bear interest from the date of the Bonds; provided,  
22 however, that if at the time of authentication of any bond interest is in default, such bond shall  
23 bear interest from the date to which interest has been paid.

24 SECTION 5. Certain of the Bonds may be subject to redemption prior to maturity as  
25 may be determined by the Mayor in an executive order. With respect to the Bonds subject to  
26 redemption, if any, the redemption dates and the redemption prices shall be specified in an  
27 executive order by the Mayor.

28 The Bonds shall be redeemed only in integral multiples of \$5,000. If less than all of the  
29 Bonds of any one maturity are called for redemption, the particular bonds to be redeemed from  
30 such maturity shall be selected by lot by the bond registrar for the Bonds (the "Bond Registrar")  
31 in such manner as the Bond Registrar in its sole discretion may determine or under the  
32 procedures for book-entry bonds if the Bonds are under a book-entry system.

33 When less than all of a Bond in a denomination in excess of \$5,000 shall be so  
34 redeemed, then upon the surrender of such Bond, there shall be issued to the registered owner

1 thereof, without charges, for the unredeemed balance of the principal amount of such Bond, at  
2 the option of such owner, Bonds in any of the authorized denominations, the aggregate face  
3 amount of such Bonds not to exceed the unredeemed balance of the Bond so surrendered, and  
4 to bear the same interest rate and to mature on the same date as said unredeemed balance.

5 If the City elects to redeem all or a portion of the Bonds outstanding, it shall give a  
6 redemption notice by first class mail, postage prepaid, at least 30 days prior to the date fixed for  
7 redemption to each registered owner appearing on the books kept by the Bond Registrar.  
8 Notwithstanding the foregoing, so long as all of the Bonds are registered in the name of Cede &  
9 Co., as nominee for the Depository Trust Company, New York, New York ("DTC"), such notice  
10 shall be given by a secure means (e.g. legible facsimile transmission, registered or certified mail  
11 or overnight express delivery) in a timely manner designed to assure that such notice is in DTC  
12 possession no later than the close of business on such 30th day; provided, however, that the  
13 failure to mail the redemption notice or any defect in the notice so mailed or in the mailing  
14 thereof shall not affect the validity of the redemption proceedings. The redemption notice shall  
15 state (i) whether the Bonds are to be redeemed in whole or in part and, if in part, the maturities  
16 and numbers of the Bonds to be redeemed, (ii) the date fixed for redemption and the  
17 redemption price or prices, (iii) that the Bonds to be redeemed shall be presented for  
18 redemption at the office of the Bond Registrar and (iv) that interest on the Bonds called for  
19 redemption shall cease to accrue on the date fixed for redemption.

20 From and after the date fixed for redemption, if notice has been duly and properly given  
21 and if funds sufficient for the payment of the redemption price of the Bonds called for  
22 redemption plus accrued interest due thereon are available on such date, the Bonds so called  
23 for redemption shall become due and payable at the redemption price or prices provided for  
24 redemption of such Bonds on such date, interest on the Bonds shall cease to accrue and the  
25 registered owners of the Bonds so called for redemption shall have no rights in respect thereof  
26 except to receive payment of the redemption price plus accrued interest to the date fixed for  
27 redemption. Upon presentation and surrender of a Bond called for redemption in compliance  
28 with the redemption notice, the Bond Registrar shall pay the redemption price of such bond plus  
29 accrued interest thereon to the date fixed for redemption. If bonds so called for redemption are  
30 not paid upon presentation and surrender as described above, such bonds shall continue to  
31 bear interest at the rates stated therein until paid.

32 SECTION 6. The Bonds shall be executed in the name of the City and on its behalf by  
33 the Mayor. Such signature of the Mayor shall be imprinted on such Bonds by manual or  
34 facsimile and a facsimile of the corporate seal of Annapolis shall also be imprinted thereon,

1 attested by the manual or facsimile signature of the City Clerk of Annapolis, all in accordance  
2 with and pursuant to the authority of the Maryland Uniform Facsimile Signature of Public  
3 Officials Act, being Sections 2-301 through 2-306 of the State Finance and Procurement Article  
4 of the Annotated Code of Maryland.

5 In the event any official whose signature shall appear on such Bonds shall cease to be  
6 such official prior to the delivery of the Bonds, or in the event any such official whose signature  
7 shall appear on the Bonds shall have become such after the date of issue thereof, the Bonds  
8 shall nevertheless be valid and legally binding obligations of Annapolis in accordance with their  
9 terms.

10 All Bonds shall be issued as fully registered bonds without coupons and shall be  
11 registered in the name or names of the owner or owners thereof; on books kept for such  
12 purpose at the principal office of the Bond Registrar. The Bonds initially will be issued in book-  
13 entry form without any physical distribution of certificates made to the public. DTC will act as  
14 securities depository for the Bonds and the Bonds will be registered in the name of DTC's  
15 partnership nominee, Cede & Co. The City reserves the right to terminate maintenance of the  
16 Bonds in a book-entry only system and to issue fully certificated bonds. The Mayor or his  
17 designee is hereby authorized to appoint a financial institution to act as the Bond Registrar and  
18 as paying agent (the "Paying Agent") for the Bonds, unless the Mayor determines after  
19 consulting with the financial advisor to the City (the "Financial Adviser") that the City shall act as  
20 the Bond Registrar or the Paying Agent or both. Payment of the principal of and interest on the  
21 Bonds shall be made to the person appearing on the registration books maintained by the Bond  
22 Registrar as the registered owner thereof, such principal to be payable at the principal office of  
23 the Paying Agent upon presentation and surrender of such bonds as the same become due and  
24 payable, and such interest to be payable by check mailed by the Paying Agent to the persons in  
25 whose names the bonds are registered on the regular record date which shall be the fifteenth  
26 day of the month immediately preceding each regular interest payment date, or such other day  
27 specified in the bond (the "Regular Record Date"), at the registered owner's address as shown  
28 on the registration books maintained by the Bond Registrar.

29 SECTION 7. Any interest on any Bond which is payable but is not punctually paid or  
30 provision for the payment of which has not been made ("Defaulted Interest") shall forthwith  
31 cease to be payable to the registered owner on the relevant Regular Record Date solely by  
32 virtue of such registered owner having been such registered owner; and such Defaulted Interest  
33 may be paid by the City, at its election in each case, as provided in paragraph (1) or (2) below:

1           (1)     The City may elect to make payment of any Defaulted Interest on the Bonds to  
2 the persons in whose names such Bond is registered at the close of business on a record date  
3 for the payment of such Defaulted Interest (the "Special Record Date"), which shall be fixed in  
4 the following manner. The City shall notify the Paying Agent in writing of the amount of  
5 Defaulted Interest proposed to be paid on the Bonds and the date of the proposed payment  
6 (which date shall be such as will enable the Paying Agent to comply with the next sentence  
7 hereof), and at the same time the City shall deposit or cause to be deposited with the Paying  
8 Agent an amount of money equal to the aggregate amount proposed to be paid in respect of  
9 such Defaulted Interest or shall make arrangements satisfactory to the Paying Agent for such  
10 deposit prior to the date of the proposed payment, such money when deposited to be held in  
11 trust for the benefit of the persons entitled to such Defaulted Interest as provided in this  
12 paragraph. Thereupon the Paying Agent shall fix a Special Record Date for the payment of  
13 such Defaulted Interest which shall be not more than fifteen (15) nor less than ten (10) days  
14 prior to the date of the proposed payment after the receipt by the Paying Agent of the notice of  
15 the proposed payment. The Paying Agent shall promptly notify the City of such Special Record  
16 Date and, in the name of the City, shall cause notice of the proposed payment of such Defaulted  
17 Interest and the Special Record Date therefor to be mailed, first-class postage prepaid, to each  
18 registered owner at his address as it appears in the registration books maintained by the Bond  
19 Registrar not less than ten (10) days prior to such Special Record Date. The Paying Agent  
20 may, in its discretion, in the name of the City, cause a similar notice to be published at least  
21 once in a newspaper of general circulation in Annapolis, Maryland but such publication shall not  
22 be a condition precedent to the establishment of such Special Record Date. Notice of the  
23 proposed payment of such Defaulted Interest and the Special Record Date therefor having been  
24 mailed as aforesaid, such Defaulted Interest shall be paid to the registered owners of the Bonds  
25 as of the close of business on such Special Record Date.

26           (2)     The City may make payment of any Defaulted Interest in any other lawful manner  
27 not inconsistent with the requirements of any securities exchange on which the Bonds may be  
28 listed, and upon such notice as may be required by such exchange, if, after notice given by the  
29 City to the Paying Agent of the proposed payment pursuant to this paragraph, such payment  
30 shall be deemed practicable, and approved in writing, by the Paying Agent.

31           Except as provided hereinafter or in ordinances of the Mayor and Aldermen of the City of  
32 Annapolis adopted prior to the issuance and delivery of the Bonds, all Bonds shall be  
33 substantially in the following form, with appropriate insertions as therein indicated and such  
34 other modifications as shall be approved by the Mayor, which form and all of the covenants

1   therein contained are hereby adopted by Annapolis as and for the form of obligation to be  
2   incurred by Annapolis, and said covenants and conditions are hereby made binding upon  
3   Annapolis, including the promise to pay therein contained:

1 No. R-\_\_\_\_\_  
2 \$ \_\_\_\_\_  
3

4 (Form of Bond)

5  
6  
7 UNITED STATES OF AMERICA  
8 STATE OF MARYLAND  
9 CITY OF ANNAPOLIS, MARYLAND

10  
11 GENERAL OBLIGATION BOND

12  
13 PUBLIC IMPROVEMENTS BOND  
14 2012 SERIES

15  
16 Interest Rate Per Annum      Maturity Date      Date of Original Issue      CUSIP

17  
18 REGISTERED OWNER: CEDE & CO.

19  
20 PRINCIPAL AMOUNT      DOLLARS

21  
22 CITY OF ANNAPOLIS (the "City"), a municipal corporation created and existing under the laws  
23 of the State of Maryland, hereby acknowledges itself indebted, and, for value received,  
24 promises to pay to the Registered Owner shown above or registered assigns or legal  
25 representatives on the Maturity Date shown above (unless this bond shall be redeemable, shall  
26 have been called for prior redemption and payment of the redemption price made or provided  
27 for), the Principal Amount shown above or so much thereof as shall not have been paid upon  
28 prior redemption in any coin or currency which, at the time of payment, is legal tender for the  
29 payment of public and private debts upon presentation and surrender of this bond on the date  
30 such principal is payable or if such date is not a Business Day (hereinafter defined) then on the  
31 next succeeding Business Day at the principal office of the Paying Agent, and to pay to the  
32 registered owner hereof by check or draft, mailed to such registered owner at his address as it  
33 appears on said registration books (the "Bond Register") maintained by the Bond Registrar  
34 interest on said principal amount at the Interest Rate shown above until payment of such  
35 principal amount, or until the prior redemption hereof, such interest being payable semi-annually  
36 on the first days of February and August in each year, in like coin or currency to the registered  
37 owner in whose name this bond is registered on the Bond Register as of the close of business  
38 on the regular record date, which shall be the fifteenth day of the month immediately preceding  
39 each regular interest payment date (the "Regular Record Date"). Any such interest not so  
40 punctually paid or duly provided for shall forthwith cease to be payable to the registered owner  
41 on the Regular Record Date, and may be paid to the person in whose name this bond is  
42 registered at the close of business on a date fixed by the Paying Agent for such defaulted  
43 interest payment (the "Special Record Date"), notice of which is given to the registered owner  
44 hereof not less than ten (10) days prior to such Special Record Date, or may be paid at any time  
45 in any other lawful manner not inconsistent with the requirement of any securities exchange on  
46 which the bonds of this series may be listed and upon such notice as may be required by such  
47 exchange.

