



Mayor and City Council of Cumberland

Mayor Raymond M. Morriss
Councilman Richard J. "Rock" Cioni
Councilman Eugene T. Frazier
Councilman Joseph P. George
Councilwoman Laurie P. Marchini

City Administrator Jeffrey F. Silka
City Solicitor Michael S. Cohen
City Clerk Marjorie A. Woodring

AGENDA

M&CC Regular Public Meeting
City Hall Council Chambers, 57 N. Liberty St., Cumberland, MD

DATE: January 18, 2022

OPEN SESSION - 6:15 P.M.

Pledge of Allegiance

Roll Call

Presentations

1. Recognition of City employees who have retired during the period July 1, 2021 - January 1, 2022

Director's Reports

(A) Engineering

1. Engineering Division monthly report for December, 2021

(B) Public Works

1. Maintenance Division monthly report for December 2021

(C) Fire

1. Fire Department monthly report for December, 2021

(D) Utilities - Flood, Water, Sewer

1. Utilities Division Flood/Water/Sewer monthly report for December 2021

Approval of Minutes

1. Approval of the Work Session Minutes of October 5 and October 13, 2021

New Business

(A) Resolutions

1. **Resolution R2022-01** - authorizing the issuance and sale of two separate series of General Obligation Bonds known as "Mayor and City Council of Cumberland Drinking

Water Bond, Series 2022A" in the original principal amount not to exceed \$1,549,998 and "Mayor and City Council of Cumberland Drinking Water Bond, Series 2022B" in the principal amount not to exceed \$516,666 with proceeds to be applied to the "Decatur Street Waterline Project" and related costs

- 2. Resolution R2022-02** - designating the City's Sustainable Community Area as a Sustainable Community, adopting a Sustainable Community Plan, authorizing the submission of an application to the Department of Housing and Community Development to become a designated Sustainable Community, and authorizing the Mayor and City Administrator to execute documents necessary to carry out the intent of these resolutions

(B) Orders (Consent Agenda)

- 1. Order 26,941** - authorizing a 1-year extension to Burgmeier's Hauling, Inc. Municipal Curbside Solid Waste and Recycling contract (22-18-M) at the new fiscal rate of \$1,264,634.64 for the term July 1, 2022 through June 30, 2023
- 2. Order 26,942** - approving the sole source purchase of a new John Deere FC20M Flex Wing Rotary Cutter from Deere & Company for use by the Flood Control branch of Public Works in the not-to-exceed amount of \$28,660.50
- 3. Order 26,943** - authorizing the abatement of 2020-2021 taxes in the amount of \$10,853.87, and 2021-2022 taxes in the amount of \$10,236.89 for City-owned property at 600 Bishop Walsh Road (Tax ID #06-050301)
- 4. Order 26,944** - authorizing the payment of an estimated amount not-to-exceed \$105,842.08 as the City's 20% cost share for final design services through project bidding for the "Replacement of Bridge No. A-C-09 on Cumberland Street over CSXT Railway Project"; bringing the City's new 20% cost share amount, including preliminary engineering services costs, to an estimated \$204,813.07
- 5. Order 26,945** - appointing Justin T. Paulman and Nathan C. Williams to the Historic Preservation Commission for 3-year terms to be effective January 18, 2022 - December 31, 2025

Letters / Petitions

- 1.** Letter from Lee Borrer, Senior Community Development Specialist, advising that amendments to the Community Development Block Grant 2019 and 2020 Annual Action Plans are now available for review and will be presented to the Mayor and City Council for approval at the February 15, 2022, regular public meeting at 6:15 p.m. in the City Hall Council Chambers. Written comments from the public regarding the proposed amendments will be accepted through Monday, February 7, 2022, and may be emailed to lee.borrer@cumberlandmd.gov or mailed to the Department of Community Development, 57 N. Liberty Street, Cumberland, MD 21502.

Public Comments

All public comments are limited to 5 minutes per person

Adjournment

File Attachments for Item:

. Engineering Division monthly report for December, 2021

City of Cumberland, Maryland
Engineering Division - Monthly Report

Capital Projects						December 31, 2021	
Order	Project No.	Project Name	Description	Phase	Comments	Updated By	Date of Update
2008	05-08-S	Evitts Creek CSO Upgrades Phase III (gravity sewer under railroad)	Replacement of CSO line connecting Evitts Creek Pump Station effluent with gravity line that parallels the Canal Towpath. Said gravity line is being replaced under project 17-03-S(1).	Design	NO CHANGE - WRA received notice from CSX on 7/7/21 stating that they would no longer allow access in yard for any investigative or rehab activities. This decision was reviewed and confirmed by Alex Saar (PE in Jacksonville office) on 10/29/21. City now assessing legal route of obtaining access to site.	MDI	11/24/2021
2008	06-08-S	Interceptor Sewer to Evitts Creek Pump Station Phase IV	This is the sewer along Evitts Creek upstream of the Pump Station. Project is to evaluate existing line and determine if repair or replacement is best option.	Design	NO CHANGE - Engineer (GD&F) working on preliminary report, with occasional support from City. Sewer line was cameraed by USG on the week of 11/15. Results of CCTV inspection will be included in final preliminary report, expected to be delivered by end of year.	MDI	11/24/2021
2013	1-13-FPM	Flood Control System Concrete Repairs	Repairs to various points of FCS system per USACOE inspection	Construction	UPDATED - Project was completed on 11/23/2021. Working with MDE to close out all permits and submit for reimbursement (MDE Grant funded).	MDI	12/20/2021
2014	04-14-WWTP	Sludge Screening Study/Design	Study to select the best alternative to keep rags out of the recently cleaned and modified digester because the modifications will make it impossible to revive rags in the future.	Design	NO CHANGE Need/Benefit of the project is being reevaluated, and for now the project is on hold. Design is complete and the project will remain on this report for the time being.	RLS	4/2/2018
2014	19-14-M	Greene Street Complete Street Plan	Planning Study for Greene Street	Planning	NO CHANGE - The Design Report from Alta Planning + Design was submitted and presented to the Mayor and City Council. The plan to start work on Construction Funding Applications has been delayed because of the Baltimore Street Project, which would have been competing for the same funds. This project still needs to be done and should be a priority in the future.	RLS	6/1/2017
2015	9-15-M	Potomac River Walk	The Study Phase of this project is being done through the Cumberland MPO and consists of a Walk / Trail for pedestrians and bikes along the Potomac River between Wills Creek and the YMCA	Study	NO CHANGE -This project has been turned over to Canal Place. Engineering Services for Design were received. Recommendation from the committee was to award to CEC.	RLS	8/9/2019
2015	18-15-S	CSO Water Quality Analysis	Base line data collection for analysis of future CSO needs after CSO Storage is on line.	Planning	No CHANGE Project continues. Staff are taking regular scheduled stream samples for e-Coli analysis at this time. Rainy days (once a month) are the target for sampling at this time.	RJK	12/22/2021
2016	12-16-M	Baltimore Street Access Improvement - Final Design	The purpose of the New Baltimore Street Town Center project is to reopen and improve Baltimore Street, which is currently configured as a pedestrian mall, to vehicular traffic while maintaining elements of the mall.	Design	UPDATED - Review comments have been received from MDOT SHA Dec. 9, 2021. EADS and the Cumberland Engineering Dept. will be updating the contract documents for resubmission to MDOT SHA.	JRD	12/20/2021
2016	17-16-M	Stage Renovations at Liberty Street Stage	Replace wood stage with Concrete	Design	NO CHANGE - This project would be unnecessary if the Baltimore Street Access project is executed. The project will remain on this list until the Baltimore Street project moves to construction.	RLS	5/15/2019

City of Cumberland, Maryland
Engineering Division - Monthly Report

Capital Projects						December 31, 2021	
Order	Project No.	Project Name	Description	Phase	Comments	Updated By	Date of Update
2016	18-16-BR	John J. McMullen, Bridge No. A-C-01 Repairs	Bridge Repair	Planning	UPDATED - RFP for design phase of project has been prepared. Working with State Highway to determine State Aid requirements for funding. Will submit all permit application documents for review by end of year.	MDI	12/20/2021
2016	19-16-S	78" Parallel Pipeline from Mill Race to CSO	78" Pipeline to CSO tank in accordance with Consent Decree	Design	NO CHANGE - Design work is on hold until further discussions are held with USACE about gaining their approval for the project. There is no schedule for completing the acquisitions at this time.	RLS	7/27/2021
2017	2-17-FPM	Flood Control Encroachment removal Project	The City as the Local Sponsor of the Flood Control Project is expected to maintain the easements along the Flood Control Project, however the area along Wills Creek and other areas were never given any comments until the Corps of Engineers standards changed. Completion of this project is necessary to allow the City to get a Satisfactory rating on its annual Flood Control Inspections.	Planning	NO CHANGE - This project has been delayed because of other work, but must be done. A tree removal project has been bid out and a contractor selected to do the work of removing trees in the encroachment area.	RLS	7/11/2018
2017	3-17-M	Route 51 Bridge 12" Waterline Replacement	Replace water line on bridge as part of SHA Bridge Deck Project	Construction	UPDATED - This work is now complete and awaiting final invoicing from MDOT SHA	RLS	11/23/2021
2017	18-17-M	Maryland Avenue Development	This is not an Engineering Project, but included here to cover future department work with the development.	Design	NO CHANGE - Phases 1 & 2 of the Cumberland Gateway project has moved into construction. The Department will support future phases for stormwater management reviews and traffic design support.	RLS	3/26/2021
2017	31-17-W	Decatur Street 24" Crosstown Water Main Replacement	Prior to designing the water main replacement a more detailed Water Model analysis of the City's system will be done to make sure the issues are being properly addressed. Design will follow.	Design	NO CHANGE - The project has been awarded to Carl Belt Inc, and was approved by MDE on Sept. 15, 2021. A preconstruction meeting was held on 10/5/2021. The contractor has started receiving pipe and materials which should all be delivered by 1/31/22. The contractor will need to provide a construction schedule for approval.	JRD	10/2/2021
2018	08-18-BR	Cumberland Street Bridge Replacement	This project will replace the bridge structure.	Design	UPDATE - This project is waiting on authorization from MDOT to move into the final engineering stage.	RLS	11/23/2021
2018	09-18-BR	Baltimore Street Bridge Replacement	This project will replace the bridge structure.	Design	UPDATE - The project is waiting for permits from the USACE and for some property to be acquired to allow the project to be bid.	RLS	11/23/2021
2018	22-18-M	Solid Waste and Recycling Collection	Contract documents for the FY20 garbage and recycling collection bid process	Planning	NO CHANGE Receiving proposals to extend the contract for FY23. Noble Environmental (Mountainview Landfill) submitted an acceptable 1-year extension. Burgmeier's Hauling was contacted to provide a proposal for hauling to Mountainview Landfill for the 1-year extension consideration. The contract allows for one more 1-year extension for FY24; to be reviewed by December 2022.	RJK	12/22/2021
2018	25-18-BR	SHA Project: Replacement of MD 51 Bridge Deck	Replace the water line under the industrial blvd bridge under a MDOT bridge rehabilitation project	Construction	Refer to project 3-17-W	RLS	10/11/2018

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Engineering Division - Monthly Report

Capital Projects						December 31, 2021	
Order	Project No.	Project Name	Description	Phase	Comments	Updated By	Date of Update
2018	26-18-M	Ridgeley Levee System Certification					
2018	31-18-WFP	Pine Ridge Water & PUC Rate Issues	Project involves determining a path forward regarding the supplying of PA residents with water	N/A	NO CHANGE - City staff continues to work through issues with PA regulators about water issues	RLS	1/28/2020
2018	32-18-FPM	Rehabilitation Assistance for Flood Damages to Flood Risk Management Projects	Request USACE to make repairs or provide funding to address flood control issues	Planning	NO CHANGE - The USACE has denied financial support due to the flood control being in an unacceptable condition. The City is looking to enter the SWIF program to receive aid to get financial support for construction.	RLS	10/12/2018
2018	43-18-BR	Fayette Street Bridge Replacement	This project will replace the bridge structure.	Planning	NO CHANGE - The bridge has been opened for one lane of traffic. The bridge will be replaced in the future.	RLS	2/26/2020
2018	44-18-BR	Washington Street Bridge Replacement	This project will replace the bridge structure.	Planning	NO CHANGE - Studies have been returned and subject to CSX negotiations.	RLS	8/5/2019
2019	5-19-M	Virginia Ave Lot Demolition	Remove two structures and retaining walls at 6, 8 and 10 Virginia Ave.	Construction Bidding	NO CHANGE - The grading plan has been approved by ASCD and the project has been turned over to Code Enforcement for demolition	RLS	8/5/2019
2019	7-19-WFP	Filter Building Pilot Study	Perform a study to evaluate the potential to replace current filter building with a new membrane/GAC building in the future. The City is required to perform a pilot study to validate the technology we are proposing to use.	Study	NO CHANGE - The pilot study is testing is complete and a draft of the final report has been reviewed/commented on by City Staff. Once the report is finalized, a formal report will be provided to the M&CC.	RLS	7/27/2021
2019	10-19-M	Residential Grass Mowing	Contract for mowing the residential properties within the City Limits which include blighted properties and recent demos.	Construction	NO CHANGE - Contract underway (No work through winter months)	DTG	12/20/2021
2019	11-19-M	Non Residential Grass Mowing	Contract for mowing the Commercial and Public Owned Properties within the City Limits. To include water tanks, City Hall, Public Safety and several others.	Construction	NO CHANGE - Contract underway (No work through winter months)	DTG	12/20/2021
2019	14-19-M	WWTP RMP Compliance Services	RMP Compliance for OSHA 29 CFR 1910	Planning	UPDATE Compliance work continues.	RJK	11/22/2021
2019	36-19-WWTP	Blower Building Switchgear Replacement	This project replaced the existing Blower Building Switchgear to reduce the 4160V down to 480V to improve the safety of the building and to adequately protect our equipment.	Construction	NO CHANGE - Contractor (S&S) has completed this project and both Switches are now fully operational. Contractor is working on finalizing items on punch list that was developed by Century Engineering. Final project closeout expected by end of year.	MDI	11/24/2021
2020	2-20-M	Frederick St Parking Garage Repairs	Repairing a spalled section of slab on grade in Frederick St parking garage, as well as looking into sealing all concrete driving surfaces	Planning	NO CHANGE - Researching proper repair systems for spalled concrete in parking garages. Working with Street Dept. to determine if city forces can make repairs.	MDI	1/24/2020
2020	6-20-S	Sanitary Sewer Lining Assessment	Performing a cost assessment on relining (CIPP) all sanitary sewer lines within city.	Planning	NO CHANGE - Based on list of "high risk" lines provided by sewer dept, have developed a preliminary cost estimate. Awaiting updated list from most recent cleaning and cameraing prior to moving forward with project.	MDI	3/30/2020