48  
49 "Business Day" means a day other than a Saturday, Sunday or day on which banking  
50 institutions under the laws of the State governing the Paying Agent are authorized or obligated  
51 by law or required by executive order to remain closed.

1  
2 This bond shall not be valid or become obligatory for any purpose, until this bond shall have  
3 been authenticated by an authorized officer of the Bond Registrar.  
4

5 This bond is one of a duly authorized issue of general obligation bonds of the City aggregating  
6 \_\_\_\_\_ Dollars (\$\_\_\_\_\_) in principal amount, which are in  
7 denominations of \$5,000 or any integral multiple thereof, mature serially in installments on the  
8 first day of August in each of the years 20\_ to 20\_, inclusive, and bear interest per annum as  
9 follows:

10	Year of	Principal	Interest	Year of	Principal	Interest
11	<u>Maturity</u>	<u>Amount</u>	<u>Rate</u>	<u>Maturity</u>	<u>Amount</u>	<u>Rate</u>

12  
13  
14  
15  
16  
17  
18  
19 The bonds are numbered from one consecutively upwards prefixed by the letter "R" and are of  
20 like tenor and effect except as to maturity, number, interest rate, denomination and redemption  
21 provisions, and are issued pursuant to and in full conformity with the provisions of Sections 31  
22 to 39, inclusive, of Article 23A of the Annotated Code of Maryland (2011 Replacement Volume),  
23 as amended, and Article VII, Section 11 of the Annapolis City Charter, and by virtue of due  
24 proceedings had and taken by the Mayor and Aldermen of the City of Annapolis particularly an  
25 Ordinance adopted on the \_\_\_\_\_ day of \_\_\_\_\_, 2012 (approved \_\_\_\_\_ 2012)  
26 (the "Ordinance").  
27

28 The bonds which mature on or before August 1, 2020 are not subject to redemption prior to their  
29 maturities. The bonds which mature on or after August 1, 2021 are subject to redemption prior  
30 to their maturities on or after August 1, 2020 at the option of the City either as a whole or in part  
31 at any time, in any order of maturities, at a redemption price expressed as a percentage of the  
32 principal amount of the bonds to be redeemed, set forth in the table below, together with interest  
33 accrued to the date fixed for redemption:  
34

35	<u>Redemption Period (both dates inclusive)</u>	<u>Redemption Price</u>
----	---	-------------------------

36  
37  
38  
39 If less than all of the bonds of any one maturity of this issue shall be called for redemption, the  
40 bonds to be redeemed shall be selected by lot by the Bond Registrar in such manner as, in its  
41 discretion, it shall determine.  
42

43 When less than all of a bond in a denomination in excess of \$5,000 shall be so redeemed, then,  
44 upon the surrender of such bond, there shall be issued to the registered owner thereof, without  
45 charge, for the unredeemed balance of the principal amount of such bond, at the option of such  
46 owner, bonds in any of the authorized denominations, the aggregate face amount of such bonds  
47 not to exceed the unredeemed balance of the bond so surrendered, and to bear the same  
48 interest rate and to mature on the same date as said unredeemed balance.  
49

50 If the City elects to redeem all or a portion of the bonds outstanding, it shall give a redemption  
51 notice by first class mail, postage prepaid, at least 30 days prior to the date fixed for redemption

1 to each registered owner appearing on the books kept by the Bond Registrar. Notwithstanding  
2 the foregoing, so long as all of the Bonds are registered in the name of Cede & Co., as nominee  
3 for the Depository Trust Company, New York, New York ("DTC"), such notice shall be given by  
4 a secure means (e.g. legible facsimile transmission, registered or certified mail or overnight  
5 express delivery) in a timely manner designed to assure that such notice is in DTC possession  
6 no later than the close of business on such 30th day; provided, however, that the failure to mail  
7 the redemption notice or any defect in the notice so mailed or in the mailing thereof shall not  
8 affect the validity of the redemption proceedings. The redemption notice shall state (i) whether  
9 the bonds are to be redeemed in whole or in part and, if in part, the maturities and numbers of  
10 the bonds to be redeemed, (ii) the date fixed for redemption and the redemption price or prices,  
11 (iii) that the bonds to be redeemed shall be presented for redemption at the office of the Bond  
12 Registrar and (iv) that interest on the bonds called for redemption shall cease to accrue on the  
13 date fixed for redemption.

14  
15 From and after the date fixed for redemption, if notice has been duly and properly given and if  
16 funds sufficient for the payment of the redemption price of the bonds called for redemption plus  
17 accrued interest due thereon are available on such date, the bonds so called for redemption  
18 shall become due and payable at the redemption price or prices provided for redemption of such  
19 bonds on such date interest on the bonds shall cease to accrue and the registered owners of  
20 the bonds so called for redemption shall have no rights in respect thereof except to receive  
21 payment of the redemption price plus accrued interest to the date fixed for redemption. Upon  
22 presentation and surrender of a bond called for redemption in compliance with the redemption  
23 notice, the Bond Registrar shall pay the redemption price of such Bond plus accrued interest  
24 thereon to the date fixed for redemption. If bonds so called for redemption are not paid upon  
25 presentation and surrender as described above, such bonds shall continue to bear interest at  
26 the rates stated therein until paid.

27  
28 This bond is transferable only upon the registration books kept at the principal office of the Bond  
29 Registrar, by the registered owner hereof in person, or by his attorney duly authorized in writing,  
30 upon surrender hereof together with a written instrument of transfer in the form attached hereto  
31 and satisfactory to the Bond Registrar duly executed by the registered owner or his duly  
32 authorized attorney, and thereupon, within a reasonable time, the City shall issue in the name of  
33 the transferee a new registered bond or bonds of any authorized denominations in aggregate  
34 principal amount equal to the principal amount of this bond or the unredeemed portion hereof,  
35 and maturing on the same date and bearing interest at the same rate. Said new bond or bonds  
36 shall be delivered to the transferee only after payment of any tax or governmental charge  
37 required to be paid with respect to and any shipping expenses or insurance relating to, such  
38 transfer and only after due authentication thereof by an authorized officer of the Bond Registrar.  
39 The City shall not be required to issue, transfer or exchange any bond during the period  
40 beginning fifteen days before any selection of bonds to be redeemed and ending on the day of  
41 publication and mailing of the notice of redemption or to transfer or exchange any bond called or  
42 being called for redemption in whole or in part. The City may deem and treat the person in  
43 whose name this bond is registered as the absolute owner hereof for the purpose of receiving  
44 payment of or on account of the principal or redemption price hereof and interest due hereon  
45 and for all other purposes.

46  
47 The full faith and credit and unlimited taxing power of the City are hereby irrevocably pledged to  
48 the prompt payment of the principal of and interest on this bond according to its terms, and the  
49 City does hereby covenant and agree to pay the principal of this bond and the interest thereon,  
50 at the dates and in the manner mentioned herein, according to the true intent and meaning  
51 hereof.

1  
2 It is hereby certified and recited that all conditions, acts and things required by the Constitution  
3 or statutes of the State of Maryland, the Charter and the Ordinance to exist, to have happened  
4 or to have been performed precedent to or in the issuance of this bond, exist, have happened  
5 and have been performed, and that the issue of bonds of which this is one, together with all  
6 other indebtedness of the City, is within every debt and other limit prescribed by said  
7 Constitution or statutes or Charter, and that due provision has been made for the levy and  
8 collection of an *ad valorem* tax or taxes upon all legally assessable property within the corporate  
9 limits of the City in rate and amount sufficient to provide for the payment, when due, of the  
10 principal of and interest on this bond.

11  
12 IN WITNESS WHEREOF, this bond has been executed by the facsimile signature of the Mayor  
13 of the City, which signature has been imprinted hereon, a facsimile of the corporate seal of the  
14 City has been imprinted hereon, attested by the manual or facsimile signature of the City Clerk  
15 as of the first day of \_\_\_\_\_, 2012.

16  
17 ATTEST: CITY OF ANNAPOLIS  
18  
19  
20  
21 \_\_\_\_\_ By: \_\_\_\_\_  
22 City Clerk Mayor  
23  
24

25  
26 CERTIFICATION OF AUTHENTICATION

27  
28 The undersigned hereby certifies that this bond is one of the registered bonds of the City of  
29 Annapolis.  
30

31 \_\_\_\_\_  
32 \_\_\_\_\_  
33 [Authorized Officer of Bond Registrar]

34  
35 (Form of Assignment)

36  
37 FOR VALUE RECEIVED the undersigned hereby sells, assigns and transfers unto \_\_\_\_\_ the  
38 within bond and all rights thereunder, and does hereby constitute and appoint  
39 \_\_\_\_\_ to transfer the within bond on the books kept for the registration thereof,  
40 with full power of substitution in the premises.

41  
42 Dated: \_\_\_\_\_

43  
44 In the presence of:  
45 \_\_\_\_\_  
46

47  
48 Notice: The signature to this assignment must correspond with the name as it appears upon the  
49 face of the within bond in every particular, without alteration or enlargement or any change  
50 whatever.  
51

1  
2           SECTION 8. All of the Bonds authorized by this Ordinance may be sold by solicitation of  
3 competitive sealed proposals at public sale in accordance with the provisions of the following  
4 Notice of Sale at the principal office of the City, on such date as may be selected by the Mayor  
5 pursuant to an executive order for cash at no less than par, to the bidder therefor whose bid is  
6 deemed to be for the best interests of Annapolis. Bids shall be received as provided in the  
7 Notice of Sale. The Bonds authorized by this Ordinance may also be sold, if the Mayor  
8 determines that it would be in the best interest of the City, at private (negotiated) sale without  
9 advertisement, publication, notice of sale, or solicitation of competitive bids. The Mayor shall  
10 award the sale of the Bonds by executive order.

11           Unless a referendum petition shall be filed as provided hereinafter or the Bonds are sold  
12 at private (negotiated) sale, the City Clerk of Annapolis is authorized and directed to publish a  
13 notice of sale at least twice in a daily or weekly newspaper having general circulation in  
14 Annapolis. The publication of such notice of sale shall be made once at least ten days prior to  
15 the date of sale. The City Clerk may give such other notice of the sale of such Bonds, within or  
16 without this State, by publication or otherwise, as the Mayor may deem appropriate.

17           The Director of Finance of Annapolis (the "Finance Director") is hereby authorized and  
18 directed to make all necessary arrangements for the tabulation and comparison of the proposals  
19 received, including the employment of specially qualified personnel, if necessary, so that he will  
20 be able promptly to advise the Mayor as to the proposal which produces the lowest true interest  
21 cost for the Bonds sold.

22           The Mayor, City Manager and Finance Director are hereby authorized to prepare and  
23 distribute a preliminary official statement and final official statement in connection with the sale  
24 of the Bonds.

25           The Notice of Sale if used for the issue of Bonds authorized by this Ordinance shall be in  
26 substantially the form hereinafter set forth, with the insertions therein indicated. The terms and  
27 conditions stated in such Notice of Sale are hereby adopted and approved as the terms and  
28 conditions under which and the manner in which such Bonds shall be sold, issued and delivered  
29 at public sale, subject to such insertions, alterations, additions or deletions as the Mayor may  
30 deem advisable due to financial or market conditions prevailing at the time based upon the  
31 advice of the Financial Advisor.

1  
2 **NOTICE OF SALE**

3  
4 \$ \_\_\_\_\_  
5 **CITY OF ANNAPOLIS, MARYLAND**  
6 **General Obligation Bonds**  
7 **Public Improvements Bonds, 2012 Series**  
8

9 Electronic bids via the BiDCOMP/Parity Competitive Bidding System ("PARITY") will be  
10 received until 11:00 a.m., prevailing Eastern time, on July 11, 2012 (unless postponed as  
11 described herein) by City of Annapolis (the "City") for the City's General Obligation Bonds,  
12 Public Improvements Bonds, 2012 Series (the "Bonds").  
13

14 **Terms of the Bonds**

15 The Bonds shall be dated the date of their delivery.  
16

17 Interest on the Bonds is payable on February 1, 2013 and semi-annually thereafter on  
18 February 1 and August 1 until maturity. The Bonds will mature on August 1 in the following  
19 respective years and principal amounts:  
20

21  
22

<u>Maturing August 1*</u>	<u>Principal Amount*</u>	<u>Maturing August 1*</u>	<u>Principal Amount*</u>
2013		2023	
2014		2024	
2015		2025	
2016		2026	
2017		2027	
2018		2028	
2019		2029	
2020		2030	
2021		2031	
2022		2032	

23  
24 \_\_\_\_\_  
25 \*Preliminary, subject to change. See "Adjustments of Principal Amounts."  
26

27 The proceeds of the Bonds will be used to finance the costs of certain public projects of  
28 the City and pay the costs of issuing the Bonds. The Bonds will be fully registered bonds without  
29 coupons in the denomination of \$5,000 each or any integral multiple thereof.  
30

31 **Authority**

32  
33 The Bonds are issued pursuant to Sections 31 through 39, inclusive, of Article 23A of the  
34 Annotated Code of Maryland (2011 Replacement Volume) and Article VII, Section 11 of the  
35 Charter of the City of Annapolis, as amended. The Bonds are authorized pursuant to Ordinance  
36 O-20-12.  
37

1 The Bonds are general obligations of the City, and will constitute an irrevocable pledge  
2 of its full faith and credit and unlimited taxing power.

### 3 4 **Book-Entry System**

5  
6 One bond representing each maturity of the Bonds will be issued to and registered in the  
7 name of Cede & Co., as nominee of The Depository Trust Company, New York, New York  
8 (“DTC”), as registered owner of the Bonds and each such bond shall be held in the custody of  
9 DTC. DTC will act as securities depository for the Bonds. Individual purchases will be made in  
10 book-entry form only, in the principal amount of \$5,000 or any integral multiple thereof.  
11 Purchasers will not receive physical delivery of certificates representing their interest in the  
12 Bonds purchased. The winning bidder, as a condition to delivery of the Bonds, will be required  
13 to deposit the bond certificates representing each maturity with DTC.

14  
15 Interest on the Bonds will be payable when due and the principal or redemption price of  
16 the Bonds will be payable at maturity or upon earlier redemption to DTC or its nominee as  
17 registered owner of the Bonds. Transfer of principal and interest payments to beneficial owners of  
18 the Bonds by participants of DTC (“Participants”) will be the responsibility of Participants and other  
19 nominees of beneficial owners. The City will not be responsible or liable for such transfers of  
20 payments or for maintaining, supervising or reviewing the records maintained by DTC,  
21 Participants or persons acting through Participants.

### 22 23 **Optional Redemption**

24  
25 Bonds maturing on or before August 1, 2020 are not subject to redemption prior to their  
26 stated maturities. Bonds maturing on or after August 1, 2021 are subject to redemption prior to  
27 their maturities at the option of the City on or after August 1, 2020 either as a whole or in part at  
28 any time in any order of maturity at the option of the City, at par plus accrued interest thereon to  
29 the date fixed for redemption.

### 30 31 **Adjustments of Principal Amounts**

32  
33 The preliminary aggregate principal amount of the Bonds and the preliminary principal  
34 amount of each annual payment on the Bonds as set forth in this Notice of Sale (the  
35 “Preliminary Aggregate Principal Amount” and the “Preliminary Annual Principal Amount”, and  
36 collectively the “Preliminary Amounts”) may be revised before the receipt and opening of the  
37 bids for their purchase. Such revisions may include the addition or deletion of maturities of the  
38 Bonds. **ANY SUCH REVISIONS** made prior to the opening of the bids (the “Revised Aggregate  
39 Principal Amount” and the “Revised Annual Principal Amount”, and collectively the “Revised  
40 Amounts”) **WILL BE PUBLISHED ON THOMPSON MUNICIPAL MARKET MONITOR (“TM3”)**  
41 **([www.tm3.com](http://www.tm3.com)) NOT LATER THAN 9:30 A.M. (LOCAL BALTIMORE, MARYLAND TIME) ON**  
42 **THE ANNOUNCED DATE FOR RECEIPT OF BIDS FOR THE BONDS.**

43  
44 In the event that no such revisions are made, the Preliminary Amounts will constitute the  
45 Revised Amounts. Bidders shall submit bids based on the Revised Amounts and the Revised  
46 Amounts will be used to compare bids and select a winning bidder.

47  
48 Such Revised Amounts, among other things, will be used by the City to calculate the final  
49 aggregate principal amount of the Bonds and the final principal amount of each annual payment  
50 on the Bonds (the “Final Aggregate Principal Amount” and the “Final Principal Amount” of each  
51 annual payment, respectively, and collectively, the “Final Amounts”). In determining the Final

1 Amounts the City reserves the right to increase or decrease the aggregate amount of the Bonds  
2 by an amount not to exceed twelve percent (12%) and correspondingly adjust the issue size, with  
3 all calculations to be rounded to the nearest \$5,000.  
4

5 In the event of any such adjustment, no rebidding or recalculation of the bid submitted will  
6 be required or permitted. If necessary, the total purchase price of the Bonds will be increased or  
7 decreased in direct proportion to the ratio that the adjustment bears to the aggregate principal  
8 amount of the Bonds specified herein; and the Bonds of each maturity, as adjusted, will bear  
9 interest at the same rate and must have the same initial reoffering yields as specified in the bid of  
10 the successful bidder. However, the award will be made to the bidder whose bid produces the  
11 lowest true interest cost, calculated as specified in the section entitled "Basis of Award" herein.  
12 THE SUCCESSFUL BIDDER MAY NOT WITHDRAW ITS BID OR CHANGE THE INTEREST  
13 RATES BID OR THE INITIAL REOFFERING PRICES AS A RESULT OF ANY CHANGES MADE  
14 TO THE PRINCIPAL AMOUNTS WITHIN THESE LIMITS. IN READJUSTING THE PRINCIPAL  
15 AMOUNT OF THE BONDS FOLLOWING THE AWARD, THE CITY WILL HOLD CONSTANT  
16 THE BIDDER'S GROSS SPREAD PER \$1,000 BONDS AS INDICATED IN THE ORIGINAL BID.  
17 In this process, however, the City reserves the right to adjust the actual dollar amount of Bidder's  
18 gross spread resulting from an upward or downward adjustment of the principal amount of the  
19 Bonds.

#### **Change of Bid Date and Closing Date**

20 The City reserves the right to postpone, from time to time, the date established for the  
21 receipt of bids and will undertake to notify registered prospective bidders via notification published  
22 on [TM3](#).  
23

24 A postponement of the bid date will be announced via TM3 not later than 4:00 p.m.,  
25 prevailing Eastern Time, on the last business day prior to any announced date for receipt of bids,  
26 and an alternative sale date and time will be announced via TM3 at that time or at a later date.  
27

28 On any such alternative date and time for receipt of bids, the City will accept electronic  
29 bids for the purchase of the Bonds, such bids to conform in all respects to the provisions of this  
30 Notice of Sale, except for the changes in the date and time for receipt of bids and any other  
31 changes announced via TM3.  
32

33 The City reserves the right to change the scheduled delivery date for the Bonds.  
34

#### **Bid Parameters**

35  
36  
37 No bid of less than 100% of par or more than 112% on an "all-or-none" basis, no oral bid  
38 and no bid for less than all of the Bonds described in this Notice of Sale, will be considered.  
39 The Bonds are expected to be awarded by approximately 4:00 p.m., prevailing Eastern Time, on  
40 July 11, 2012. All proposals shall remain firm until the time of award.  
41

42 Bidders are requested to name the interest rate or rates in multiples of 1/8 or 1/20 of 1%,  
43 and the highest rate may not exceed the lowest rate by more than 3% and no interest rate may  
44 exceed 5.50%. A zero rate may not be named. No Bond shall bear more than one rate of  
45 interest which rate shall be uniform for the life of the Bond.  
46

1 **Basis of Award**  
2

3 The Mayor of the City will not accept and will reject any bid for less than all of the Bonds.  
4 The City will award all of the Bonds to one bidder. The City reserves the right to reject any and  
5 all bids and to waive any irregularities in any of the bids. The judgment of the City shall be final  
6 and binding upon all bidders with respect to the form and adequacy of any proposal received  
7 and as to its conformity with the terms of this Notice of Sale.  
8

9 The Bonds will be awarded to the bidder naming the lowest true interest cost (TIC) for  
10 the Bonds in any legally acceptable proposal and offering to pay not less than par. The lowest  
11 true interest cost with respect to the Bonds will be determined by doubling the semiannual  
12 interest rate, compounded semiannually, necessary to discount the debt service payments from  
13 the payment dates to the date of the Bonds and to the amount bid.  
14

15 Where the proposals of two or more bidders result in the same lowest true interest cost  
16 for any Bonds, such Bonds may be apportioned between such bidders, but if this shall not be  
17 acceptable, the City shall have the right to award all of such Bonds to one bidder. There will be  
18 no auction. The right is reserved to the City to reject any or all proposals and to waive any  
19 irregularity or informality in any proposal. The City's judgment shall be final and binding upon all  
20 bidders with respect to the form and adequacy of any proposal received and as to its conformity  
21 to the terms of this Notice of Sale. Any award of the Bonds may be made as late as 4:00 p.m.,  
22 prevailing Eastern Time, on the sale date. All bids remain firm until an award is made. Upon  
23 notice of such award, the winning bidder shall advise the City of the initial reoffering prices to  
24 the public of each maturity of the Bonds and the names of the members of the underwriting  
25 groups.  
26

27 **Procedures for Electronic Bidding**  
28

29 ***Bidders to Submit Bids by PARITY***  
30

31 Bids must be submitted electronically via PARITY pursuant to this Notice of Sale until  
32 11:00 a.m., prevailing Eastern time, on the sale date but no bid will be received after the time for  
33 receiving bids specified above. To the extent any instructions or directions set forth in PARITY  
34 conflict with this Notice of Sale, the terms of this Notice of Sale shall control. For further  
35 information about PARITY, potential bidders may contact i-Deal LLC at 1359 Broadway, 2<sup>nd</sup>  
36 Floor, New York, New York 10018, telephone (212) 849-5021.  
37

38 ***Disclaimer***  
39

40 Each prospective electronic bidder shall be solely responsible to submit its bid via  
41 PARITY as described above. Each prospective electronic bidder shall be solely responsible to  
42 make necessary arrangements to access PARITY for the purpose of submitting its bid in a  
43 timely manner and in compliance with the requirements of this Notice of Sale. Neither the City  
44 nor PARITY shall have any duty or obligation to provide or assure access to PARITY to any  
45 prospective bidder, and neither the City nor PARITY shall be responsible for proper operation  
46 of, or have any liability for any delays or interruptions of, or any damages caused by PARITY.  
47 The City is using PARITY as a communication mechanism, and not as the City's agent, to  
48 conduct the electronic bidding for the Bonds. The City is not bound by any advice and  
49 determination of PARITY to the effect that any particular bid complies with the terms of this  
50 Notice of Sale and in particular the "Bid Parameters" set forth herein. All costs and expenses  
51 incurred by prospective bidders in connection with their submission of bids via PARITY are the

1 sole responsibility of the bidders; the City is not responsible, directly or indirectly, for any of such  
2 costs or expenses. If a prospective bidder encounters any difficulty in submitting, modifying, or  
3 withdrawing a bid for the Bonds, such bidder should telephone i-Deal LLC at (212) 849-5021  
4 and notify Davenport & Company LLC by facsimile at (866) 932-6660.