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Order	Project No.	Project Name	Description	Phase	Comments	Updated By	Date of Update
2020	9-20-M	Constitution Park Fill Disposal	Assessing potential clean fill dump sites for Public Works	Design	NO CHANGE - Public works dept. is nearing completion of fill placement at Site #1 (behind field). E&S site plan for site #2 (behind pool) has been completed and approved by ACSCD. This site will be prepped to receive fill in the near future.	MDI	11/1/2421
2020	11-20-WFP	Koon Dam Repairs	Concrete repairs to the dam structure (spillway and downstream face) per the annual dam inspection recommendations.	Complete	UPDATE - Belt has completed all sidewalk repairs as of 10/1/21. Sub-contractor Allegheny Restoration has completed all budgeted spillway repairs as of 11/5/21. Final completion forms have been submitted. Final update.	MDI	12/20/2021
2020	12-20-RE	Long Field Upgrades - Phase 1	Improvements to Long Field Concession and Restroom area. Upgrades include electrical improvements.	Construction	UPDATE - Completed SourceWell contracts with Carl Belt (sitework) and S&S Electric (electrical work) on 6/9/21. Contractors started work on 12/7/21. Work on infield has been completed until Spring. Contractors are working on interior upgrades (concessions, bathrooms) as well as installing new bullpen.	MDI	12/20/2021
2020	13-20-WWTP	CSO Nine Minimum Controls Annual Review	A requirement of our LTCP and NPDES Report to look at these controls annually		NO CHANGE - NMC report spring 2021; finalized in May. Met with Public Works (WW and Sewer) to update NMC language for 2022.	RJK	12/22/2021
2020	14-20-M	Carver Building Repairs	Project to repair damage to the Carver Building				
2020	16-20-M	Queen City Drive ADA Improvements	Project will include upgrading sidewalk for ADA compliance along Queen City Drive at corners of Bedford and Frederick Streets, below McMullen Bridge.	Design	UPDATE - Part of CDBG 5-year plan. Developed a set of bid specifications to put to bid around January 2022. Bid documents have gone through final internal review and are now being reviewed by Lee Borrer prior to advertisement.	MDI	12/20/2021
2020	17-20-WWTP	CSO Long-Term Control Plan Projects/Schedule Review	Correspondences with MDE regarding the LTCP Projects and the Consent Decree (CO) end date: October 1, 2023.	N/A	NO CHANGE - All jurisdictions and AquaLaw to met with MDE on the CO extension process on November 5, 2021. MDE requires a letter with the official request and supporting documentation as next step. This Letter was sent November	RJK	12/22/2021
2020	29-20-S	Locust Grove Force Main & LaVale Water Main Replacement	Joint project between Allegany County Public Works & LaVale Sanitary Commission to replace the force main from the new Locust Grove Pump Station and replace water main to LaVale.		NEW -		
2020	30-20-SWM	Grow West Facility Expansion	SWM Review for proposed expansion of Grow West MD Facility @ the industrial park.	Construction	NO CHANGE - Contractor continues construction of expansion. City monitoring SWM situation at incomplete stage, as rainwater collection tanks have not been installed.	MDI	10/8/2021
2021	2-21-WWTP	Influent Screening System Upgrade	Design and replacement of a new influent screening system at the headworks of the WWTP.	Design	UPDATE - Low bidder for design services phase of project was Gwin Dobson and Foreman, at a price of \$70,000. GD&F have completed permit drawings and are submitting for MDE permit. Will have final estimate of construction cost by end of year. Could have project out to bid by early Spring.	MDI	12/20/2021

City of Cumberland, Maryland
Engineering Division - Monthly Report

Capital Projects						December 31, 2021	
Order	Project No.	Project Name	Description	Phase	Comments	Updated By	Date of Update
2021	4-21-W	Route 220 20" Water Main Replacement	Project to replace the 20" water main in Route 220. The water line from I-68 to the State Prison is currently owned by the City. Discussion are being held between the City and County to partner on the project or transfer the asset to the County.	Planning	NO CHANGE - This project is in the planning stages in conjunction with Allegany County.	RLS	4/21/2021
2021	6-21-RE	Constitution Park Wading Pool Filter Renovation	Replace the cracked filter and other improvements to the mechanical building equipment for the wading pool.		NEW -		
2021	7-21-WFP	2021 ECWC Watershed Timber Sale	2021 ECWC Watershed Timber Sale		NO CHANGE - The timber sale bids have been returned and an award issued to American Hardwood Industries.	RLS	7/27/2021
2021	8-21-WWTP	SCADA System Integration	Solicit bids for a qualified Industrial Control System Integrator to complete the Water/Wastewater SCADA System integration.		NO CHANGE - This is a project to secure integrator services to support both the Water Filtration Plant and Water Reclamation Facilities	RLS	4/21/2021
2021	9-21-M	Municipal Service Center Security Fence	Installation of a security fence at the Municipal Service Center	Construction	NO CHANGE - Submittals have been approved, and material for this project has been ordered by Long Fence. We are currently waiting for an update that gives us a firmer ETA in terms of when the materials will be available.	JAT	11/24/2021
2021	10-21-M	Undocumented Rights-of-Way	Decide how undocumented rights-of-way should be dedicated and what form of dedication is need to prevent the rights-of-ways from accidentally being sold.	Study	NO CHANGE - A layer has been created in GIS that can be used to track the undocument rights-of-way.	JRD	11/24/2021
2021	12-21-WWTP	Industrial Pretreatment USPI CWT Organics Permit Application	An application to discharge industrial wastewater as a Centralized Waste Treatment facility (Categorical Permit request by existing Significant Industrial User USPI)	Planning	COMPLETE - Permit issued to USPI, effective date was November 22, 2021.	RJK	12/22/2021
	13-21-W	Fayette Street Water Main Replacement and Street Repair	Replacement of watermain in Fayette Street from Allegany Street to Luteman Road, and the repair/repaving of the street as needed.	Construction	NO CHANGE - Project required development of an ESC Site Plan and SOW. These were created and approved by ACSD and MDE on 10/14/21. Construction (using City forces) began on 10/18/21. Project will take multiple months to complete.	MDI	10/22/2021
2021	14-21-RE	Constitution Park Splash Pad	The installation of a splash pad and surrounding recreational area in Constitution Park.	Planning	NO CHANGE - A potential site for the splash pad at the pool was approved by M&CC. Engineering has been in contact with Sparks@Play to discuss design considerations for both the splash pad, demolition of the pool deck, and other needed preparations for the work. Currently seeking guidance from the steering committee & M&CC regarding what splash pad equipment/look we want for this project.	JAT	10/4/2021
2021	15-21-W	WATER DISTRIBUTION ANALYSIS and CIP UPDATE 2021	Water system engineering analysis, updated CIP recommendations, particularly concerning the Fort Hill Reservoir, and Asset Management Info for pump stations, PRV Stations and water tanks.	Planning	NEW - The EADS Group, Inc. was awarded the bid on 11/16/21. Kickoff meeting was held on 12/1/21.	DTG	12/20/2021

City of Cumberland, Maryland
Engineering Division - Monthly Report

Capital Projects						December 31, 2021	
Order	Project No.	Project Name	Description	Phase	Comments	Updated By	Date of Update
2021	16-21-M	Downtown ADA Improvements	This project includes the replacement of the curb ramps for compliance with the latest ADA requirements at the following locations: Baltimore/Mechanic intersection on the southwest and northwest corners, Liberty/Dexter intersection at the southeast and southwest corners, Centre/Dexter intersection at the southeast and southwest corners, and Centre/Fredrick intersection on the northeastern side.	Planning	NO CHANGE - This is a new Project, a preliminary cost estimate will need to be developed in order to determine the amount of funding needed.	JRD	10/5/2021
2021	19-21-M	South Street ADA Improvements	This project includes the replacement of curb ramps for compliance with the latest ADA requirements along South Street between Oldtown Road and Industrial Boulevard.	Design	UPDATE - Engineering continues to make progress on the drawings and specifications for this project. Currently working on finishing drawings and specifications to get the project ready to bid in January.	JAT	12/28/2021
2021	20-21-M	Engineering Database Migration	This project will implement the migration of data from the Engineering Department's drawing database and project database to the Laserfiche document management system including the transfer of the scanned images of the Department's drawings from the file server into Laserfiche and the collection of additional metadata for each image.	Planning	NO CHANGE - Working with MCCi (the City's Laserfiche consultant), in consultation with Engineering Dept. and the IT Dept., has developed a custom metadata template and a custom form to assist the Engineering Dept with migrating scanned images of the Engineering drawings into Laserfiche. The new template and form are currently being tested by the Engineering Department. In the near future Engineering, IT, and MCCi will be working together to create a replacement for the Engineering Project Index database in Laserfiche.	JRD	11/24/2021
2021	21-21-WFP	Water Allocation Permit Renewal PA DEP	The Water Allocation Permit is required to be renewed every 25 years. The City will use Gwin, Dobson and Foreman to work through the permit and establish how much flow we can pull from the reservoirs.	Permitting	NEW - Research phase; pulling region-wide water utilization information for consultants to include in the permit application.	RJK	12/22/2021
2021	22-21-P	General City Paving	This project paved Merchants Alley Parking Lot (Mill/Patch/Overlay) and Kelly Road along the southern face of the Grow West Facility (Full Depth reconstruct)	Construction	NEW - Merchants Alley Parking Lot has been repaved, and portion of Kelly Road is south of the Grow West Facility is currently receiving the full depth reconstruction.	JRD	11/24/2021
2021	23-21-WFP	2021 Lake Koon and Gordon Annual Dam Inspection	Project to inspect the Dams per PADEP requirements	Complete	COMPLETE - Annual PA dam inspections conducted by EADS was completed on 11/10/2021.	MDI	11/24/2021
2021	26-21-FPM	Removal of Potomac Industrial Dam at Blue Bridge	Project to remove the industrial dam in the Potomac River under the Blue Bridge to Ridgeley. Water & Land Solutions will be setting up a private commercial mitigation bank to fund construction. This project is related City Project 9-15-M	Planning	NEW -		

City of Cumberland, Maryland
Engineering Division - Monthly Report

Capital Projects						December 31, 2021	
Order	Project No.	Project Name	Description	Phase	Comments	Updated By	Date of Update
2021	27-21-T	Maryland Ave & Williams St Traffic Study	Study to investigate the potential realignment of Maryland Avenue at its intersection with Williams Street for future development in the Rolling Mill area. BBA performed the study using CAMPO funding.	Study	NEW -		
2021	28-21-M	Municipal Service Center Pole Building	Project to construct a Pole Building at the MSC to store equipment.	Design	UPDATE - Engineering is in the process of compiling specifications and design drawings for this project. Drawings and specifications are substantially complete and are under review.	JAT	12/28/2021
2021	30-21-M	Sustainable Communities Program Renewal	Sustainable Communities Program Renewal documentation. The program allows the City to access grant sources and is required to be updated every 5 years.	Planning	NEW - Plan updates sent to Community Development by Dec 7th.	RJK	12/22/2021
2021	31-21-RE	Constitution Park Amphitheater Upgrades	Project to upgrade the Constitution Park Amphitheater.	Planning	NEW - Project is a part of the 5-year park improvement plan. Funding (\$174,350) approved through ARPA. Engineering to work with Parks and Rec to develop scope of work and bid specs/drawings.	MDI	12/20/2021

File Attachments for Item:

. Maintenance Division monthly report for December 2021

MAINTENANCE DIVISION REPORT
December 2021

Street Maintenance Report

Parks & Recreation Maintenance Report

Fleet Maintenance Report

City Forester Report

**PUBLIC WORKS/MAINTENANCE
STREET BRANCH
MONTHLY REPORT
DECEMBER 2021**

- **POTHOLES AND COMPLAINTS**
 - Patched potholes on 7 streets & 2 alleys using 7 tons of hot mix asphalt

- **TRAFFIC CONTROL SIGNS/STREET NAME SIGNS/HANDICAP PARKING SIGNS**
 - Repaired 3 Street Name signs
 - Installed 2 Traffic Control signs
 - Repaired 13 Traffic Control signs
 - Installed 4 Handicap Parking signs
 - Removed 9 Handicap Parking signs

- **STREET SWEEPING**
 - 58 Loads
 - 639 miles

- **MISCELLANEOUS**
 - Completed 29 Work Orders
 - Cleaned Underpass, McMullen Bridge, Washington St Bridge, Fayette St Bridge, Cumberland St Bridge 3 times.
 - Picked up 8 dead animals
 - Picked up trash/discarded items on 4 occasions
 - Continued leaf pick-up
 - Placed salt barrels in areas needed during snow & ice events
 - Reinstalled curb stops in MPA Lot #7
 - Set out/picked up traffic control for New Year's Eve Ball Drop event
 - Performed preventative maintenance on Loader
 - Cleaned Municipal Center shop twice a week

STREET MAINTENANCE – DEC. 2021		12/1-12/3	12/6-12/10	12/13-12/17	12/20-12/23	12/27-12/30	TOTAL
SERVICE REQUEST COMPLETED		10	8	5	6	0	29
PAVING PERFORMED	Tons						0
CONCRETE WORK	Cy						0
UTILITY HOLES REPAIRED	Water						0
	Sewer						0
	Cy						0
	Tons						0
POTHoles FILLED	Streets	7					7
	Alleys	1	1				2
	Days	2	1				3
	Cold Mix						0
	Tons	5.5t	1.5t				7t
PERMANENT PATCH	Cy						0
	Tons			4.5t			4.5t
COMPLAINTS COMPLETED							0
	Cy						0
	Tons						0
TRAFFIC CONTROL SIGNS REPAIRED/INSTALLED			5	3		7	15
STREET NAME SIGNS REPAIRED/INSTALLED			1	1		1	3
HANDICAPPED SIGNS REPAIRED/INSTALLED/REMOVED				4			4
			6	3			9
	Blue			4			4
PAINTING PERFORMED	Yellow						0
	Red			4			4
PAVEMENT MARKINGS INSTALLED	No.						0
STREET CLEANING	Loads	11	11	19	9	8	58
	Miles	118	103	200	128	90	639
SWEEPER DUMPS HAULED TO LANDFILL	Tons		23.33t	7.18t	5.84t		36.35t
STREET MILLING	Days	1					0
CLEANED BALTIMORE ST. UNDERPASS	Days		1	1	1	1	4
SALT BARRELS	Days		1		2		3
SNOW REMOVAL	Days						0
CLEAN SNOW EQUIPMENT	Days						0
SHOVEL & SALT SIDEWALKS	Days						0
BRUSH REMOVAL/TREE WORK	Areas	3	7	4	6		20
CHECK DRAINS/CLEAR DEBRIS	Days						0
STREET TRACTOR MOWING	Days						0
LEAF PICK UP	Loads	5	7	7	4	7	30

Picked up trash/discarded furniture on 4 occasions

Picked up 8 dead animals

Installed curb stops in MPA Lot #7 (Merchant's Alley)

Set out/picked up traffic control for New Year's Eve Ball Drop event

Performed preventative maintenance and cleaned Loader @ Municipal Center

Cleaned Municipal Center shop twice a week

**PUBLIC WORKS/MAINTENANCE
PARKS & RECREATION
MONTHLY REPORT
DECEMBER 2021**

- Parks & Parklets
 - Constitution Park
 - Tree & brush removal
 - Hauled brush to County compost site
 - Cleaned & disinfected Craft House & Activities Bldg.
 - Mason's Complex
 - Removed tree from boat ramp area

 - Parklets & Playgrounds
 - Performed routine maintenance on play equipment

- Miscellaneous Work
 - Performed basic housekeeping @ Municipal Building
 - Prepared feed & bedding for ducks & geese @ the Duck Pond
 - Cleaned & performed preventative maintenance on Park & Rec vehicles
 - Made repairs to bathrooms @ Constitution Park
 - Picked up barrels for trash cans from Shroeder Industries
 - Setup traffic control devices on the Downtown Mall for the New Year's Eve Ball Drop event
 - Raised & lowered flags @ parks & parklets multiple times in memoriam per President Biden

**Fleet Maintenance
December 2021**

Total Fleet Maintenance Projects	181
Central Services	3
Code Enforcement	1
DDC	0
Engineering	5
Fire	17
Flood	4
Municipal Parking	0
P & R Maintenance	4
Police	28
Public Works	0
Sewer	2
Snow Removal	1
Street Maintenance	26
Vehicle Maintenance	25
Water Distribution	21
Water Filtration	7
WWTP	4
Scheduled Preventive Maintenance	33
Field Service Calls	0
Total Work Orders Submitted	17
Risk Management Claims	0
Fork Lift Inspections	0

**CITY FORESTER REPORT
MONTHLY REPORT
DECEMBER 2021**

December Tree Removals and Prunings – Coordinated with Jason Deal to have Blaine to remove 39 trees and pruned 32 trees in December.

December Tree Complaints and Tree Issues – Resolved and/or addressed 32 tree complaints and tree issues in December.

2021 Fall Tree Pruning/Removal Contract – Coordinated with Kiddy Contracting LLC, for 26 tree removals on the 2021 Fall Tree Pruning/Removal Contract and one tree removal at 101 Humbird Street.

Downtown Mall Christmas Tree – Assisted the street department with the coordination of the removal of the Norway Spruce tree donated by private property owner at 801 Buckingham Road for the Downtown Mall Christmas tree. Planted a Norway Spruce back to replace the tree.

Let's Beautify Cumberland – Attended the LBC Christmas luncheon at Oscar's.

City Newsletter Article - Wrote the "Working Together to Make Cumberland Safer" article for Allison Layton to include in the January City Newsletter.

MD DNR RTE Blanket Permit application – Completed the MD DNR RTE 2022 report and application for the City's tree removal blanket permit. The City's Annual Blanket Permit has been issued and received.

Shade Tree Commission's 2021 Annual Report – Completed the Shade Tree Commission's 2021 Annual Report for the Mayor and City Council.

Tree City USA Award and Tree City Growth Award Applications – Completed the City's Tree City USA and Tree City Growth Award applications.

Bee City USA – Coordinated with Jason and Ben Cooper, President of the Allegheny Mountain Beekeepers Association, to use the field located near the Mayor's Memorial and Overlook at Constitution Park for the first site for the Bee City USA project.

Cumberland's Big Tree Contest 2021 & 2022- Encouraged several property owners to enter their big trees in Cumberland's Big Tree Contests 2021 & 2022. We did get one entry for 2021.

754 Fayette Street (Alley at North Terrace) Main Water Break Line Tree Removals – Coordinated several tree removals from the back yard at the property of 754 Fayette Street due to the water line main break that occurred on 11-30-21.

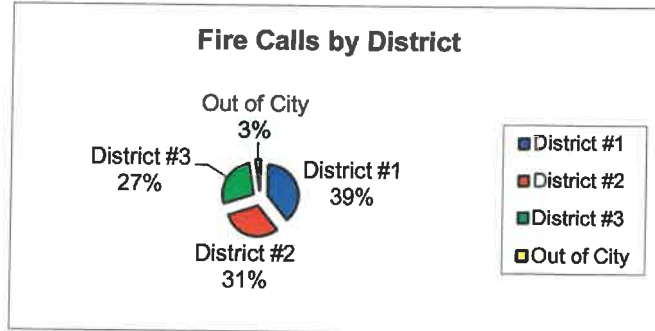
File Attachments for Item:

. Fire Department monthly report for December, 2021

REPORT OF THE FIRE CHIEF FOR THE MONTH OF DECEMBER, 2021
 Prepared for the Honorable Mayor and City Council and City Administrator

Cumberland Fire Department Responded to 120 Fire Alarms:

Responses by District:	
District #1	47
District #2	37
District #3	33
Out of City	3
	<hr/> 120



Number of Alarms:	
First Alarms Answered	118
Working Alarms Answered	2
	<hr/> 120

Calls Listed Below:	
Property Use:	
Public Assembly	3
Institutional	11
Educational	2
Residential	60
Stores and Offices	8
Industrial, Utility	1
Storage	1
Special Properties	34
	<hr/> 120

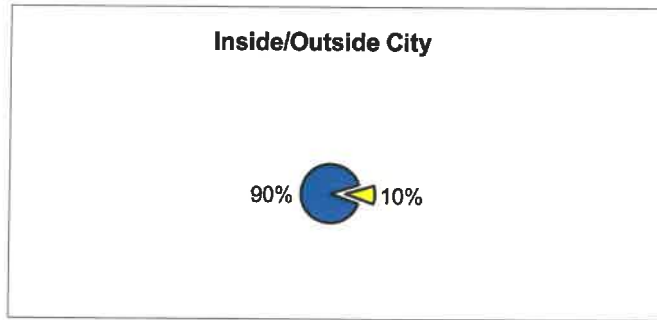
Type of Situation:	
Fire or Explosion	9
Overpressure, Rupture	2
Rescue Calls	62
Hazardous Conditions	10
Service Calls	9
Good Intent Calls	16
False Calls	12
	<hr/> 120

Total Fire Service Fees for Fire Calls Billed by MCA in December:	\$0.00
Total Fire Service Fees for Fire Calls Billed by MCA Fiscal Year to Date:	\$0.00
Fire Service Fees for Fire Calls Paid in December:	\$0.00
Total Fire Service Fees for Fire Calls Paid Fiscal Year to Date:	\$0.00
Total Fire Service Fees Paid in FY2021:	\$955.92

Fire Service Fees for Inspections and Permits Billed in December:	\$0.00
Fire Service Fees for Inspections and Permits Paid in December:	\$150.00
Total Fire Service Fees for Inspections and Permits Paid Fiscal Year to Date:	\$500.00

Cumberland Fire Department Responded to 530 Emergency Medical Calls:

In City Calls	476
Out of City Calls	<u>54</u>
Total	530



Total Ambulance Fees Billed by Medical Claim-Aid for December:	\$142,379.36
Ambulance Fees Billed Fiscal Year to Date:	\$819,046.78
Ambulance Fees Paid: Revenue Received in December:	\$108,565.65
FY2022 Ambulance Fees Paid in FY2022:	\$437,928.73
Total Ambulance Fees Paid in FY2022: (All ambulance fees, current and previous fiscal years, paid in FY2022.)	\$634,610.29

Cumberland Fire Department Provided 8 Paramedic Assist Calls:

0 Paramedic Assist Call within Allegany County	
<u>8 Paramedic Assist Calls outside of Allegany County</u>	
8	

Fort Ashby, WV VFD	4
Ridgeley, WV VFD	2
Short Gap, WV VFD	1
Wiley Ford, WV VFD	<u>1</u>
	8

Cumberland Fire Department Provided 46 Mutual Aid Calls:

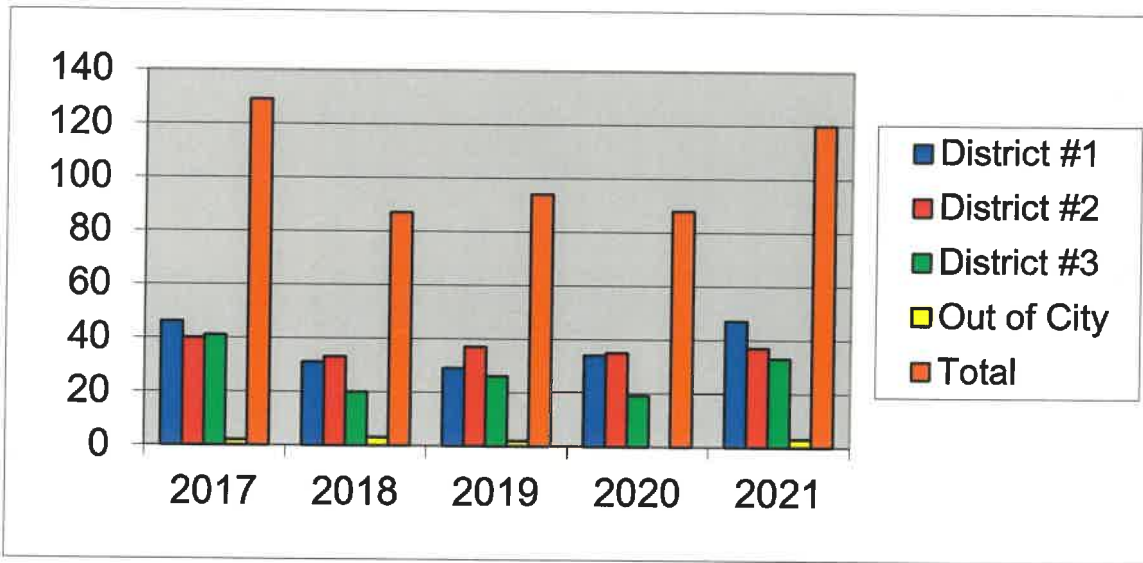
38 Mutual Aid Calls within Allegany County	
<u>8 Mutual Aid Calls outside of Allegany County</u>	
46	

Bowman's Addition VFD	34
Cresaptown VFD	1
District #16 VFD	2
Flintstone VFD	<u>1</u>
	38