5  
6 ***Electronic Bidding Procedures***  
7

8 Electronic bids must be submitted for the purchase of the Bonds (all or none) via  
9 PARITY. Bids will be communicated electronically to the City at 11:00 a.m., prevailing Eastern  
10 time, on July 11, 2012. Prior to that time, a prospective bidder may (1) submit the proposed  
11 terms of its bid via PARITY, (2) modify the proposed terms of its bid, in which event the  
12 proposed terms as last modified will (unless the bid is withdrawn as described herein) constitute  
13 its bid for the Bonds or (3) withdraw its proposed bid. Once the bids are communicated  
14 electronically via PARITY to the City, each bid will constitute an irrevocable offer to purchase  
15 the Bonds on the terms therein provided. For purposes of the electronic bidding process, the  
16 time as maintained on PARITY shall constitute the official time.

17  
18 ***Good Faith Deposit***  
19

20 A good faith deposit in the amount of \$\_\_\_\_\_ is required of the winning  
21 bidder for the Bonds. The winning bidder for the Bonds is required to submit such good faith  
22 deposit payable to the order of the City in the form of a wire transfer in federal funds as  
23 instructed by the City's Financial Advisor, Davenport & Company LLC or a financial surety bond.  
24 The winning bidder shall submit the good faith deposit not more than two hours after verbal  
25 award is made. The winning bidder should provide as quickly as it is available, evidence of wire  
26 transfer by providing the City the federal funds reference number. If the winning bidder fails to  
27 comply with the good faith deposit requirement as described herein, that bidder is nonetheless  
28 obligated to pay to the City the sum of \$\_\_\_\_\_ as liquidated damages due to the failure  
29 of the winning bidder to timely deposit the good faith deposit.  
30

31 A bidder may submit a financial surety bond from an insurance company acceptable to  
32 the City, the claims paying ability of which is rated AAA by Standard & Poor's, a Division of the  
33 McGraw-Hill Companies, Inc., or Aaa by Moody's Investors Service, Inc. and licensed to issue  
34 such a bond in the State of Maryland and such surety bond must be submitted to the Director of  
35 Finance of the City prior to 11:00 a.m., prevailing Eastern Time, on the date of sale. The financial  
36 surety bond must identify each bidder whose good faith deposit is guaranteed by such financial  
37 surety bond. If the Bonds are awarded to a bidder utilizing a financial surety bond, then the  
38 successful bidder is required to submit its good faith deposit to the Director of Finance of the City  
39 not later than 12:00 noon, prevailing Eastern Time, on the next business day following the award  
40 either in the form of a wire transfer as described above in accordance with the City's instructions  
41 to such successful bidder. If such good faith deposit is not received by that time, the financial  
42 surety bond may be drawn by the City to satisfy the good faith deposit requirement.  
43

44 ***Submission of a bid to purchase the Bonds serves as acknowledgement and acceptance***  
45 ***of the terms of the good faith deposit requirement.***  
46

47 The good faith deposit will be retained by the City until the delivery of the Bonds, at which  
48 time the good faith deposit will be applied against the purchase price of the Bonds or the good  
49 faith deposit will be retained by the City as partial liquidated damages in the event of the failure of  
50 the successful bidder to take up and pay for such Bonds in compliance with the terms of this  
51 Notice of Sale and of its bid. No interest on the good faith deposit will be paid by the City. The

1 balance of the purchase price must be wired in federal funds to the account detailed in the  
2 closing memorandum, simultaneously with delivery of the Bonds.

### 3 4 **Approving Legal Opinion**

5  
6 The approving legal opinion of McKennon Shelton & Henn LLP, Baltimore, Maryland,  
7 Bond Counsel, will be furnished to the purchasers without cost. There will also be furnished the  
8 usual closing papers and, in addition, a certificate signed by appropriate officers of the City,  
9 certifying that there is no litigation pending or, to the knowledge of the signers of such  
10 certificate, threatened affecting the validity of the Bonds and that on the date of the Official  
11 Statement mentioned below and at the time of delivery of the Bonds the statements and  
12 information contained in such Official Statement which are made and provided by the City are  
13 and will be true, correct and complete in all material respects and the Official Statement does  
14 not and will not omit any statement or information which is required to be stated therein or  
15 necessary to make the statements and information therein, in the light of the circumstances  
16 under which they were made, not misleading or incomplete in any material respect.

### 17 18 **Preliminary Official Statement; Continuing Disclosure**

19  
20 The City has deemed the Preliminary Official Statement with respect to the Bonds dated  
21 \_\_\_\_\_ (the "Preliminary Official Statement") to be final as of its date for purposes of  
22 Rule 15c2-12 of the United States Securities and Exchange Commission (the "SEC"), except for  
23 the omission of certain information permitted to be omitted by said Rule. The City agrees to  
24 deliver to the successful bidder for its receipt no later than seven business days after the date of  
25 sale of the Bonds such quantities of the final official statement as the successful bidder shall  
26 request; provided, that the City shall deliver up to 300 copies of such official statement without  
27 charge to the successful bidder.

28  
29 The City has made certain covenants for the benefit of the holders from time to time of  
30 the Bonds to provide certain continuing disclosure, in order to assist bidders for the Bonds in  
31 complying with Rule 15c2-12(b)(5) of the SEC. Such covenants are described in the  
32 Preliminary Official Statement.

### 33 34 **Delivery**

35  
36 The Bonds will be delivered on or about July 25, 2012 (unless a notice of a change in  
37 the delivery date is provided) through the facilities of DTC in New York, New York, against  
38 payment therefore in federal or other immediately available funds.

### 39 **Reoffering Price Certificate**

40 SIMULTANEOUSLY WITH OR BEFORE DELIVERY OF THE BONDS, THE  
41 SUCCESSFUL BIDDER SHALL FURNISH TO THE CITY A CERTIFICATE ACCEPTABLE TO  
42 BOND COUNSEL TO THE EFFECT THAT (I) THE SUCCESSFUL BIDDER HAS MADE A  
43 BONA FIDE PUBLIC OFFERING OF EACH MATURITY OF THE BONDS AT THE INITIAL  
44 REOFFERING PRICES, (II) AS OF THE DATE OF THE SALE OF THE BONDS, THE  
45 SUCCESSFUL BIDDER REASONABLY EXPECTED TO SELL A SUBSTANTIAL AMOUNT OF  
46 EACH MATURITY OF THE BONDS TO THE PUBLIC (EXCLUDING BOND HOUSES,  
47 BROKERS AND OTHER INTERMEDIARIES) AT THEIR RESPECTIVE REOFFERING  
48 PRICES, AND (III) A SUBSTANTIAL AMOUNT OF EACH MATURITY OF THE BONDS WAS  
49 SOLD TO THE PUBLIC (EXCLUDING BOND HOUSES, BROKERS AND OTHER

1 INTERMEDIARIES) AT THEIR RESPECTIVE INITIAL REOFFERING PRICES OR SUCH  
2 OTHER FACTS REGARDING THE ACTUAL SALE OF THE BONDS AS BOND COUNSEL  
3 SHALL REQUEST, AS DESCRIBED BELOW. Bond Counsel advises that (i) such certificate  
4 must be made on the best knowledge, information and belief of the successful bidder, (ii) the  
5 sale to the public of 10% or more in par amount of each maturity of the Bonds at the initial  
6 reoffering prices would be sufficient to certify as of the sale of a substantial amount of the bonds  
7 and (iii) reliance on other facts as a basis for such certification would require evaluation by Bond  
8 Counsel to assure compliance with the statutory requirement to avoid the establishment of an  
9 artificial price for the Bonds.

10  
11 **Miscellaneous**

12  
13 It is expected that CUSIP numbers will be printed on the Bonds. However, the validity,  
14 sale, delivery or acceptance of the Bonds will not be affected in any manner by any failure to  
15 print, or any error in printing, the CUSIP numbers on said Bonds, or any of them.

16  
17 The right to reject any or all bids, or to waive any irregularity or informality in any bid, is  
18 reserved.

19  
20  
21  
22 CITY OF ANNAPOLIS, MARYLAND

23  
24  
25 By: /s/ \_\_\_\_\_  
26 Mayor

27  
28 By: /s/ \_\_\_\_\_  
29 Director of Finance  
30  
31

1  
2           SECTION 9. If any Bonds are sold pursuant to the foregoing Notice of Sale, the award  
3 shall be made by order of the Mayor. Such action of the Mayor shall also fix the interest rate or  
4 rates payable on the Bonds in accordance with the accepted proposal. The Mayor shall also be  
5 authorized to make all changes necessary to the form of the Bond to comply with a book-entry  
6 only system. The Bonds shall thereupon be signed as hereinabove provided and delivered to  
7 the successful bidder upon payment of the balance of the purchase price thereof. The proceeds  
8 of the Bonds shall be paid to the Finance Director. Upon approval of the appropriate vouchers,  
9 in accordance with the established procedure of the City, the Finance Director shall pay, from  
10 the proceeds of the Bonds in his hands, all expenses incurred in the issuance of the Bonds,  
11 including costs of advertising, printing, document reproduction and counsel fees and expenses.  
12 The balance of said proceeds shall be credited by the Finance Director to the several accounts  
13 on his books for the Projects described above and the Finance Director shall make  
14 disbursements for such Projects in accordance with the established procedure of Annapolis.  
15 Prior to expenditure of such proceeds, the same or any part thereof shall be invested by the  
16 Finance Director, with the approval of the Mayor, in any authorized investment of the City. If the  
17 funds derived from the sale of the Bonds shall exceed the amount needed to finance any of the  
18 Projects described in this Ordinance, or if the City Council determines that the public interest  
19 requires a change in the capital improvements program of Annapolis, the funds so borrowed  
20 and not expended for the public improvements provided by this Ordinance shall be set apart in a  
21 separate fund by the Finance Director and applied in payment of the debt service on the Bonds,  
22 unless the City Council shall adopt an ordinance allocating such funds to some other public  
23 capital improvement project or projects of Annapolis.