Hyndman Area Rescue Squad, PA	1
Ridgeley, WV VFD	<u>7</u>
	8

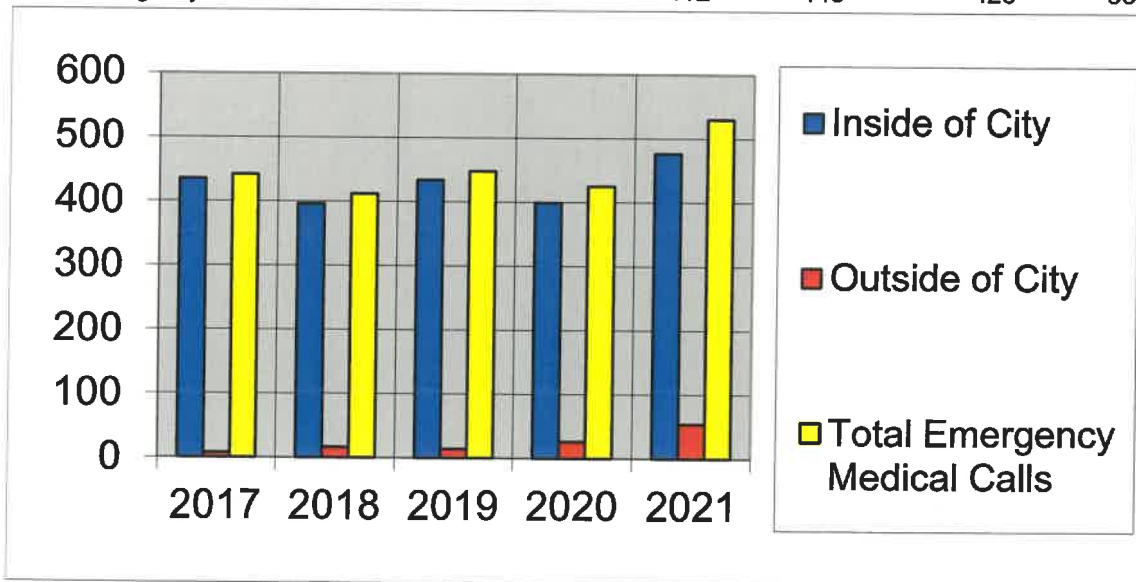
Fire Calls in the Month of December for a Five-Year Period

	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>
District #1	46	31	29	34	47
District #2	40	33	37	35	37
District #3	41	20	26	19	33
Out of City	<u>2</u>	<u>3</u>	<u>2</u>	<u>0</u>	<u>3</u>
Total	129	87	94	88	120



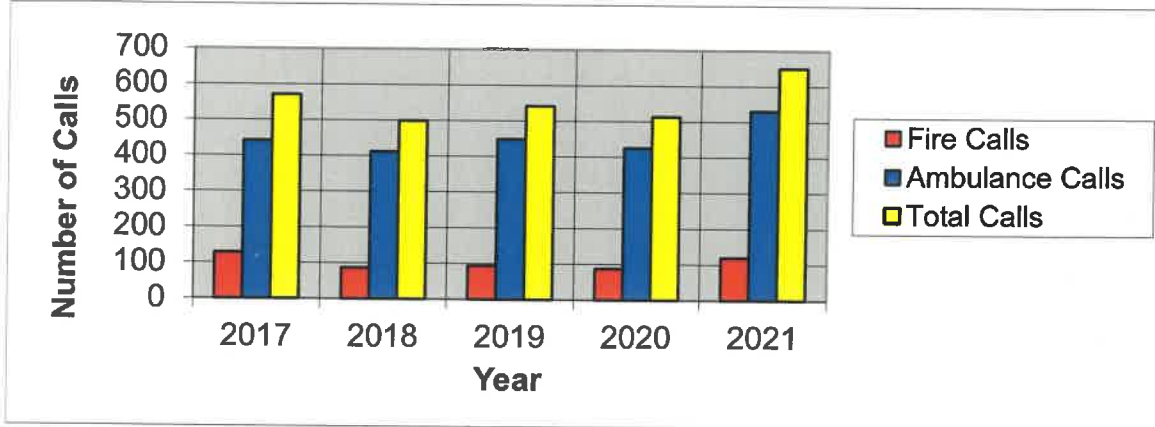
Ambulance Calls in the Month of December for a Five-Year Period

	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>
Inside of City	435	396	434	399	476
Outside of City	<u>7</u>	<u>16</u>	<u>14</u>	<u>26</u>	<u>54</u>
Total Emergency Medical Calls	442	412	448	425	530



Fire and Ambulance Calls in the Month of December for a Five-Year Period

	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>
Fire Calls	129	87	94	88	120
Ambulance Calls	442	412	448	425	530
Total Calls	571	499	542	513	650



Training

Training Man Hours:	244.00
Training Listed Below:	
Crew Meetings	10.50
Aerial Operations	50.00
Apparatus Check Procedures	40.00
SCBA Inspection and Care	19.25
Annual SCBA Refresher	3.00
General Driver Training	56.25
eMEDS Elite	14.00
Tablet Inventory Program	20.00
Strategic and Tactical Operations	11.00
Post Incident Review	13.00
Officer Meetings	4.00
Ropes and Knots	3.00
	<hr/>
	244.00

Fire Prevention Bureau

Burning Permits	2.00
Conferences Held	18.00
Plan Reviews	2.00
Inspections Performed	0.00
Investigations Conducted	1.00
Complaints Received	5.00
Correspondence	21.00

Personnel

Probationary Firefighter/EMT-B Matthew J. Rumphrey was hired on December 13, 2021.
 Probationary Firefighter/EMT-B Colby H. Santmyire was hired on December 14, 2021.
 Probationary Firefighter/EMT-B Robert R. Bower was hired on December 16, 2021.

Statistics Compiled by Julie A. Davis, Fire Administrative Officer

File Attachments for Item:

. Utilities Division Flood/Water/Sewer monthly report for December 2021

Utilities Division Activity Report for December 21 WATER

REQUEST	W/E 12/10/21	W/E 12/17/21	W/E 12/24/21	W/E 12/31/21	MONTHLY TOTALS
Service Technicians					
NON READS	18	28	23	27	96
FINAL READS/TURN ONS/SHUT OFFS & DEMOS	7	2	4	3	16
LEAK INVESTIGATIONS/ <i>turn off-on</i>	10	18	4	10	42
METER/STOP INVESTIGATIONS	12	5	13	7	37
REPAIR WIRING/GET READING				1	1
ORANGE TAG FOR REPAIRS	5	10	3	3	21
RED/PINK TAG FOR SHUT OFF					0
TURN WATER ON	51	37	3	4	95
NONPMT/BAD CK/AGREE SHUT OFFS	37	35		1	73
SUSPENDED ACCTS - RECHECKS	36	46			82
REPLACE/REPAIR METER/LID/VALVE					0
DIRTY WATER/ODOR					0
SVC SEPARATIONS/INVESTIGATIONS					0
INSTALL COUPLERS/PLUGS/LOCK					0
NEW METER		1			1
METER FIELD TESTS-Residential					0
METER TESTS - Industrial					0
Ind - Register/Chamber Chg Out					0
Industrial - Chamber Cleaning					0
Industrial - Strainer Cleaning					0
HYDRANTS FLUSHED		1	35		36
PRESSURE CHECK/NO WATER/DIRTY WATER				1	1
MOVE METERS OUTSIDE/READINGS	6	9	3		18
SP Change Outs/Repairs/Reactivates/Move	6	10	3		19
Replace/Reattach smartpoint antenna		1			1
INSULATE METER BOXES					0
FREEZE UPS/METERS & LINES					0
CCP - BACKFLOW/RETRO	6	9	3		18
HYDRANT/IRRIGATION METER					0
Total					557

Pipe Technicians					
LINE LOCATOR	125	65	64	79	333
TAPS SERVICED	7	9	4	2	22
LEAKS REPAIRED	3	1	1		5
FAYETTE ST MAIN REPLACEMENT					0
REMOVED POOL FROM YARD/FAYETTE	3				3
COLD MIXED FAYETTE	3				3
CLEANED #306	3	3			6
WAREHOUSE - CLEANED FLOOR	3	3			6
WAREHOUSE - REMOVED TRASH	3	3			6
COLD MIXED WILMONT	3				3
FIXED STEEL PLATES - FAYETTE	3				3
INVESTIGATED LEAK - PARK ST	3				3
FLUSHED HYD/CLEVELAND AVE & BEDFORD	3				3
QUEEN CITY@BALT ST- NEW VALVE BOX LID	3				3
1918 DURHAM - CK MISSING LID/SP MISSING		3			3
INVESTIGATED LEAK - 104/106 PARK (SEWER)		4			4
CLEANED #304		3			6
COLD MIXED MASS AVE			4		4
TOPSOILED METER BX - SOUTH ST			4		4
FLUSHED HYDS - BW DR & CREST DR			8	4	12
COLD MIXED GREENE @ ALLEGANY			4		4
ABANDONED SERV - 309/311 FAYETTE ST			3		3
CLEANED & GREASED LOADER			3		3
CLEANED/MAINTENANCE ON EQUIPMENT				7	7
CLEANED #306				4	4
ASSIST WITH LOCATES ON MALL				7	7
TRAFFIC CONTROL SIGNS/INDUSTRIAL BLVD				2	2
					0
					0
					0

Watershed

Fayette St - Removed trees
Fayette St - Backfilled 24" mainline that was exposed from major leak
Moved equipment
Pushed dirt @ park dump site (several days)
Hauled out bin @ warehouse to Uhl Hwy dump site
Unloaded hydrants @ warehouse
Removed downed tree on Lake Gordon Rd
Picked up trash around dam
Filled pot holes on McNamee Tank Rd
Burned brush pile @ dam
Removed downed trees & brush from emergency access rd (several days)
Hauled topsoil to pipe rack
Installed new valve box - Queen City Dr @ Baltimore
Refueled north end pump station generator
Trimmed trees
Sharpened saws
Disinfected 379
Picked up trash around watershed
Cut & cleared brush @ dam
Repaired bent gates
Greased #317
Removed brush & trees off Smousemill Rd
Removed downed tree from 36" main
Cleaned out storage barn
Spot checked 36" main that was repaired after leak
Cleaned out breakers & culverts - emergency access road
Marked areas that need culverts installed
Met w/ Jason/Troy/Mike at Lake Koon to get supplies for repair of boat dock
Used crane truck & removed floating dock hinge plate for repair
Installed boat dock platform
Flushed hydrants - BW Dr/Arrowhead Trail
Leak Investigation - 1057 Richwood - no leak/water from open hydrant

Projects

Projects					0
GRAND TOTAL					1019

December 2021 Monthly Report

FLOOD MAINTENANCE

Test run pumps and run gates
Check sewage regulators
Safety meeting
Clean fields
Clean pump station
Cut brush around outfalls @ West levee and Rt.28 Levee
Perform other maintenance work as required

SEWER BRANCH

Calls answered	17
Service lines opened	5
Owner's trouble	12
Traced lines/main	230
Mains Repairs/ Replace	3
Sewer taps installed/replaced	0
Cleaned catch basins	21
Cleanouts installed	1
Televised sewer mains	0 FEET
Televised sewer lines	0
Call outs/ overtime	4 callouts/ 8 hours overtime
Weekly check of overflows, pits	4
Catch basin repair/rebuild	0
Flushed mains	3,272 Feet
Gallons of water used	13,000 Gals.

605 Vac-con truck 4,000 Gals.

608 Flush truck 9,000 Gals.

Safety meeting

821 Memorial Ave. In alley installed 120' of 6" 35 perforated pipe under drain.

1823 Fredrick St replaced C/O cap

803 Maryland Ave. Short St. Installed main hole, ring and lid

1901 Fredrick St. repaired sewer service line (water dept.)

104 Parks St. repaired sewer main under meter box in side walk.

516 Avondale Ave flushed manhole to house

cleaned syphons at Viaduct

cleaned storm drains at service center

Hydro 2 sites (water)

Hydro 4 sites (sewer)

File Attachments for Item:

1. Approval of the Work Session Minutes of October 5 and October 13, 2021

Mayor and City Council of Cumberland

WORK SESSION

City Hall Council Chambers
57 N. Liberty Street
Cumberland, MD 21502

Tuesday, October 5, 2021
5:30 p.m.

PRESENT: Raymond M. Morriss, President; Council Members: Richard Cioni, Eugene Frazier, Joe George, and Laurie Marchini

ALSO PRESENT: Ken Tressler, Interim City Administrator; Marjorie Woodring, City Clerk; Robert Smith, City Engineer

I. PUBLIC MEETING AGENDA REVIEW-OCTOBER 5, 2021

Mayor Morriss reviewed the Reports and Minutes, and called for questions or comments. Being none, Mr. Tressler reviewed the New Business Resolution and Ordinance:

Resolution No. R2021-06 - granting a property tax credit for the Cumberland Outdoor Club for the tax year 2021-2022.

Mr. Tressler advised that specific non-profits are granted the ability to request a tax exemption.

Ordinance No. 3901 (*1st Reading*) - Accepting bids for the purchase of six (6) parcels of property offered for sale through the "2021 Request for Bids - Surplus Property Round III" bid process, and authorizing the Mayor to execute deeds effecting the transfer to the successful bidders.

Mr. Tressler advised that there were 18 properties on this list, and 7 were bid on, with 1 property being held out due to needing to be declared surplus first.

Mr. Tressler reviewed the Orders on the Consent Agenda:

Order 26,881 - authorizing the Police Chief to accept an FY22 Maryland Highway Safety Office Project Agreement Traffic Safety Grant in the amount of \$3,000.00 for police OT, concentrating on DUI reduction and occupant protection.

Mr. Tressler noted that the Cumberland Police Department does an excellent job in finding grants to help pay for operational costs.

Order 26,882 - appointing Rhonda Roy to the Cumberland Housing Authority for a five (5) year term to be effective October 31, 2021 through October 31, 2026.

Mr. Tressler advised that the City appoints board members to the Housing Authority, but does not have operational oversight. He added that they are appointed by the recommendation of the Executive Director of the Housing Authority.

Order 26,883 - authorizing the Mayor to accept a deed from Northbranch Properties LLC for a certain parcel of real estate to be used to relocate Riverside Avenue, and accepting said parcel of land into the City's infrastructure and declaring it to be public right-of-way.

Mr. Tressler advised that this deed is for the loop road that goes around the Grow West facility, and said this order is associated with the road closure regarding the Grow West expansion that was approved earlier this year.

Order 26,884 - appointing Councilman Joe George as the ex-officio member to the Cumberland Planning and Zoning Commission.

Mr. Tressler advised that City Code stipulates that a member of the M&CC to be designated a non-voting member of the commission.

Order 26,885 - approving L/B Water Service, Inc. as the sole source vendor for the purchase of water meters and smartpoints for FY22 and approving FY22 purchases of this equipment in the amount not to exceed \$170,000.

Mr. Tressler advised that the City standardized on this equipment many years ago and said this is associated with the cross-connection program where old meters are replaced with new meters that have smartpoint devices and backflow preventers.

Order 26,886 - accepting the proposal from Kiddy's Contracting for the "2021 Fall Tree Removal, Pruning, Stump Grinding Project" (17-21-M) in the estimated unit price of \$43,750.

Mr. Tressler advised that this was a public solicitation, with Kiddy's Contracting having the lowest price.

Order 26,887 - authorizing the execution of Change Order No. 2 for City Project "Replacement of Bridge A-C-06 on Baltimore St. Over Wills Creek" (9-18-BR) to amend the original contract of cost share agreement with the Allegany County Government for invoices pertaining to the Final Design Services, with the County paying MDOT directly and seeking reimbursement from the City for its cost share portion estimated at \$3,892.65. This Change Order will increase the total reimbursement request to \$123,647.25, which is 20% of the estimated project cost of \$618,236.26.

Mr. Smith advised that this relates to some changes during the design process to look further into street lights at the site, additional permitting, survey for borings, and items that were outside the scope of work at the original bidding.

Order 26,888 - authorizing the Mayor to execute a letter to the US Army Corp of Engineers, Baltimore District, and the MD Department of the Environment, Water and Science Administration, advising that the City of Cumberland, for the purpose of the Potomac River Mitigation Bank Project, accepts the ownership of the Cumberland Dam under the Blue Bridge, to allow for the dam to be removed.

Mr. Tressler that this is an early step to get the proposed River Park Project moving forward.

Order 26,889 - appointing Jeffrey F. Silka as the City Administrator for the City of Cumberland effective November 1, 2021.

Order 26,890 - authorizing execution of an Employment Agreement with Jeffrey Silka for the position of City Administrator to be effective November 1, 2021, for a 3-year term, with automatic one-year renewals thereafter, contingent upon terms of the agreement.

Order 26,891 - declaring 130 Polk Street (Tax No. 14-001255) as surplus property and authorizing it for sale through a closed bid process.

Mr. Tressler advised that this property was included in the Surplus Property Sales Round III, and said that City staff inadvertently forgot to declare it surplus, so this order fixes that issue.

II. MAYOR AND CITY COUNCIL UPDATES

Councilman Cioni advised that discussions about the skatepark took up the entire time at the Parks and Recreation Board meeting last night. He stated that Lee Borrer was in attendance, and echoed what City Engineer Robert Smith had advised about JC Field being a flood plain. He said she questioned whether putting the skatepark there would be acceptable for federal money, like ARPA money.

Mr. Tressler advised that they would have to go through the application process to get approval. Councilman Cioni stated that there was a lot of discussion as to whether that site would be more prone to vandalism, given its isolation. He added that he thinks the Parks and Recreation Board would like information to be compacted and in a consistent fashion, if the City wants the board involved at all.

Mayor Morriss stated that any time there are various groups involved, there is the chance of a communication gap, with rumors on top of everything else. He added that there are pros and cons to any location, and said it comes down to what the City thinks serves the community the best.

Councilman Cioni discussed possibly losing the ball field, saying if it's decommissioned, Girls' Softball would be the loser.

There was discussion about keeping the field and adding the skatepark to things already there. Mr. Smith advised that they wouldn't be able to keep the basketball court, and also build the skatepark. He said that field floods fairly regularly, and said it may be suited to another use. He said he spoke with MDE about building the park in the flood plain, and they thought it was a good use of the land, although there would be hoops to jump through. He said he just needs to know the final location, so he can do his due-diligence.

Mr. Smith added that Spawn Ranch will design the skatepark, with someone else designing the site. He said that would have to be factored in, as Engineering does not have the time. He added further that the skatepark could not be built towards Dry Run, which he advised is in the "flood way". He said it would have to be at the infield area.

There was discussion about the Jaycees being in for things like lighting, and cameras for security, with the Mayor advising that the Jaycees have said they would contribute.

There was discussion about Mason and Jaycee fields both being in a flood plain, and about the new Allegany College field and the City's agreement to share it. There was also discussion about maybe having an agreement with the BOE to share the new Allegany High School field. Braddock was mentioned, with Councilman Cioni saying it was in rough shape, and is also a BOE field. He also asked if it would be alright if the skatepark's lady spokesperson could attend Parks and Recreation Board meetings, with Mayor Morriss saying yes, she should be invited to tell their side of the story.

Councilman Cioni advised that Let's Beautify Cumberland was going great, saying the group works hard. Mayor Morriss advised the both he and the Councilman were in attendance, said it was a good meeting, and said LBC is the true foundation of taking care of the City.

There was discussion about firefighter Kelly Frye's passing, with the Mayor advising that Interim Fire Chief will be at the public meeting to say a few words. The Mayor commended all the VFDs for coming out in force to honor firefighter Frye. Councilman Frazier advised that he will read a poem he wrote about heroes.

III. ADJOURNMENT

With no further business at hand, the meeting adjourned at 6:00 p.m.

Respectfully submitted,

Marjorie A. Woodring
City Clerk

Minutes approved _____

Mayor and City Council of Cumberland

WORK SESSION

City Hall Council Chambers
57 N. Liberty Street
Cumberland, MD 21502

Tuesday, October 13, 2021
2:30 p.m.

PRESENT: Raymond M. Morriss, President; Council Members: Richard Cioni, Eugene Frazier and Laurie Marchini. Council Member Joseph George was absent.

ALSO PRESENT: Ken Tressler, Interim City Administrator; Michael S. Cohen, City Solicitor; Marjorie Woodring, City Clerk; Robert Smith, City Engineer; Chuck Ternent, Chief of Police; Matt Miller, CEDC Executive Director; Stu Czapski, Economic Development Specialist

I. CEDC UPDATES

A. DISCUSSION REGARDING ARPA FUNDING

1. Matt Miller discussed ARPA funding requests for the CEDC:

- Outdoor furnishings grant program – entice outdoor space usage
- Opportunity to unify outdoor facilities downtown
- Furnishings pre-approved by committee

Mr. Miller advised that a match program is open for debate. He said he pitched as a 100% match, but said it could be done dollar for dollar, and said he was asking for \$100K. He added that in particular this is for Baltimore Street, and said he would envision including others as well.

2. **CHILDCARE FACILITIES ASSISTANCE GRANT**

- Childcare industry in general has been affected by Covid
- Workforce is down
- Providing for two eligible childcare facilities in the City to expand in order to take on more children

Mr. Miller advised that they would also like to encourage new childcare facilities to come to the City, and said Humpty Dumpty and the YMCA are the current two. He added that the Y needs a new elevator, and said funds could be utilized to replace that.

3. **\$300K MEMORIAL INFRASTRUCTURE GRANT**

- Help incentivize residential development
- Focusing on market-rate housing for this area
- Expansion for infrastructure for water and sewer mainly

4. **\$750K RELOCATION OF UNION RESCUE MISSION**

- Effort has been ongoing for almost three years
- They want to move – at increased capacity due to Covid
- Assist with finding a suitable location that fits their current needs

5. \$18.5K REIMBURSEMENT FOR CEDC STRATEGIC PLAN REASSESSMENT

- ARC has funded half; CEDC funding half
- The \$18.5K is the CEDC half; would like the allocation back in general budget
- Focus on how to adapt to post-Covid economy

6. \$700K PUBLIC ART PLAN & FINANCIAL SUPPORT

- Public art is a large component in success of Baltimore St. project
- Put seed money into long-term public art plan
- Would be sustainable long-term

B. UPDATE REGARDING CEDC STRATEGIC PLAN REASSESSMENT

Mr. Czapski advised that they are continuing to meet with RKG consultant every other week by Zoom, and said that another visit is planned in the next 2-3 weeks. He advised that the consultant will have preliminary data for the committee to discuss, and added that things are going good in regards to timing. Mr. Czapski stated that they are 1/3 into the process, and said they will have two more meetings with Kyle Talente, and added that he will have more data at the next meeting.

Mr. Czapski advised that looking at the older plan to see what worked and what didn't is the primary focus, and also how things have changed in the economy due to Covid. Mr. Miller stated that there will be a deeper dive into recommendations from the previous assessment. He added that in 2014 Mr. Talente made a list of recommended projects, and stated that they are currently undertaking 3-4 of those, as well as looking for future projects to take on.

C. UPDATE REGARDING THE RFP PROCESS FOR 19 FREDERICK ST.

Mr. Miller reminded everyone that the publication of the RFP was announced, and stated that the response has been very pleasing, with 23 inquiries to date, which he added far exceeds their expectations. He discussed recent walk-throughs, and said proposals will be due on October 29, 2021. Mr. Miller discussed the level of experience he noticed in the inquiries they received, saying there were some very sophisticated and experienced developers interested. In answer to a question from Council, Mr. Miller advised that the actual RFP is not online, due to him having to keep track of who receives one, but said it was advertised on the CEDC and City websites.

D. UPDATE REGARDING THE BALTIMORE ST. PROJECT AND MITIGATION PLAN

Mr. Czapski advised that he and Ms. Kelleher continue to meet bi-weekly on the mitigation plan and said the final document will be ready by the end of the year to give to businesses. He stated that included in the document will be ideas for things they can do during the construction process, as well as things the City will be doing on their behalf, and added that helping businesses market during construction is a big piece of the puzzle. Mr. Czapski added further that another meeting with downtown business owners is planned before the first of the year, when the final draft is released.

Mr. Smith advised that regarding the project itself, drawings will be submitted to SHA tomorrow, and said they should hear back within six weeks.

Greg Larry, Cumberland Times-News, asked about a public forum on the strategic plan. Mr. Czapski advised that there will be a public presentation to M&CC, and said that will probably be during a public session.

Mr. Larry also inquired about timelines for the Baltimore Street project. Mr. Smith advised that ground-breaking should be late spring/early summer of 2022, and said that after delivery tomorrow, it's in the hands of the regulators, as the City needs their approval to bid. He stated that after that comes the bidding, then the approval of the procurement process, then it goes before the Board of Public Works. He said it's Engineering's intention to get to construction as soon as possible, and explained that they would need at least six weeks to bid the project out, followed by a month to get a council order, three months for the procurement package, and two months for the Board of Public Works. He added that hopefully the package won't need revisions, and said his team has done their due diligence on it.

II. ADJOURNMENT

With no further business at hand, the meeting adjourned at 3:10 p.m.