24           SECTION 10. In order to provide for the payment of the principal of and interest on the  
25 Bonds hereby authorized when due, there shall be appropriated in the next ensuing fiscal year  
26 of Annapolis and in each fiscal year thereafter, so long as any of the Bonds are outstanding and  
27 unpaid, or until a sufficient funds had been accumulated and irrevocably set aside for the  
28 purpose, an amount sufficient to meet the debt service on the Bonds coming due in such fiscal  
29 year and there shall be levied ad valorem taxes upon all property within the corporate limits of  
30 the City subject to assessment for full City taxes, in rate and amount sufficient in each such year  
31 to fund such appropriations and to provide for the payment when due of the principal of and  
32 interest on all Bonds maturing in each such fiscal year. In the event the proceeds from the  
33 taxes so levied in each such fiscal year shall prove inadequate for the above purposes,  
34 additional taxes shall be levied in the subsequent fiscal year to make up any deficiency.

1    Thereafter, prior to each semi-annual interest payment date, the Finance Director shall deposit  
2    with the Paying Agent, from the tax proceeds above described, the amounts needed to pay the  
3    principal of and interest on the Bonds coming due on each such interest payment date. All  
4    moneys so deposited with the Paying Agent shall be deemed and treated by the Paying Agent  
5    as trust funds for the use and benefit of the holders from time to time of the Bonds hereby  
6    authorized. Any such trust funds so held by the Paying Agent for the payment of particular  
7    Bonds for periods of more than two (2) years from the dates of such Bonds, upon the expiration  
8    of any such two-year period and the failure of the holders of said Bonds to present the same for  
9    payment within such period, shall be returned by the Paying Agent to the City and, therefore,  
10   the holders of any such Bonds shall have claims only against the City for payment of the  
11   obligations held by them and the Paying Agent shall be relieved of the trust hereby imposed.

12           To assure the performance by the City of the provisions of this Section, the full faith and  
13   credit and unlimited taxing power of the City are hereby irrevocably pledged to the payment to  
14   maturity of the principal of and interest on the Bonds hereby authorized as and when the same  
15   respectively mature and become payable and to the levy and collection of the taxes  
16   hereinabove described as and when such taxes may become necessary in order to provide  
17   sufficient funds to meet the debt service requirements of the Bonds hereby authorized to be  
18   issued. This pledge is made hereby for the benefit of the holders, from time to time, of the  
19   Bonds hereby authorized.

20           The City hereby solemnly covenants and agrees with each holder of any of the Bonds  
21   hereby authorized to levy and collect the taxes hereinabove described and to take any other  
22   action that may be appropriate from time to time during the period that any of such Bonds  
23   remain outstanding and unpaid to provide the funds necessary to make principal and interest  
24   payments thereon when due.

25           SECTION 11. This Ordinance and the question of the issuance of Bonds hereunder  
26   shall not be submitted to a referendum of the registered voters of Annapolis, as permitted by  
27   law, unless, within ten (10) days after the passage of this Ordinance, there shall be served upon  
28   the Mayor a notice signed by not fewer than two hundred (200) of the registered voters of  
29   Annapolis, advising that a petition for a referendum on the issuance of said bonds is being  
30   circulated by one or more of the persons signing said notice and unless, within twenty (20) days  
31   after the delivery of such notice, there shall also be filed with the Mayor a petition or petitions  
32   requesting the holding of such a referendum, properly signed as required by the Charter, by not  
33   fewer than twenty-five per centum (25%) of the registered voters of Annapolis, as shown by the

1 registered voters books of Annapolis, maintained by the Board of Supervisors of Elections of the  
2 City (the "Board of Supervisors"). In view of the foregoing, no action shall be taken by  
3 Annapolis pursuant to this Ordinance for a period of ten (10) days following its passage. If,  
4 within such ten (10) day period, the notice above described is filed as aforesaid, then no action  
5 shall be taken by Annapolis pursuant to this Ordinance for a period of twenty (20) days following  
6 the filing of such notice. If, within such twenty (20) day period, a petition for referendum, as  
7 above-described, shall be filed as aforesaid, then no action shall be taken by Annapolis under  
8 this Ordinance unless and until the Mayor shall receive written advice from the City Attorney and  
9 the Board of Supervisors that such referendum petition does not meet the requirements of the  
10 Charter or unless and until the referendum requested in such petition shall be duly held in  
11 accordance with law and the Board of Supervisors shall certify to Annapolis that, in the election  
12 at which such referendum is held, a majority of the registered voters of Annapolis voting on the  
13 question referred duly cast their ballots in favor of the issuance of the Bonds hereby authorized.  
14 If this Ordinance shall be ratified or approved on any such referendum, then the Mayor and City  
15 Clerk may proceed with the issuance of the Bonds hereby authorized, without further action by  
16 Annapolis.

17 SECTION 12. That CUSIP numbers may be printed on the Bonds; provided, however,  
18 that the printing of CUSIP numbers on the Bonds (even if incorrect) shall have no legal effect  
19 and shall not in any way affect the enforceability or validity of any Bond. Any expenses in  
20 relation to the printing of CUSIP numbers on the Bonds, including any CUSIP Service Bureau  
21 charge for the assignment of such numbers, in the discretion of the Finance Director, may be  
22 paid for by the City from the proceeds of the Bonds.

23 SECTION 13. In addition to the insertions and variations prescribed by this Ordinance,  
24 the Mayor is hereby authorized to make such further modifications in such forms as will not alter  
25 the substance of such forms. In connection with the issuance of any Bonds pursuant to this  
26 Ordinance, the City is hereby authorized to enter into one or more agreements as the Mayor  
27 shall deem necessary or appropriate for the issuance, sale, delivery or security of such Bonds,  
28 which may include (without limitation) (i) underwriting, purchase or placement agreements for  
29 Bonds sold at private (negotiated) sale in accordance with the provisions of this Ordinance; (ii)  
30 trust agreements with commercial banks or trust companies providing for the issuance and  
31 security of such Bonds; (iii) any dealer, remarketing or similar agreements providing for the  
32 placement or remarketing of such Bonds; (iv) agreements providing for any credit or liquidity  
33 facilities supporting any Bonds; (v) agreements with commercial banks or trust companies  
34 providing for the deposit of proceeds of any Bonds; (vi) agreements with fiscal agents providing

1 for the issuance of Bonds, their authentication, registration, verification of amounts and earnings  
2 set aside to pay the Refunded Bonds or payment or other similar services; and (vii) continuing  
3 disclosure agreements, including any such agreements required to enable the underwriters of  
4 any Bonds to meet the requirements of paragraph (b)(5) of Rule 15c2-12 promulgated by the  
5 United States Securities and Exchange Commission. Each such agreement shall be in such  
6 form as shall be determined by the Mayor by executive order. The execution and delivery of  
7 each such agreement by the Mayor shall be conclusive evidence of the approval of the form of  
8 such agreement on behalf of the City.

9 SECTION 14. The Mayor and the Finance Director shall be the officers of the City  
10 responsible for the issuance of the Bonds within the meaning of the "Arbitrage Regulations"  
11 (defined herein).

12 The Mayor and the Finance Director shall also be the officers of the City responsible for  
13 the execution and delivery (on the date of issuance of the Bonds) of a certificate of the City (the  
14 "Tax and Section 148 Certificate") which complies with the requirements of Section 148 of the  
15 Internal Revenue Code of 1986, as amended ("Section 148"), and the applicable regulations  
16 thereunder (the "Arbitrage Regulations"), and such officials are hereby authorized and directed  
17 to execute the Tax and Section 148 Certificate and to deliver the same to Bond Counsel on the  
18 date of the issuance of the Bonds.

19 The City shall set forth in the Tax and Section 148 Certificate its reasonable  
20 expectations as to relevant facts, estimates and circumstances relating to the use of the  
21 proceeds of the Bonds, or of any moneys, securities or other obligations to the credit of any  
22 account of the City which may be deemed to be proceeds of the Bonds pursuant to Section 148  
23 or the Arbitrage Regulations (collectively, "Bond Proceeds"). The City covenants with each of  
24 the holders of any of the Bonds that the facts, estimates and circumstances set forth in the Tax  
25 and Section 148 Certificate will be based on the City's reasonable expectations on the date of  
26 issuance of the Bonds and will be, to the best of the certifying officials' knowledge, true and  
27 correct as of that date.

28 In the event that Bonds are issued pursuant to this Ordinance with the expectation that  
29 interest on such Bonds will be excludable from gross income for federal income tax purposes,  
30 the City covenants with each of the registered owners of any of the Bonds that it will not make,  
31 or (to the extent that it exercises control or direction) permit to be made, any use of the Bond  
32 Proceeds which would cause the Bonds to be "arbitrage bonds" within the meaning of Section  
33 148 and the Arbitrage Regulations. The City further solemnly covenants that it will comply with  
34 Section 148 and the regulations thereunder which are applicable to the Bonds on the date of

1 issuance of the Bonds and which may subsequently lawfully be made applicable to the Bonds  
2 as long as the Bonds remain outstanding and unpaid. The Mayor, the City Manager, and the  
3 Finance Director are hereby authorized and directed to prepare or cause to be prepared and to  
4 execute any certification, opinion or other document, including, without limitation, the Tax and  
5 Section 148 Certificate, which may be required to assure that the Bonds will not be deemed to  
6 be "arbitrage bonds" within the meaning of Section 148 and the regulations thereunder.

7 The City further covenants with each of the registered owners of any of the Bonds (i) that  
8 it will not take any action or (to the extent that it exercises control or direction) permit any action  
9 to be taken that would cause the Bonds or a portion of the Bonds to be "federally guaranteed"  
10 within the meaning of Section 149(b) of the Internal Revenue Code of 1986, as amended, and  
11 (ii) that it will not make, or (to the extent that it exercises control or direction) permit to be made,  
12 any use of the proceeds of the Bonds or a portion of such proceeds that would cause the Bonds  
13 or a portion of the Bonds to be "private activity bonds" within the meaning of Section 141 of the  
14 Internal Revenue Code of 1986, as amended.

15 In the event that the Bonds are being issued hereunder with the expectation that interest  
16 on such Bonds will be excludable from gross income for federal income tax purposes, the Mayor  
17 may make such covenants or agreements in connection with the issuance of such Bonds as he  
18 shall deem advisable in order to assure the registered owners of such Bonds that interest  
19 thereon shall be and remain excludable from gross income for federal income tax purposes and  
20 such covenants or agreements shall be binding on the City so long as the observance by the  
21 City of any such covenants or agreements is necessary in connection with the maintenance of  
22 the exclusion of the interest on such Bonds from gross income for federal income tax purposes.  
23 The foregoing covenants or agreements may include such covenants or agreements on behalf  
24 of the City regarding compliance with the provisions of the Internal Revenue Code of 1986, as  
25 amended, as the Mayor shall deem advisable in order to assure the registered owners of the  
26 Bonds that the interest thereon is and shall remain excludable from gross income for federal  
27 income tax purposes, including (without limitation) covenants or agreements relating to the  
28 investment of Bond Proceeds, the payment of certain earnings resulting from such investment  
29 to the United States, limitations on the times within which, and the purposes for which, Bond  
30 Proceeds may be expended, or the use of specified procedures for accounting for and  
31 segregating Bond Proceeds. Any covenant or agreement made by the Mayor pursuant to this  
32 paragraph may be set forth in or authorized by the Tax and Section 148 Certificate or an order  
33 executed by the Mayor.

1 SECTION 14. This Ordinance shall take effect from the date of its approval by the  
2 Mayor, on or following the date of its final adoption and, thereafter, within not more than three  
3 calendar days of such approval, notice of the adoption of this Ordinance shall be duly given by  
4 publication of the title hereof at least once in "The Capital," or another newspaper published and  
5 of general circulation in the City.