Respectfully submitted,

Marjorie A. Woodring
City Clerk

Minutes approved _____

File Attachments for Item:

. **Resolution R2022-01** - authorizing the issuance and sale of two separate series of General Obligation Bonds known as "Mayor and City Council of Cumberland Drinking Water Bond, Series 2022A" in the original principal amount not to exceed \$1,549,998 and "Mayor and City Council of Cumberland Drinking Water Bond, Series 2022B" in the principal amount not to exceed \$516,666 with proceeds to be applied to the "Decatur Street Waterline Project" and related costs

RESOLUTION NO. R2022-__

A RESOLUTION OF THE MAYOR AND CITY COUNCIL OF CUMBERLAND ENTITLED A RESOLUTION TO AUTHORIZE AND EMPOWER MAYOR AND CITY COUNCIL OF CUMBERLAND (THE "CITY"), PURSUANT TO THE AUTHORITY OF SECTIONS 19-301 TO 19-309, INCLUSIVE, OF THE LOCAL GOVERNMENT ARTICLE OF THE ANNOTATED CODE OF MARYLAND, SECTIONS 9-1601 TO 9-1622, INCLUSIVE, OF THE ENVIRONMENT ARTICLE OF THE ANNOTATED CODE OF MARYLAND, SECTIONS 81 AND 82A OF THE CHARTER OF THE CITY OF CUMBERLAND, AND ORDINANCE NO. 3907, PASSED BY THE MAYOR AND CITY COUNCIL OF THE CITY (THE "MAYOR AND CITY COUNCIL") ON DECEMBER 7, 2021 AND EFFECTIVE ON JANUARY 6, 2022 (THE "ORDINANCE"), TO ISSUE AND SELL, UPON ITS FULL FAITH AND CREDIT, TWO SEPARATE SERIES OF GENERAL OBLIGATION BONDS, ONE SUCH SERIES TO BE IN THE FORM OF A SINGLE INSTALLMENT BOND IN ORIGINAL PRINCIPAL AMOUNT NOT TO EXCEED ONE MILLION FIVE HUNDRED FORTY-NINE THOUSAND NINE HUNDRED NINETY-EIGHT DOLLARS (\$1,549,998) AND DESIGNATED THE "MAYOR AND CITY COUNCIL OF CUMBERLAND DRINKING WATER BOND, SERIES 2022A," AND THE OTHER SUCH SERIES TO BE IN THE FORM OF A SINGLE BOND IN ORIGINAL PRINCIPAL AMOUNT NOT TO EXCEED FIVE HUNDRED SIXTEEN THOUSAND SIX HUNDRED SIXTY-SIX DOLLARS (\$516,666) AND DESIGNATED THE "MAYOR AND CITY COUNCIL OF CUMBERLAND DRINKING WATER BOND, SERIES 2022B," SUCH BONDS TO BE SUBJECT TO DIFFERENT DESIGNATIONS AS PROVIDED HEREIN, THE BONDS TO BE ISSUED AND SOLD AND THE PROCEEDS

THEREOF TO BE USED AND APPLIED FOR THE PUBLIC PURPOSE OF FINANCING OR REIMBURSING COSTS OF A WATER SUPPLY SYSTEM PROJECT IDENTIFIED HEREIN AS THE "DECATUR ST WATERLINE PROJECT" AND RELATED COSTS; PRESCRIBING, APPROVING AND ADOPTING THE FORMS AND TENOR OF THE BONDS, THE TERMS AND CONDITIONS FOR THE ISSUANCE AND SALE OF THE BONDS BY PRIVATE SALE, WITHOUT PUBLIC BIDDING, TO THE MARYLAND WATER QUALITY FINANCING ADMINISTRATION (THE "ADMINISTRATION"), AND OTHER DETAILS INCIDENT THERETO, AND AUTHORIZING THE MAYOR, ON BEHALF OF THE CITY, TO ADJUST AND TO FIX CERTAIN DETAILS OF THE BONDS; APPROVING, AND AUTHORIZING AND DIRECTING THE EXECUTION AND DELIVERY OF, TWO LOAN AGREEMENTS WITH THE ADMINISTRATION PURSUANT TO WHICH ADVANCES WILL BE MADE UNDER THE BONDS; AUTHORIZING CERTAIN OFFICIALS TO TAKE CERTAIN ACTIONS WITH RESPECT TO THE LOAN AGREEMENTS AND DESIGNATING CERTAIN OFFICIALS AS "AUTHORIZED OFFICERS" FOR PURPOSES OF THE LOAN AGREEMENTS; PROVIDING FOR THE DISBURSEMENT OF ADVANCES OF THE BONDS; PROVIDING FOR THE IMPOSITION OF AD VALOREM TAXES SUFFICIENT FOR THE PROMPT PAYMENT OF DEBT SERVICE ON THE BONDS; PLEDGING THE FULL FAITH AND CREDIT AND UNLIMITED TAXING POWER OF THE CITY TO THE PROMPT PAYMENT OF DEBT SERVICE ON THE BONDS; PROVIDING THAT DEBT SERVICE ON THE BONDS WILL BE PAYABLE IN THE FIRST INSTANCE FROM REVENUES RECEIVED BY THE CITY IN CONNECTION WITH THE OPERATION OF THE WATER SUPPLY SYSTEM SERVING THE CITY,

TO THE EXTENT LAWFULLY AVAILABLE THEREFOR; PROVIDING THAT DEBT SERVICE ON THE BONDS ALSO MAY BE PAID FROM ANY OTHER SOURCES OF REVENUE LAWFULLY AVAILABLE TO THE CITY FOR SUCH PURPOSE; AUTHORIZING AND DIRECTING OFFICIALS AND EMPLOYEES OF THE CITY TO TAKE CERTAIN ACTIONS; MAKING OR PROVIDING FOR THE MAKING OF CERTAIN REPRESENTATIONS, COVENANTS OR DESIGNATIONS RELATING TO THE TAX-EXEMPT STATUS OF INTEREST PAYABLE ON ONE OF THE BONDS; PROVIDING THAT NOTWITHSTANDING ANYTHING TO THE CONTRARY CONTAINED IN THE ORDINANCE OR THIS RESOLUTION, THE CITY SHALL USE AND APPLY PROCEEDS OF THE BONDS ONLY AS PERMITTED BY THE LOAN AGREEMENTS, THE SAFE DRINKING WATER ACT (AS DEFINED IN THE LOAN AGREEMENTS) AND THE ACT (AS DEFINED IN THE LOAN AGREEMENTS); PROVIDING THAT THE PROVISIONS OF THIS RESOLUTION SHALL BE LIBERALLY CONSTRUED; AND OTHERWISE GENERALLY RELATING TO THE ISSUANCE, SALE, DELIVERY AND PAYMENT OF AND FOR THE BONDS.

RECITALS

1. Mayor and City Council of Cumberland, a municipality of the State of Maryland within the meaning of the Enabling Act identified below and a municipal corporation of the State of Maryland within the meaning of the MWQFA Act identified below (the "City"), is authorized and empowered by Sections 19-301 to 19-309, inclusive, of the Local Government Article of the Annotated Code of Maryland, as replaced, supplemented or amended (the "Enabling Act"), Sections 9-1601 to 9-1622, inclusive, of the Environment Article of the Annotated Code of Maryland, as replaced, supplemented or amended (the "MWQFA Act"), and Sections 81 and 82A of the Charter

of the City of Cumberland, as replaced, supplemented or amended (the “Charter”), to borrow money for any proper public purpose and to evidence such borrowing by the issuance and sale of its general obligation bonds.

2. Pursuant to Ordinance No. 3907, passed pursuant to the authority of the Enabling Act, the MWQFA Act and Sections 81 and 82A of the Charter by the Mayor and City Council of the City, the governing body of the City (the “Mayor and City Council”), on December 7, 2021 and effective on January 6, 2022 (the “Ordinance”), the City authorized the issuance and sale from time to time, upon its full faith and credit, of one or more series of its general obligation bonds in an original aggregate principal amount not to exceed Two Million Sixty-Six Thousand Six Hundred Sixty-Four Dollars (\$2,066,664) (the “Authorized Bonds”), and the Ordinance provides that any such series may consist of one or more bonds and that any bond may be issued in installment form and/or draw-down form.

3. The Ordinance provides that the proceeds of the Authorized Bonds are to be used and applied for the public purpose of financing, reimbursing or refinancing costs incurred in connection with undertaking activities relating to a project that the City generally refers to as the “Decatur St Waterline Project” (the “Project”) that involves the replacement of aging water lines along Decatur and Davidson Streets and other locations within the City, which costs include the acquisition or payment for, as applicable, necessary property rights and equipment, related site and utility improvements (including, without limitation, paving, repaving, curb, gutter and sidewalk replacements/improvements), and related architectural, engineering, planning, design, document development, bidding, demolition, razing, removal, acquisition, construction, improvement, installation, modification, renovation, reconstruction, rehabilitation, equipping, inspection, construction management, financial, legal and administrative expenses, costs of related activities,

improvements and appurtenances, and costs of activities related to any of the foregoing, and costs of issuance of any borrowing therefor (collectively, "Costs of the Project"), all to the extent permitted by the Maryland Water Quality Financing Administration (the "Administration").

4. The City has determined that it is in the best interest of the City and its citizens to issue and sell to the Administration at this time two separate series of the Authorized Bonds, each consisting of a single bond, in order to finance or reimburse Costs of the Project in accordance with, and pursuant to, the authority contained in the Enabling Act, the MWQFA Act, Sections 81 and 82A of the Charter and the Ordinance, and upon the terms and conditions set forth in this Resolution, the proceeds of which general obligation bonds are to be used and applied as herein set forth. Such general obligation bonds shall evidence loans made by the Administration to the City from the Drinking Water Loan Fund identified in the MWQFA Act for purposes of financing or reimbursing Costs of the Project.

5. The MWQFA Act provides that a local government borrower shall identify a dedicated source of revenue for repayment of a loan.

6. Pursuant to the Ordinance, the Mayor and City Council pledged its full faith and credit and unlimited taxing power to payment of the Bonds identified in this Resolution and provided that debt service thereon would be payable in the first instance from revenues received by the City in connection with the operation of the water supply system serving the City and surrounding areas, including charges for the use of or connection to such water supply system, all to the extent such revenues are lawfully available for such purpose. Such water supply system revenues are the dedicated source of revenues required by the MWQFA Act.

NOW, THEREFORE, BE IT RESOLVED BY THE MAYOR AND CITY COUNCIL OF CUMBERLAND, THAT:

SECTION 1. (a) The Recitals to this Resolution are incorporated by reference herein and are deemed a substantive part of this Resolution, and capitalized terms defined in the Recitals to this Resolution and used in the Sections of this Resolution will have the meanings given to such terms in the Recitals hereto.

(b) References in this Resolution to any official by title shall be deemed to refer (i) to any official authorized under the Charter, the code of ordinances of the City (the “City Code”) or other applicable law or authority to act in such titled official’s stead during the absence or disability of such titled official, (ii) to any person who has been elected, appointed or designated to fill such position in an acting or interim capacity under the Charter, the City Code or other applicable law or authority, (iii) to any person who serves in a “deputy”, “associate” or “assistant” capacity as such an official, provided that the applicable responsibilities, rights or duties referred to herein have been delegated to such deputy, associate or assistant in accordance with the Charter, the City Code or other applicable law or authority, and/or (iv) to the extent an identified official commonly uses another title not provided for in the Charter or the City Code, the official, however known, who is charged under the Charter, the City Code or other applicable law or authority with the applicable responsibilities, rights or duties referred to herein.

(c) References in this Resolution to the “principal amount” of either Bond identified herein shall mean the par amount of such Bond.

(d) References in this Resolution to the Project are intended to include any modifications or amendments to components of the Project as provided for in City budgetary materials or made by other appropriate actions and that are acceptable to the Administration.

(e) To the extent that applicable laws, orders, regulations or other authority allow for signatures of City officials or employees to be made by facsimile, electronic or other means,

whether due to the impact of the COVID-19 pandemic or for other applicable reasons, the provisions of such applicable laws, orders, regulations or other authority allowing signatures to be made in a manner other than manually shall apply to any signatures of City officials or employees provided for in or contemplated by this Resolution, including on this Resolution.

SECTION 2. (a) Pursuant to the authority of the Enabling Act, the MWQFA Act, Sections 81 and 82A of the Charter and the Ordinance, the City hereby determines to issue and sell, upon its full faith and credit, two separate series of general obligation bonds for the public purpose of financing or reimbursing Costs of the Project. One such series shall consist of a single general obligation installment bond issued in the original principal amount not to exceed One Million Five Hundred Forty-Nine Thousand Nine Hundred Ninety-Eight Dollars (\$1,549,998) and shall be designated as the “Mayor and City Council of Cumberland Drinking Water Bond, Series 2022A” or by such additional or different designation as may be required by the Administration (the “Series 2022A Bond”). The other such series shall consist of a single general obligation bond issued in the original principal amount not to exceed Five Hundred Sixteen Thousand Six Hundred Sixty-Six Dollars (\$516,666) and shall be designated as the “Mayor and City Council of Cumberland Drinking Water Bond, Series 2022B” or by such additional or different designation as may be required by the Administration (the “Series 2022B Bond” and, together with the Series 2022A Bond, the “Bonds,” or, individually, a “Bond”). Payment of the Series 2022B Bond shall be subject to forgiveness by the Administration in accordance with the provisions of Section 3(j) hereof and the terms of the Series 2022B Bond. The Mayor of the City (the “Mayor”), on behalf of the City, with the advice of the City Administrator of the City (the “City Administrator”) and the Comptroller of the City (the “Comptroller”), is hereby authorized and directed to determine and approve the final original principal amounts of the respective Bonds, provided that the final original principal amount of the Series 2022A

Bond shall not exceed \$1,549,998 and the final original principal amount of the Series 2022B Bond shall not exceed \$516,666, such determination and approval to be evidenced conclusively by the Mayor's execution and delivery of the Bonds reflecting such finally determined principal amounts pursuant to Sections 5 and 7 of this Resolution.

(b) Proceeds of the Bonds shall be applied to Costs of the Project only as permitted by the Administration. The Series 2022A Bond evidences a loan from the Administration that has been given a project name of "Decatur Street 24" Crosstown Water Main Replacement" by the Administration (the "Series 2022A Loan"). The Series 2022B Bond evidences a loan from the Administration that has been given a project name of "Decatur Street 24" Crosstown Water Main Replacement" by the Administration (the "Series 2022B Loan").