6 **ADOPTED** this \_\_\_\_\_ day of \_\_\_\_\_, 2012.  
7  
8

ATTEST:

THE ANNAPOLIS CITY COUNCIL

BY \_\_\_\_\_

Regina C. Watkins-Eldridge, MMC, City Clerk

Joshua J. Cohen, Mayor

9  
10 **EXPLANATION**

11 CAPITAL LETTERS indicate matter added to existing law.

12 [brackets] indicate matter stricken from existing law.

13 Underlining indicates amendments.

## Policy Report

### Ordinance O-20-12

#### Issuance of Bonds

Pursuant to Sections 31 through 39 of Article 23A of the Annotated Code of Maryland and Article VII, Section 11 of the Charter of the City of Annapolis, the proposed ordinance O-20-12 would authorize the City of Annapolis (the "City") to issue general obligation bonds not to exceed \$7,690,000 for implementation of the City's Capital Improvement Program (CIP). The City's FY 2013-2018 CIP is the subject of proposed resolution R-9-12.

The City proposes to spend the proceeds of the bonds authorized pursuant to O-20-12 to (i) finance and refinance the costs of certain public projects of the City reflected in the list below and (ii) pay the costs of issuing such bonds.

<u>FUND</u>	<u>TITLE</u>	<u>BOND FUNDING</u>
General	Maintenance Facilities	\$250,000
	Stanton Center	95,000
	Roadways	1,984,300
	City Dock Development	40,000
	Capital Grants	260,000
	Truxtun Park	113,046
<b>Total General Fund</b>		<b>\$2,742,346</b>
Stormwater Fund	Stormwater Management Retrofit Projects	\$100,000
	Water Fund	
Water Fund	Water Treatment Plant	277,000
	Water Distribution Upgrades	1,718,000
	SCADA/Radio Upgrade	173,000
Sewer Fund	SCADA/Radio Upgrade	240,000
	Sewer Pump Station Improvements	1,239,000
	Sewer Rehab and Improvements	1,050,000
<b>Total Enterprise Funds</b>		<b>\$4,797,000</b>
<b>Total All Funds</b>		<b>\$7,539,346</b>

Prepared by Jessica Cowles, Legislative and Policy Analyst in the City of Annapolis Office of Law at 410.263.1184 or JCCowles@annapolis.gov.

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7

**CITY COUNCIL OF THE  
City of Annapolis**

**Ordinance No. O-5-12**

**Introduced by: Alderwoman Finlayson and Alderman Arnett**

LEGISLATIVE HISTORY			
<i>Legislative referrals are subject to City Council action at the time of introduction and are reflected in the City Council's adopted minutes</i>			
First Reading	Public Hearing	Fiscal Impact Note	90 Day Rule
2/13/12			5/14/12
Referred to	Referral Date	Meeting Date	Action Taken
Rules and City Gov't	2/13/12		

8  
9 **A ORDINANCE** concerning

10 **Re-Instituting a City Council Vote at the First Reader Introduction of Legislation**

11 **FOR** the purpose of re-instituting a City Council vote at the first reader introduction of  
12 legislation.

13 **BY** repealing and re-enacting with amendments the following portions of the Code of the  
14 City of Annapolis, 2011 Edition  
15 Section 2.16.090

16  
17  
18 **SECTION I: BE IT ESTABLISHED AND ORDAINED BY THE ANNAPOLIS CITY**  
19 **COUNCIL** that the Code of the City of Annapolis shall be amended to read as follows:

20 **CHAPTER 2.16 – CITY COUNCIL.**

21 **2.16.090 - Reading, amendment and passage of ordinances, etc.**

22 A. All laws shall be enacted by ordinance. Every ordinance and every charter amendment  
23 shall be read three times by its title before a final vote is taken for its passage. However, by  
24 unanimous consent of the council in session, this procedure may be waived and the ordinance  
25 read two times by title only and the third reading shall not be held. No ordinance or charter  
26 amendment shall be amended except upon its second reading. Every ordinance and every  
27 charter amendment shall be read the first time at the meeting at which it is introduced[,] AND A  
28 VOTE SHALL BE TAKEN ON THE FIRST READING. [and t] The ordinance or charter  
29 amendment shall then lie on the table, after which it shall be read the second and third time and  
30 final action taken. All three readings of an ordinance and charter amendment shall occur during  
31 the same term of the Council.

32  
33 B. With the exception of referrals to the Planning Commission, all ordinances, resolutions and  
34 charter amendments shall be discharged without the necessity of a motion from any committee  
35 or commission to which it has been referred ninety days after first reading. The ordinance or  
36 charter amendment shall thereafter be placed on the agenda of the next regular City Council  
37 meeting and all subsequent Council meetings until the Council votes to postpone consideration

1 for a specific amount of time not to exceed 90 days, or votes to adopt or defeat the legislation.  
2 All legislation referred to the Planning Commission shall be by way of the Department of  
3 Planning and Zoning which shall complete its review, make recommendations, and place the  
4 legislation on the agenda of the Planning Commission meeting that is to take place within sixty  
5 days of the first reading by the City Council. An ordinance that proposes to amend the zoning of  
6 any piece of property shall be referred to the Planning Commission and may not be placed upon  
7 a City Council agenda until the findings and recommendations of the Planning Commission  
8 have been received consistent with Chapter 21.34. Other legislation referred to the Planning  
9 Commission shall be discharged without the necessity of a motion from the Planning  
10 Commission one hundred eighty days after first reading by the City Council. The legislation shall  
11 thereafter be placed on the agenda of the next meeting and all subsequent regular meetings  
12 until the City Council votes to postpone consideration for a specific amount of time not to  
13 exceed 90 days, or votes to adopt or defeat the legislation.  
14

15 C. All resolutions shall be read twice by title and may be passed after the second reading.  
16 Every resolution shall be read the first time at the meeting at which it is introduced[,] AND A  
17 VOTE SHALL BE TAKEN ON THE FIRST READING. [and t] The resolution shall then lie on the  
18 table after which it shall be read a second time and final action taken. Both readings of a  
19 resolution shall occur during the same term of the Council.  
20

21 D. The foregoing notwithstanding, by a unanimous consent of the council in session, any  
22 ordinance or resolution may be passed at the meeting of the introduction.  
23

24 E. A fiscal impact note shall be submitted by the Finance Director on every ordinance, charter  
25 amendment, and resolution no later than the date such ordinance, charter amendment, or  
26 resolution is to be heard at public hearing. Any ordinance or resolution waiving or reducing City  
27 fees shall be referred to the Finance Committee and then lie on the table after which shall be  
28 read the second time and final action taken.  
29

30 F. The member or members of the City Council who have requested the drafting and  
31 introduction of a charter amendment, ordinance, or resolution shall be identified by title and  
32 name following the heading "Introduced by." The first member requesting the drafting of a  
33 specific piece of legislation may make a determination as to whether any other members of the  
34 City Council may be listed under "Introduced by" and the order in which those members are to  
35 be introduced. Any other member of the City Council who requests identification on the  
36 legislation shall be listed under the heading "Co-sponsored by" in the chronological order in  
37 which that member's request is made to the Office of Law or on the floor of the City Council.  
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40 **SECTION II: AND BE IT FURTHER ESTABLISHED AND ORDAINED BY THE**  
41 **ANNAPOLIS CITY COUNCIL** that this Ordinance shall take effect from the date of its passage.  
42

43 **ADOPTED** this \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_.  
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45

ATTEST:

THE ANNAPOLIS CITY COUNCIL

BY

\_\_\_\_\_  
Regina C. Watkins-Eldridge, MMC, City Clerk

\_\_\_\_\_  
Joshua J. Cohen, Mayor

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**EXPLANATION:**  
CAPITAL LETTERS indicate matter added to existing law.  
[brackets] indicate matter deleted from existing law.  
Underlining indicates amendments.

**Policy Report**  
**Ordinance O-5-11**

**Re-Instituting a City Council Vote at the First Reader Introduction of Legislation**

The proposed ordinance would re-institute a City Council vote at first reader introduction of legislation. A City Council vote on first reader legislation was in effect prior to the adoption of O-68-09 in April 2010.

Prepared by Jessica Cowles, Legislative and Policy Analyst in the City of Annapolis Office of Law, [JCCowles@annapolis.gov](mailto:JCCowles@annapolis.gov).

FISCAL IMPACT NOTE

**Legislation No:** O-05-12

**First Reader Date:** 2-13-12

**Note Date:** 2-16-12

**Legislation Title:** Re-Instituting a City Council Vote at the First Reader Introduction of Legislation

**Description:** For the purpose re-instituting a City council vote at the first reader introduction of legislation.

**Analysis of Fiscal Impact:** This legislation produces no fiscal impact.



City of Annapolis City Council  
Standing Committee Referral Action Report

Date: 4/11/12

To: Jessica Cowles,  
City of Annapolis Office of Law,  
Legislative and Policy Analyst

The Rules and City Government Committee has reviewed 0-5-12 and  
has taken the following action:

Favorable

Favorable with amendments

Unfavorable

No Action

Other

Comments:

Roll Call Vote:

Ald. Israel, Chair NO

Ald. Hoyle YES

Ald. Arnett YES

Meeting Date 4/11/12

Signature of Chair Richard C. Gravel

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**CITY COUNCIL OF THE  
City of Annapolis**

**Ordinance No. O-17-12**

**Introduced by: Alderman Israel**

**Co-Sponsored by: Mayor Cohen**

LEGISLATIVE HISTORY			
<i>Legislative referrals are subject to City Council action at the time of introduction and are reflected in the City Council's adopted minutes</i>			
First Reading	Public Hearing	Fiscal Impact Note	90 Day Rule
5/29/12			8/27/12
Referred to	Referral Date	Meeting Date	Action Taken
Public Safety	5/29/12		
Rules and City Gov't	5/29/12		
Transportation	5/29/12		

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**AN ORDINANCE** concerning

**Central Services**

**FOR** the purpose of amending the City Code to conform to the City organization chart adopted as part of the FY 2012 operating budget in regards to the Central Services functions.

**BY** repealing the following portions of the Code of the City of Annapolis, 2011 Edition:  
Chapter 2.46

**BY** repealing and re-enacting with amendments the following portions of the Code of the City of Annapolis, 2011 Edition:  
Chapter 2.20  
Chapter 2.48  
Chapter 12.08

25  
26

**SECTION I: BE IT ESTABLISHED AND ORDAINED BY THE ANNAPOLIS CITY COUNCIL** that the Code of the City of Annapolis shall be amended to read as follows:

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**TITLE 2 - ADMINISTRATION**

**Chapter 2.20 – Director of Finance**

**2.20.010 - Bond.**

Before the Director of Finance enters upon the discharge of the duties of the office, the director shall give bond to the City with a corporate surety to be approved by the City Council, in the

1 penal sum of one hundred thousand dollars, conditioned upon the faithful discharge of the  
2 duties of the office. The premium for the bond shall be paid by the City. The City Council at any  
3 time may demand of the Director of Finance other or further bond, with other or further security,  
4 as in its judgment the interest of the City requires.