SECTION 3. (a) The Bonds shall be issued and sold upon the full faith and credit of the City, shall be dated the date of their delivery, shall be numbered RA-1 and RB-1, respectively, and shall be issued in the form of single, fully-registered bonds, without coupons attached. The Series 2022A Bond shall be issued in installment form as authorized pursuant to the Ordinance.

(b) Subject to the provisions of subsections (d) and (e) below and the further provisions of this subsection (b), the principal amount of the Series 2022A Bond advanced under the Series 2022A Loan Agreement (as defined in Section 8(b) hereof), shall be paid in thirty-nine (39) installments on the dates and in the amounts as set forth in the following schedule, as such schedule may be revised in accordance with the provisions of the Series 2022A Bond and the Series 2022A Loan Agreement (subject to any applicable limitations provided for by the Enabling Act or the Charter):

<u>Due</u> <u>February 1</u>	<u>Principal</u> <u>Amount</u>	<u>Due</u> <u>February 1</u>	<u>Principal</u> <u>Amount</u>
2023	\$37,523.39	2043	\$39,840.12
2024	37,635.96	2044	39,959.64
2025	37,748.86	2045	40,079.52
2026	37,862.11	2046	40,199.76
2027	37,975.70	2047	40,320.36
2028	38,089.62	2048	40,441.32
2029	38,203.89	2049	40,562.65
2030	38,318.50	2050	40,684.33
2031	38,433.46	2051	40,806.39
2032	38,548.76	2052	40,928.81
2033	38,664.41	2053	41,051.59
2034	38,780.40	2054	41,174.75
2035	38,896.74	2055	41,298.27
2036	39,013.43	2056	41,422.17
2037	39,130.47	2057	41,546.43
2038	39,247.86	2058	41,671.07
2039	39,365.61	2059	41,796.09
2040	39,483.70	2060	41,921.47
2041	39,602.15	2061	42,047.28
2042	39,720.96		

The foregoing amortization schedule is calculated based on an assumed date of delivery for the Series 2022A Bond of January 27, 2022, an estimated completion date for the Project occurring in August 2022, and a per annum interest rate of 0.30% as calculated in accordance with subsection (c) below for such assumed delivery date. Notwithstanding the foregoing amortization schedule, the Mayor, on behalf of the City, with the advice of the City Administrator and the Comptroller, is hereby authorized and empowered to approve a revised amortization schedule on a roughly level debt service basis (annualized) for the Series 2022A Bond prior to the delivery thereof that is approved by the Administration and (i) corrects any typographical or calculation errors reflected in the foregoing amortization schedule, (ii) accounts for the issuance of the Series 2022A Bond in an original principal amount of less than One Million Five Hundred Forty-Nine Thousand Nine Hundred Ninety-Eight Dollars (\$1,549,998), (iii) accounts for delivery of the Series 2022A Bond on a date other than January

27, 2022, (iv) accounts for an estimated Project completion date occurring other than in August 2022, and/or (v) is structured to meet the Administration's program requirements and the requirements of the MWQFA Act (subject to any applicable limitations provided for by the Enabling Act or the Charter), such approval of any revised amortization schedule to be evidenced conclusively by the Mayor's execution and delivery of the Series 2022A Bond containing such revised amortization schedule in accordance with the provisions of Sections 5 and 7 of this Resolution. The amortization schedule provided for in this subsection (b) shall be subject to adjustment post-delivery of the Series 2022A Bond as provided in the Series 2022A Bond and the Series 2022A Loan Agreement.

(c) The Series 2022A Bond, or so much of the principal amount thereof as shall have been advanced from time to time under the terms of the Series 2022A Loan Agreement, shall bear interest from its dated date at an annual rate of interest equal to 25% of the average of the Bond Buyer 11-Bond Index for the month prior to the month in which the Series 2022A Bond is delivered, provided that, the rate determined by such calculation may be rounded down by the Administration in its sole discretion. If the Series 2022A Bond is delivered in January 2022, the per annum interest rate payable on the Bond, as determined in accordance with the provisions of this subsection (c), will be 0.30%. Interest due on the unpaid principal amounts advanced under the Series 2022A Loan Agreement shall accrue on the basis of a 30-day month, 360-day year from the dates of the respective advances of such principal amounts, and, subject to the provisions of subsection (d) below, shall be paid on August 1, 2022 and semiannually thereafter on the 1st day of February and August in each year until the principal amount of the Series 2022A Bond has been paid.

(d) The payment dates and principal installments provided for in the foregoing subsections (b) and (c) are based on an anticipated date of delivery of the Series 2022A Bond on January 27, 2022, an annual interest rate of 0.30% per annum determined in accordance with

subsection (c) above based on such anticipated date of delivery, and an estimated completion date for the Project occurring in August 2022. Notwithstanding the foregoing, in the event the Series 2022A Bond, for whatever reason, is delivered on a date other than January 27, 2022, the estimated completion date for the Project is determined prior to the delivery of the Series 2022A Bond to be other than in August 2022, or the Administration determines in accordance with its program requirements that a different amortization schedule is required, the Mayor, on behalf of the City, is hereby authorized and directed to adjust and change the principal payment dates and principal installment amounts (including, without limitation, by requiring an initial minimum principal payment and/or by otherwise adjusting the dates on which principal and/or interest will commence and will otherwise be due and/or by adjusting the principal amounts set forth in subsections (b) and (c) above to reflect any change in the payment dates) and to approve the revised amortization schedule prepared by the Administration on a roughly level debt service basis, all as required by the Administration in order to meet the requirements of Section 9-1605.1(d)(1)(iv) of the MWQFA Act or to meet other requirements of the Administration (subject to any applicable limitations provided for in the Enabling Act or the Charter), provided that the final original principal amount of the Series 2022A Bond does not exceed One Million Five Hundred Forty-Nine Thousand Nine Hundred Ninety-Eight Dollars (\$1,549,998), such approval and adjustment to be evidenced conclusively by the Mayor's execution and delivery of the Series 2022A Bond containing such revised amortization schedule in accordance with the provisions of Sections 5 and 7 of this Resolution.

(e) If the Administration determines at any time following delivery of the Series 2022A Bond to reduce the maximum amount of the Loan Commitment (as defined in the Series 2022A Loan Agreement) relating to the Series 2022A Bond in accordance with Section 3.08 of the Series 2022A Loan Agreement, the Maximum Principal Amount (as defined in the Series 2022A

Bond) of the Series 2022A Bond shall be reduced accordingly and such Maximum Principal Amount as so reduced shall be amortized as provided in the Series 2022A Loan Agreement. In such event, as determined by the Administration, the City may execute and deliver (in the manner provided for in Sections 5 and 7 hereof for the original delivery of the Series 2022A Bond) a new Series 2022A Bond evidencing such reduction in the Loan Commitment relating to the Series 2022A Loan and/or the Mayor may execute and deliver any certificates, documents or instruments as the Administration may require pursuant to Section 3.08 of the Series 2022A Loan Agreement.

(f) The City shall pay (i) a late charge for any payment of principal of or interest on the Series 2022A Bond that is received later than the tenth (10th) day following its due date, in an amount equal to 5% of such payment, and (ii) interest on overdue installments of principal and (to the extent permitted by law) interest at the Default Rate provided for in the Series 2022A Loan Agreement, which Default Rate shall be equal to 100% of the average of the weekly Bond Buyer 11-Bond Index for the calendar month prior to the month in which the Series 2022A Bond is delivered, provided that the rate determined by such calculation may be rounded down by the Administration in its sole discretion. Amounts payable pursuant to this subsection (f) shall be immediately due and payable to the Administration and interest at the Default Rate shall continue to accrue on overdue installments of principal and (to the extent permitted by law) interest until such amounts are paid in full. If the Series 2022A Bond is delivered in January 2022, the Default Rate, as determined in accordance with the provisions of this subsection (f), will be 1.58% per annum.

(g) The principal of the Series 2022B Bond advanced under the Series 2022B Loan Agreement (as defined in Section 8(b) hereof) shall be payable upon demand by the Administration in accordance with the Series 2022B Loan Agreement, together with interest at an annual rate equal to one hundred percent (100%) of the average of the Bond Buyer 11-Bond Index

for the calendar month prior to the month in which the Series 2022B Bond is delivered (provided that the rate determined by such calculation may be rounded down by the Administration in its sole discretion), accruing from the date on which such demand is made by the Administration, which demand may be made at any time prior to that date which is the ten (10) year anniversary of the date of delivery of the Series 2022B Bond. Prior to any such date of demand, the Series 2022B Bond shall bear interest at the rate of zero percent (0.00%) per annum. If the Series 2022B Bond is delivered in January 2022, the interest rate as determined in accordance with this subsection (g) will be 1.58% per annum.

(h) The City shall pay a late charge for any payment of principal of or interest on the Series 2022B Bond that is received later than the thirtieth (30th) day following the date of demand for payment of the Series 2022B Bond, in an amount equal to 5% of such payment.

(i) If the Administration determines at any time following delivery of the Series 2022B Bond to reduce the maximum amount of the Loan Commitment (as defined in the Series 2022B Loan Agreement) relating to the Series 2022B Bond in accordance with Section 3.08 of the Series 2022B Loan Agreement, the Maximum Principal Amount (as defined in the Series 2022B Bond) of the Series 2022B Bond shall be reduced accordingly. In such event, as determined by the Administration, the City may execute and deliver (in the manner provided for in Sections 5 and 7 hereof) a new Series 2022B Bond evidencing such reduction in the Loan Commitment relating to the Series 2022B Loan and/or the Mayor may execute and deliver any certificates, documents or instruments as the Administration may require pursuant to Section 3.08 of the Series 2022B Loan Agreement.

(j) PURSUANT TO THE SAFE DRINKING WATER ACT (AS DEFINED IN THE SERIES 2022B LOAN AGREEMENT) AND SECTION 9-1605.1(d)(8) OF THE MWQFA

ACT, THE ADMINISTRATION SHALL FORGIVE REPAYMENT OF THE PRINCIPAL AMOUNT OF THE SERIES 2022B LOAN UNDER ARTICLE III OF THE SERIES 2022B LOAN AGREEMENT AND THE SERIES 2022B BOND SO LONG AS THE CITY PERFORMS ALL OF ITS OTHER OBLIGATIONS UNDER THE SERIES 2022B LOAN AGREEMENT. UPON DETERMINATION BY THE ADMINISTRATION THAT ANY SUCH OTHER OBLIGATIONS UNDER THE SERIES 2022B LOAN AGREEMENT HAVE NOT BEEN PERFORMED BY THE CITY, PAYMENT OF THE PRINCIPAL OF THE SERIES 2022B LOAN EVIDENCED BY THE SERIES 2022B BOND WILL BE DUE AND PAYABLE UPON DEMAND, ALONG WITH INTEREST ACCRUING AND PAYABLE AT THE RATE DETERMINED IN ACCORDANCE WITH SUBSECTION (g) ABOVE FROM THE DATE OF DEMAND. IF THE ADMINISTRATION HAS NOT DEMANDED PAYMENT OF THE PRINCIPAL OF THE SERIES 2022B BOND BY THAT DATE WHICH IS THE TEN (10) YEAR ANNIVERSARY OF THE DATE OF DELIVERY OF THE SERIES 2022B BOND, THEN THE ADMINISTRATION SHALL BE DEEMED TO HAVE FORGIVEN REPAYMENT OF THE SERIES 2022B LOAN EVIDENCED BY THE SERIES 2022B BOND AND INTEREST THEREON, THE SERIES 2022B BOND SHALL BE DEEMED CANCELLED AND THE LOAN EVIDENCED BY THE SERIES 2022B BOND AND THE SERIES 2022B LOAN AGREEMENT SHALL BE DEEMED TERMINATED AND OF NO FURTHER FORCE AND EFFECT.

(k) Both the principal of and any interest on the Bonds will be paid to the registered owners thereof in lawful money of the United States of America, at the time of payment, and will be paid by electronic funds transfer, or by check or draft mailed (by depositing such check or draft, correctly addressed and postage prepaid, in the United States mail before the payment date)

to the registered owners at such addresses as the registered owners may designate from time to time by notice in writing delivered to the City Clerk of the City (the “City Clerk”).

SECTION 4. The Series 2022A Bond shall be subject to mandatory prepayment, in whole or in part, as, when and to the extent required by the United States Environmental Protection Agency’s (and its successors) State Revolving Fund Program Regulations. Otherwise, the Series 2022A Bond may be prepaid by the City, in whole or in part, only at such times and in such amounts, and upon payment by the City of such prepayment premium or penalty, as the Director of the Administration, in his or her discretion, may specify and approve.

SECTION 5. The Bonds shall be executed in the name of the City and on its behalf by the Mayor. The corporate seal of the City shall be affixed to the Bonds and attested by the signature of the City Clerk. In the event any official whose signature shall appear on a Bond shall cease to be such official prior to the delivery of such Bond, or, in the event any such official whose signature shall appear on a Bond shall have become such after the date of delivery thereof, said Bond shall nevertheless be a valid and binding obligation of the City in accordance with its terms.