5  
6 **2.20.020 - Assistant Director for Accounting.**

7 A. There shall be appointed by the Director of Finance a person of sound discretion to  
8 perform the several non-budget related duties appertaining to this office, who shall be styled  
9 "Assistant Director for Accounting." The Assistant Director for Accounting, before entering on  
10 the discharge of the duties of office, shall give bond to the City with a corporate surety, to be  
11 approved by the City Council, in the penal sum of one hundred thousand dollars, conditioned  
12 upon the faithful discharge of the duties of office and the keeping and performing of the trust  
13 reposed or which may be reposed in as Assistant Director for Accounting. The premium for the  
14 bond shall be paid by the City. The City Council at any time may demand of the Assistant  
15 Director for Accounting other or further security as in its judgment the interest of the City  
16 requires.

17 B. The Assistant Director for Accounting shall have the same powers and obligations and  
18 shall perform all the non-budget-related duties performed by the Director of Finance, in the  
19 absence of the director, as authorized by law, and all the non-budget-related duties assigned to  
20 the Assistant Director for Accounting by the City Council and the Director of Finance.

21  
22 **2.20.030 - PURCHASING AND PROCUREMENT.**

23 A. THE DIRECTOR OF FINANCE SHALL BE RESPONSIBLE TO THE MAYOR FOR THE  
24 EXECUTION OF THE PURCHASING AND PROCUREMENT POLICIES ESTABLISHED FOR  
25 THE CITY. THE DIRECTOR OF FINANCE SHALL APPOINT A PURCHASING AGENT WHO  
26 SHALL MANAGE ALL PHASES OF THE PURCHASING AND PROCUREMENT PROCESS.

27  
28 B. THE DIRECTOR OF FINANCE SHALL ADOPT AND PROMULGATE POLICIES AND  
29 PROCEDURES, NOT IN CONFLICT WITH THE CHARTER, THIS CODE OR ANY  
30 ORDINANCE, TO IMPLEMENT A CENTRALIZED PURCHASING AND PROCUREMENT  
31 PROCESS. THE POLICIES AND PROCEDURES SHALL BECOME EFFECTIVE NOT LESS  
32 THAN FORTY-FIVE DAYS FOLLOWING ITS PROMULGATION AND TRANSMISSION TO  
33 THE CITY COUNCIL BY THE DIRECTOR OF FINANCE, UNLESS AN OBJECTION TO THE  
34 POLICIES AND PROCEDURES, OR ANY PORTION, IS REGISTERED BY THE CITY  
35 COUNCIL BY A RESOLUTION ADOPTED PRIOR TO THE EFFECTIVE DATE OF THE  
36 POLICIES AND PROCEDURES. IN ADDITION TO THE FOREGOING, THE CITY COUNCIL  
37 MAY ADOPT BY RESOLUTION ANY POLICY OR PROCEDURE RECOMMENDED BY THE  
38 DIRECTOR OF FINANCE FOR EXPEDITED IMPLEMENTATION. IF SO ADOPTED, EACH  
39 SUCH POLICY OR PROCEDURE SHALL BECOME EFFECTIVE UPON THE APPROVAL OF  
40 THE RESOLUTION.

41  
42 **2.20.040 – DISTRIBUTION OF MAIL**

43 THE DIRECTOR OF FINANCE SHALL BE RESPONSIBLE FOR CITY OFFICES MAIL  
44 DISTRIBUTION.

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46  
47 **[Chapter 2.46 – DEPARTMENT OF CENTRAL SERVICES]**

48  
49 **[2.46.010 - Composition.]**

1 [The Department of Central Services shall consist of the Central Services Officer, purchasing  
2 agent, and such other officers, staff and employees as may be provided for by the City Council.]  
3

4 **[2.46.020 - Central Services Officer—Duties.]**

5 [A. The Central Services Officer has charge and supervision of the following:

- 6 1. Maintenance and oversight of all city offices, governmental buildings and city-owned or city-  
7 leased properties;
- 8 2. Maintenance of city communications systems and facilities, including but not limited to  
9 telephones, facsimile machines and photocopiers;
- 10 3. City purchasing services;
- 11 4. Property inventory records;
- 12 5. Capital budget oversight;
- 13 6. Space management and planning;
- 14 7. City furniture and fixtures;
- 15 8. Management of the Markethouse and that area of the City dock not otherwise under the  
16 authority of the Director of Public Works as provided in Section 2.28.010;
- 17 9. City offices mail distribution; and
- 18 10. To study the efficiency and economy of the organization, operation and procedures of the  
19 departments and other entities of the City.]  
20

21 **[2.46.030 - Purchasing and procurement.]**

22 [A. The Central Services Officer shall be responsible to the Mayor for the execution of the  
23 purchasing and procurement policies established for the City. The Central Services Officer shall  
24 appoint a purchasing agent who shall manage all phases of the purchasing and procurement  
25 process.

26 B. The Central Services Officer shall adopt and promulgate policies and procedures, not in  
27 conflict with the Charter, this code or any ordinance, to implement a centralized purchasing and  
28 procurement process. The policies and procedures shall become effective not less than forty-  
29 five days following its promulgation and transmission to the City Council by the Central Services  
30 Officer, unless an objection to the policies and procedures, or any portion, is registered by the  
31 City Council by a resolution adopted prior to the effective date of the policies and procedures. In  
32 addition to the foregoing, the City Council may adopt by resolution any policy or procedure  
33 recommended by the Central Services Officer for expedited implementation. If so adopted, each  
34 such policy or procedure shall become effective upon the approval of the resolution.]  
35  
36

37 **Chapter 2.48 – BOARDS AND COMMISSIONS**

38 **Article VIII – Environmental Review Committee**  
39

40 **2.48.350 - Environmental Review Committee.**

41 A. The goal of the City is to lead by example so as to encourage residents and business  
42 owners to use reusable and recyclable materials and to purchase goods from companies that  
43 practice energy use reduction and sequestration of carbon dioxide.

44 B. In furtherance of this goal, there is hereby established an Environmental Review Committee  
45 within the municipal government. The Committee consists of the Directors of the Departments of  
46 Neighborhood and Environmental Programs (DNEP), Public Works, [Central Services, and]  
47 Recreation and Parks, AND THE PURCHASING AGENT. The Director of DNEP shall serve as  
48 the chair.

49 C. As a minimum, the Committee shall:

- 50 1. Review existing practices of the City to assure that its policies and procedures foster the use  
51 of materials that are compostable, recyclable, and reusable.

- 1 2. Assess the effectiveness of the voluntary environmental reusable bag program.
- 2 3. Assess the value of bans and/or fees on materials in furtherance of the City's goals.
- 3 4. Develop a plan for distribution of re-useable bags as part of and consistent with the City's
- 4 recycling plan as defined in Chapter 10.18 of the Annapolis City Code.
- 5 5. Assist the various City offices to ensure that contracting procedures do not discriminate
- 6 against reusable, recycled, or environmentally preferable products without sufficient justification.
- 7 6. Evaluate environmentally preferable products to determine the extent to which they may be
- 8 used by the City and its contractors.
- 9 7. Review and revise contracting procedures to maximize the specification of designated
- 10 environmentally preferable products where available.
- 11 8. Following installation of computer software capable of data gathering for such purposes,
- 12 facilitate data collection on purchases of designated environmentally preferable products by the
- 13 City and its contractors and report the data to the City Council by July 31st of each year.
- 14 9. Prior to fiscal year 2009, the Committee shall:
- 15 a. Begin issuing to all City organizational elements purchasing specifications that comply with
- 16 U.S. Environmental Protection Agency Comprehensive Procurement Guidelines for products.
- 17 Recovered Materials Advisory Notices (RMAN) shall be used as a reference for determining the
- 18 recycled content specifications for these products. Third party certifications, such as Energy
- 19 Star, Eco Logo and Green Seal, shall also be acceptable to identify preferred products.
- 20 b. Monitor the implementation of the following:
- 21 (1) To the extent available, all printing and copy paper products shall consist of a minimum of
- 22 thirty percent post-consumer recycled fiber.
- 23 (2) All janitorial paper products and plastic garbage bags shall consist of a minimum of fifty
- 24 percent post-consumer content.
- 25 (3) A ten percent price preference for processed chlorine-free paper shall be applied to (one
- 26 hundred percent) of photocopy-grade and janitorial paper purchases.
- 27 (4) Returning used toner cartridges for remanufacture and purchase re-manufactured toner
- 28 cartridges when practicable.
- 29 (5) Where available, no janitorial cleaning or disinfecting products shall contain ingredients that
- 30 are identified by United States Environmental Protection Agency or the National Institute for
- 31 Occupational Safety and Health as carcinogens, mutagens, or teratogens.
- 32 (6) Phase out the use of chlorofluorocarbon containing refrigerants, solvents and other products
- 33 when without risk of voiding manufacturers' warranties on the equipment in which it is applied.
- 34 (7) All surfactants shall meet EPA standards as "readily biodegradable." No detergents shall
- 35 contain phosphates.
- 36 (8) The City shall procure wood products that originate only from managed, recycled or
- 37 sustainable wood product operations.
- 38 (9) Purchased or leased electronic equipment including photocopiers, computers, printers,
- 39 lighting systems, HVAC, kitchen and laundering appliances, and energy management systems
- 40 must meet U.S. Environmental Protection Agency (EPA) or U.S. Department of Energy (DOE)
- 41 energy efficiency standards. Where applicable, the energy efficiency function must remain
- 42 enabled on all energy efficient equipment. As part of any purchase or lease agreement for
- 43 electronic equipment, a vendor must supply life cycle costs for each item.
- 44 (10) All motor oil shall contain a minimum twenty-five percent re-refined base stock, and shall
- 45 be used only when without risk of voiding manufacturers' warranties on the equipment in which
- 46 it is applied. All re-refined oil must be American Petroleum Institute certified.
- 47 (11) All motor vehicles operated by the City shall use recycled propylene glycol antifreeze
- 48 where practicable, and shall be used only when without risk of voiding manufacturers'
- 49 warranties on the equipment in which it is applied.
- 50 (12) Paint purchased by the City or its contractors shall contain the minimum amount necessary
- 51 of volatile organic compounds, and shall contain maximum recycled content where available.

1 (13) The City shall implement an integrated pest management program for pest control. Any  
2 chemicals used to eliminate or deter insect pests and undesirable vegetation shall be the most  
3 readily and completely biodegradable product available for the given application, and shall be  
4 applied in a manner that is least likely to come into contact with humans and any other animals  
5 for which treatment is not intended.

6 (14) All construction and renovation at least thirty percent funded by the City shall incorporate  
7 Silver LEED "green" building practices;

8 (15) The City shall give preference to products that are produced and are within a reasonable  
9 geographic distance such that transportation costs, energy use and carbon dioxide generation  
10 do not outweigh the benefits of lower product costs.

11 (16)

12 All departments, offices, and agencies shall ensure that they and their contractors/consultants  
13 use double-sided copying. All photocopiers purchased by the City following adoption of this  
14 policy are required to be capable of double-sided copying when the equipment has the  
15 capability to copy double-sided.

16 (17) The City shall reduce or eliminate its use of products that contribute to the formation of  
17 dioxin and furan compounds.

18 D. The following are environmentally preferred products:

19 1. Compostable and vegetative products;

20 2. Horticultural mulch made with recycled land clearing and other wood debris, but avoiding the  
21 use of non-sterile mulch which may contain non-native plant species;

22 3. Construction materials made with recycled cement concrete, wood, glass or asphalt;

23 4. Alternative fuels and vehicles and rolling stock that utilize same including, but not limited to,  
24 electric, hybrid, compressed natural gas, hydro-diesel, hydrogen, biodiesel and ethanol. When  
25 comparing costs of alternative vs. conventional fuels and vehicles, the city shall give preference  
26 to alternative fuels and vehicles if their costs are no more than ten percent higher than  
27 conventional products;

28 5. Cement and asphalt concrete containing glass cullet, recycled fiber or plastic, tire or rubber;

29 6. Lubricating oil and hydraulic oil with re-refined oil content;

30 7. Recycled plastic products;

31 8. Remanufactured products made from recycled tire rubber, including rubber mats and play  
32 field surfaces;

33 9. Low wattage/high efficiency lighting fixtures, including but not limited to traffic signals,  
34 crosswalks, street lights and all interior and exterior building fixtures, including fixed ballast  
35 fluorescent fixtures and motion sensitive switches;

36 10. Solar powered traffic signals, traffic signs, street lights and buildings wherever available;

37 11. Remanufactured laser printer toner cartridges;

38 12. Other products as designated by the Mayor and/or the Mayor's designee, the Task Force  
39 and/or Coordinator; and

40 13. No fertilizer with phosphorous shall be used on any land owned by the City of Annapolis,  
41 whether such land is located within or outside of the City's boundaries, except where a soil test  
42 determines that the soil is deficient.

43 E. The Environmental Review Committee will formulate a plan by May 31, 2008, to promote the  
44 use of reusable shopping bags in the City of Annapolis. It will establish a goal of a forty percent  
45 reduction in the use of plastic and paper checkout bags in large retail chain stores by May 31,  
46 2009.

47 F. Nothing contained in the policy of this section shall be construed as requiring a department  
48 or contractor to procure products that do not perform adequately for their intended use, exclude  
49 adequate competition, or are not available at a reasonable price in a reasonable period of time.  
50 The city shall give preference to any environmentally preferable products if their costs are no  
51 more than ten percent higher than conventional products.

1 G. One year from adoption of the ordinance codified in this section, the Environmental Review  
2 Commission will evaluate the effectiveness of the internal and voluntary programs for reusable  
3 materials and make recommendations in furtherance of these efforts for consideration by the  
4 Mayor and City Council.  
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6 **TITLE 12 – VEHICLES AND TRAFFIC**

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8 **Chapter 12.08 – Administration and Enforcement**

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10 **12.08.130 – Parking Coordinator.**

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12 Within the Department of [Central Services] TRANSPORTATION there is established the  
13 position of Parking Coordinator. The purpose of the position is to facilitate the coordination and  
14 implementation of parking principles, policies, laws and regulations at the direction of the  
15 Director of [Central Services] TRANSPORTATION. The Coordinator shall also assist the  
16 Parking Advisory Committee, serve as a liaison between the Transportation Board and the  
17 Parking Advisory Commission and arrange for the gathering of information about the number of  
18 motor vehicles of residents and other persons and parties and maintain an inventory of parking  
19 spaces for these vehicles. The Coordinator shall be appointed by the Director of [Central  
20 Services] TRANSPORTATION and serve at the pleasure of the Director of [Central Services]  
21 TRANSPORTATION. The Coordinator shall receive such compensation as is provided in the  
22 annual operating budget.  
23

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25 **SECTION II: AND BE IT FURTHER ESTABLISHED AND ORDAINED BY THE**  
26 **ANNAPOLIS CITY COUNCIL** that this Ordinance shall take effect from the date of its passage.  
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28 **ADOPTED** this \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_.  
29

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ATTEST: THE ANNAPOLIS CITY COUNCIL

\_\_\_\_\_  
Regina C. Watkins-Eldridge, MMC, City Clerk

BY \_\_\_\_\_  
Joshua J. Cohen, Mayor

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33 **EXPLANATION**  
34 CAPITAL LETTERS indicate matter added to existing law.  
35 [brackets] indicate matter stricken from existing law.  
36 Underlining indicates amendments.  
37

**O-17-12**

**Central Services**

**Policy Report**

The proposed ordinance would amend the City Code to conform to the City organization chart adopted with the FY 2012 operating budget in regards to the Central Services functions. The organization chart converted the Central Services functions into the Finance Department (Purchasing), the Public Works Department (Buildings and Market House), and the Transportation Department (Parking Garages and Lots). Charter Amendment CA-5-10, adopted in July 2011, amended the Charter to be consistent with the organization chart.

Through the adoption of the organization chart, the Finance Department is responsible for purchasing services, with the Director of Finance overseeing the execution of the purchasing and procurement policies established for the City. The Public Works Department is responsible for the Market House and maintenance and oversight of all City offices, governmental buildings, and city-owned or leased properties; space management and planning; and, maintaining inventory records for real property, fixtures, and furniture. The Transportation Department is responsible for City parking garages and parking lots.

Prepared by: Jessica Cowles, City of Annapolis Office of Law, JCCowles@annapolis.gov or (410) 263-1184.

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**CITY COUNCIL OF THE  
City of Annapolis**

**Ordinance No. O-22-12**

**Introduced by: Alderman Paone**

LEGISLATIVE HISTORY			
<i>Legislative referrals are subject to City Council action at the time of introduction and are reflected in the City Council's adopted minutes</i>			
First Reading	Public Hearing	Fiscal Impact Note	90 Day Rule
5/29/12			8/27/12
Referred to	Referral Date	Meeting Date	Action Taken
Rules and City Gov't	5/29/12		
Planning Commission	5/29/12		

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**AN ORDINANCE** concerning

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**Multi-Family Dwellings in the BR Zoning District**

11

**FOR** the purpose of permitting multi-family dwellings in the BR zoning district.

12

**BY** repealing and re-enacting with amendments the following portions of the Code of the City of Annapolis, 2011 Edition  
Section 21.48.020

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**SECTION I: BE IT ESTABLISHED AND ORDAINED BY THE ANNAPOLIS CITY COUNCIL** that the Code of the City of Annapolis shall be amended to read as follows:

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19

**Chapter 21.48 – Use Tables.**

20

**Section 21.48.020 – Table of Uses – Commercial and Industrial Zoning Districts**

21

USES	District B1	District B2	District B3	District B3-CD	District BCE	District BR	District C2	District C2A	District PM2	District I1
Dwellings, multi-family					P-Std	P	S		S	

USES	District B1	District B2	District B3	District B3-CD	District BCE	District BR	District C2	District C2A	District PM2	District I1
Dwellings above the ground floor of nonresidential uses	P	P			P	[P]	P	P		

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**SECTION II: AND BE IT FURTHER ESTABLISHED AND ORDAINED BY THE ANNAPOLIS CITY COUNCIL** that this Ordinance shall take effect from the date of its passage.

**ADOPTED** this \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_.

ATTEST:

THE ANNAPOLIS CITY COUNCIL

BY

\_\_\_\_\_  
Regina C. Watkins-Eldridge, MMC, City Clerk

\_\_\_\_\_  
Joshua J. Cohen, Mayor

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**EXPLANATION**

CAPITAL LETTERS indicate matter added to existing law.  
[brackets] indicate matter stricken from existing law.  
Underlining indicates amendments.

## **Policy Report**

**O-22-12**

### **Multi-Family Dwellings in the BR Zoning District**

The proposed ordinance would permit multi-family dwellings in the BR zoning district and no longer permit dwellings above the ground floor of nonresidential uses in the BR zoning district.

Prepared by Jessica Cowles, Legislative and Policy Analyst in the City of Annapolis Office of Law at [JCCowles@annapolis.gov](mailto:JCCowles@annapolis.gov) or 410.263.1184.

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**CITY COUNCIL OF THE  
City of Annapolis**

**Resolution No. R-25-12**

**Introduced by: Mayor Cohen**

LEGISLATIVE HISTORY			
<i>Legislative referrals are subject to City Council action at the time of introduction and are reflected in the City Council's adopted minutes</i>			
First Reading	Public Hearing	Fiscal Impact Note	90 Day Rule
5/29/12			8/27/12
Referred to	Referral Date	Meeting Date	Action Taken
Finance	5/29/12		

**A RESOLUTION** concerning

**Commemorating the War of 1812**

**FOR** the purpose of commemorating the War of 1812 by supporting the docking of the HMS Bounty; and waiving docking fees associated with the HMS Bounty docking in the City of Annapolis on June 14-18, 2012.

**WHEREAS,** the HMS Bounty is available and arriving in the Annapolis area during OPSAIL 2012; and

**WHEREAS,** the City of Annapolis wishes to commemorate the War of 1812 with a tall ship in the Annapolis harbor; and

**WHEREAS,** attracting a tall ship suited to the harbor waters is beneficial to the City of Annapolis and provides a benefit to residents and tourists; and

**WHEREAS,** per Section 6.04.210 of the Annapolis City Code, the Mayor may waive fees less than \$300.

**NOW THEREFORE BE IT RESOLVED BY THE ANNAPOLIS CITY COUNCIL** that the docking fees associated with the docking of the HMS Bounty in the City of Annapolis from June 14-18, 2012 are hereby waived.

**ADOPTED** this \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_.

ATTEST:

THE ANNAPOLIS CITY COUNCIL

BY \_\_\_\_\_

Regina C. Watkins-Eldridge, MMC, City Clerk

Joshua J. Cohen, Mayor

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**EXPLANATION**

CAPITAL LETTERS indicate matter added to existing law.  
[brackets] indicate matter stricken from existing law.  
Underlining indicates amendments.

## **Policy Report**

**R-25-12**

### **Commemorating the War of 1812**

The proposed resolution would commemorate the War of 1812 by supporting the docking of the HMS Bounty and waive docking fees associated with the HMS Bounty docking in the City of Annapolis on June 14-18, 2012.



Chartered 1708

Joshua J. Cohen, Mayor  
City of Annapolis  
160 Duke of Gloucester Street  
Annapolis, Maryland 21401

May 17, 2012

To: Alderpersons, City Of Annapolis

From: Mayor Joshua J. Cohen



Re: Historic Preservation Commission

I respectfully submit for your approval the appointment of Mr. Jay Ronald Kabriel to the Historic Preservation Commission. Mr. Kabriel is a resident of Ward 8 and this appointment fills a vacancy on the Commission. His resume is attached.

Jay Ronald Kabriel  
34 Chesapeake Landing  
Annapolis, MD 21403  
410-268-8185

Thank You.

JJC/hrr

Reviewed by: _____ Economic Matters _____
<input checked="" type="checkbox"/> Favorable <input type="checkbox"/> Unfavorable
<u>Frederick M. Paine</u> <u>5/17/12</u>
Committee Chair      Date



Chartered 1708

Joshua J. Cohen, Mayor  
City of Annapolis  
160 Duke of Gloucester Street  
Annapolis, Maryland 21401

May 17, 2012

To: Alderpersons, City Of Annapolis

From: Mayor Joshua J. Cohen

Re: Historic Preservation Commission

I respectfully submit for your approval the appointment of Mr. Rockford E. Toews to the Historic Preservation Commission. Mr. Toews is a resident of Ward 8 and this appointment fills a vacancy on the Commission. His resume is attached.

Rockford E. Toews  
Post Office Box 3540  
Annapolis, MD 21403  
410-626-1363  
rock@backcreekbooks.com

Thank You.

JJC/hrr

Reviewed by: <u>Economic Matters</u>
<input checked="" type="checkbox"/> Favorable <input type="checkbox"/> Unfavorable
<u>Frederick M. Paine</u> <u>5/17/12</u>
Committee Chair      Date