SECTION 6. The Series 2022A Bond shall be transferable only after the first principal payment date as set forth in the Series 2022A Bond or the date upon which the Maximum Principal Amount of the Series 2022A Bond has been borrowed, whichever is earlier, and the Series 2022B Bond shall be transferable only after the date upon which the Maximum Principal Amount of the Series 2022B Bond has been borrowed. Each Bond shall be transferable upon the books of the City at the office of the City Clerk, by the registered owner in person or by his attorney duly authorized in writing, upon surrender thereof, together with a written instrument of transfer satisfactory to the City Clerk, duly executed by such registered owner or his duly authorized attorney. The City shall, within a reasonable time, issue in the name of the transferee a new registered bond or bonds of the same

series as the bond surrendered, in such denominations as the City shall by resolution approve, in an aggregate principal amount equal to the unpaid principal amount of the bond or bonds surrendered, and with the same maturity date, installment payment dates and interest rate, as applicable, and, with respect to any bond or bonds exchanged for the Series 2022B Bond, the same forgiveness provisions. If more than one bond is issued upon any such transfer of the Series 2022A Bond, the installment of principal and interest to be paid on each such bond on each payment date shall be equal to the product of the following formula: the total installment due on each payment date multiplied by a fraction, the numerator of which shall be the principal amount of such bond and the denominator of which shall be the aggregate principal amount of the bonds representing the Series 2022A Bond then outstanding and unpaid. The new bond or bonds shall be delivered to the transferee only after payment of any taxes on and any shipping or insurance expenses relating to such transfer. The City may deem and treat the party in whose name a Bond is registered as the absolute owner thereof for the purpose of receiving payment of or on account of the principal thereof and interest due thereon and for all other purposes. References in this Resolution to a Bond shall be deemed to refer to any bond or bonds transferred for such Bond in accordance with the provisions of this Section 6, and references in this Resolution to the registered owner of a Bond shall be deemed to refer to any or all of the registered owners of bonds of such series contemplated by this Section 6, as applicable. Any such new bond or bonds issued in transfer or exchange may be executed and sealed as provided in Section 5 hereof with respect to the original execution and delivery of the Bonds, or as otherwise required by then-applicable law, and appropriate changes may be made to the form of the bond or bonds delivered in transfer or exchange to account for the dated date of such new bond or bonds and, to the extent applicable, the then-outstanding principal amount of the applicable Bond.

SECTION 7. Unless the Mayor and City Council provides otherwise by resolution adopted prior to delivery of the Bonds, (i) the Series 2022A Bond shall be issued in substantially the form of Exhibit F to the substantially final form of the Series 2022A Loan Agreement that is attached hereto as Exhibit A, and (ii) the Series 2022B Bond shall be issued in substantially the form of Exhibit F to the substantially final form of the Series 2022B Loan Agreement that is attached hereto as Exhibit B. Appropriate variations and insertions may be made by the Mayor to provide dates, numbers and amounts, including, without limitation, to reflect matters determined in accordance with Sections 2 and 3 hereof, and other modifications not altering the substance of such forms may be made by the Mayor. All of the covenants contained in the forms of Bonds set forth as Exhibit F to the respective forms of the substantially final forms of the Loan Agreements (as defined in Section 8(b) hereof) attached hereto as Exhibit A and Exhibit B, respectively, as the Bonds may be finally completed as provided in this Section 7, are hereby adopted by the City as and for the forms of obligations to be incurred by the City, and the covenants and conditions are hereby made binding upon the City, including the promise to pay therein contained.

SECTION 8. (a) As authorized by the MWQFA Act and Sections 81 and 82A of the Charter, the City hereby determines to sell the Bonds to the Administration by private sale, without public bidding, which sale by private sale is hereby deemed by the City to be in its best interest and in the interest of its citizens due, in part, to the benefit of the structures of the Bonds as draw-down obligations, the low interest rate for the Series 2022A Bond, the amortization period for the Series 2022A Bond (which is longer than the amortization period the City typically could obtain from a financial institution or institutional investor/lender in a direct purchase transaction), the potential forgiveness of the Series 2022B Bond, and the lower costs of issuance incurred with a private sale to the Administration in a direct purchase transaction as compared to a public sale at competitive bid or

a negotiated underwriting. Therefore, and pursuant to the authority of the MWQFA Act and Sections 81 and 82A of the Charter, each Bond shall be sold to the Administration by private sale, without public bidding, for a price of the par amount of such Bond or so much of the par amount of such Bond as is advanced to the City (such purchase price to be advanced in accordance with the applicable Loan Agreement, as defined in subsection (b) below). Each Bond is referred to in the corresponding Loan Agreement as the “Note.”

(b) The Series 2022A Bond shall be sold to the Administration and the purchase price of the Series 2022A Bond shall be advanced to the City in accordance with the Loan Agreement relating to the Series 2022A Bond (the “Series 2022A Loan Agreement”), the substantially final form of which is attached hereto as Exhibit A. The Series 2022B Bond shall be sold to the Administration and the purchase price of the Series 2022B Bond shall be advanced to the City in accordance with the Loan Agreement relating to the Series 2022B Bond (the “Series 2022B Loan Agreement”), the substantially final form of which is attached hereto as Exhibit B. The Series 2022A Loan Agreement and the Series 2022B Loan Agreement are referred to herein collectively as the “Loan Agreements” and individually as a “Loan Agreement.”

(c) The substantially final forms of the Loan Agreements respectively attached hereto as Exhibit A and Exhibit B reflect the expectation, as of the date of this Resolution, that the final original principal amount of the Series 2022A Bond will be \$1,549,998, the final original principal amount of the Series 2022B Bond will be \$516,666, and that the Bonds will be delivered on January 27, 2022. The Mayor, on behalf of the City, is hereby authorized and directed to complete, execute and deliver the Loan Agreements for and in the name of the City with such changes, insertions and deletions as shall be approved by the Mayor, including, without limitation, to reflect matters determined in accordance with the provisions of this Resolution, including, without limitation,

Sections 2, 3 and 8 hereof, to comply with program requirements of the Administration, to account for a different estimated date of completion of the Project or different estimated date of delivery of the Bonds, to complete the exhibits to the substantially final forms of the Loan Agreements attached hereto as Exhibits A and B, or as are determined by the Mayor not to be materially adverse to the interests of the City. The Mayor's approval of any such changes, insertions or deletions shall be evidenced conclusively by the Mayor's execution and delivery of the Loan Agreements in final form.

(d) Notwithstanding anything to the contrary contained in this Resolution, advances under the Loan Agreements or the Bonds, payment or prepayment of the principal of and any interest on the Bonds, and transfers or exchanges of the Bonds shall be made in accordance with the respective Loan Agreements. The City agrees to abide by and perform the covenants and agreements set forth in the Loan Agreements as executed and delivered in accordance with this Section 8 as though such covenants and agreements were set forth in full in this Resolution.

(e) The City hereby reconfirms the provisions of Section 9 of the Ordinance, which authorized and directed the City to pay any fees or costs provided for in the Loan Agreements which are not payable from proceeds of the Bonds, including, without limitation, any administrative fees and ongoing fees and expenses, and acknowledges that its obligation to pay such amounts shall be absolute and unconditional to the extent provided in the Loan Agreements.

(f) The City hereby reconfirms the provisions of Section 6(b) of the Ordinance, which acknowledged that the provisions of Article IV of each Loan Agreement (Events of Default and Remedies) allow for, among other remedies, all payments on the applicable Bond to be declared immediately due and payable upon the occurrence of an Event of Default provided for in such Loan Agreement.

(g) As security for payment of the Bonds and any other amounts due under the Loan Agreements, the City hereby acknowledges, confirms and agrees that the pledge of moneys that the City is entitled to receive from the State of Maryland, as authorized by Section 9-1606(d) of the MWQFA Act and provided for in Section 7 of the Ordinance, is set forth in Section 3.05(c) of each Loan Agreement.

(h) Notwithstanding any provisions of this Resolution, in the event of a discrepancy between the provisions of the Series 2022A Loan Agreement, the Series 2022A Bond, the Series 2022B Loan Agreement or the Series 2022B Bond and this Section 8, as applicable, the provisions of the Series 2022A Loan Agreement, the Series 2022A Bond, the Series 2022B Loan Agreement or the Series 2022B Bond, as applicable, shall control.

SECTION 9. (a) As soon as may be practicable after the adoption of this Resolution, the Bonds shall be suitably prepared in definitive form, executed and delivered to the Administration on January 27, 2022 or another date or dates mutually acceptable to the Administration and the Mayor. As provided in Section 18 of the Ordinance, the Mayor, the City Administrator, the Treasurer, the Comptroller, the City Clerk, and all other appropriate officials and employees of the City are expressly authorized, empowered and directed (i) to take any and all action necessary to complete and close the sale and delivery of the Bonds to the Administration, (ii) to negotiate, approve, execute and deliver all documents, certificates and instruments necessary or appropriate in connection therewith, and (iii) to carry out the transactions contemplated by the Ordinance, any ordinance supplementing or amending the Ordinance, this Resolution, any resolution supplementing or amending this Resolution, and any documents, certificates or instruments executed and delivered in connection with the issuance of the Bonds, all to the extent such actions are within the spheres of their respective authority and authority with respect to any such actions has not been specifically delegated to one or more officials

or employees of the City by the Mayor and City Council by ordinance, resolution or other appropriate action.

(b) Each of the Mayor, the City Administrator and the Comptroller is hereby expressly authorized, empowered and directed to take any actions necessary under the Loan Agreements or the Bonds in order to requisition advances on behalf of the City. Each of the Mayor, the City Administrator and the Comptroller is hereby expressly designated as an “Authorized Officer” for purposes of the Loan Agreements and may take any action, make any determination or grant or withhold any approvals, consents or directions that are delegated to an Authorized Officer under the provisions of a Loan Agreement.

(c) The negotiation, approval, execution and delivery of any documents, certificates, instruments or requests relating to the Bonds by City officials prior to the adoption of this Resolution, including, without limitation, a Loan Proceeds Questionnaire and Certificate and any cash draw requests, are hereby ratified, confirmed and approved.

SECTION 10. Each advance of the proceeds of the Bonds shall be paid directly to the City and shall be deposited by the Treasurer or other appropriate City official in the proper municipal accounts, or shall be paid at the direction of the Authorized Officer, or shall be paid as otherwise required by the Administration. Advances under the Bonds shall be used and applied by the City exclusively and solely for the public purposes described in Section 2 hereof, unless this Resolution and, to the extent applicable, the Ordinance, are amended or supplemented to provide for some other use within the limitations of applicable law and with the consent of the Administration. Nothing in this Resolution shall be construed to authorize the expenditure of any moneys except for a proper public purpose. The proceeds of the Bonds are hereby appropriated for the purposes set forth in this Resolution.

SECTION 11. (a) The full faith and credit and unlimited taxing power of the City are hereby pledged to the prompt payment of the principal of and interest on the Bonds as and when the same are payable and to the imposition of the taxes hereinbelow described as and when such taxes may become necessary in order to provide sufficient funds to meet the debt service requirements of the Bonds. The City shall impose or cause to be imposed, for each and every fiscal year during which each Bond may be outstanding, ad valorem taxes upon all real and tangible personal property in the City that is subject to assessment for unlimited municipal taxation at a rate and in an amount sufficient to pay the principal of and interest on such Bond payable in each such fiscal year and, in the event the proceeds from the collection of the taxes so imposed may prove inadequate for such purposes in any fiscal year, additional taxes shall be imposed in the subsequent fiscal year to make up any deficiency. The City hereby covenants with the registered owner of each Bond to take any action that lawfully may be appropriate from time to time during the period that such Bond remains outstanding and unpaid to provide the funds necessary to pay promptly the principal and interest due thereon.

(b) Notwithstanding the provisions of subsection (a) above, the principal of and interest on the Bonds will be payable in the first instance from revenues received by the City in connection with the operation of the water supply system serving the City and surrounding areas, including charges for use of or connection to such system, to the extent such revenues are lawfully available for such purpose. To the extent of any such revenues received or receivable in any fiscal year, the taxes hereby required to be levied may be reduced proportionately.

(c) The foregoing provisions shall not be construed so as to prohibit the City from paying the principal of and interest on the Bonds from the proceeds of the sale of any other obligations of the City or from any other funds legally available for that purpose. Subject to applicable law or restrictions, the City may apply to the payment of the principal of or interest on each Bond any funds

received by it from the State of Maryland or the United States of America, or any governmental agency or instrumentality, or from any other source, if the funds are granted or paid to the City for the purpose of assisting the City in accomplishing the type of project or projects the costs of which such Bond is issued to finance or reimburse or are otherwise available for such purpose, and to the extent of any such funds received or receivable in any fiscal year, the taxes hereby required to be levied may be reduced proportionately.

(d) Water supply system revenues are intended to be the dedicated source of revenues with respect to the Bonds required by Section 9-1605.1(d) of the MWQFA Act, to the extent lawfully available for such purpose and subject to any required appropriations for such purposes. Such revenues may be referred to by similar, but not exact references, on any applicable Exhibits to the Loan Agreements.

SECTION 12. (a) Any two or more of the Mayor, the City Administrator, the Treasurer and the Comptroller, acting in concert, are the officials of the City responsible for the issuance of the Bond within the meaning of Section 1.148-2(b)(2) of the U.S. Treasury Regulations (the “Treasury Regulations”). Any two or more of the Mayor, the City Administrator, the Treasurer and the Comptroller, acting in concert, also shall be the officials of the City responsible for the execution and delivery (on the date of delivery of the Series 2022A Bond) of a certificate of the City (the “Section 148 Certificate”) that complies with the requirements of Section 148 of the Internal Revenue Code of 1986, as amended (the “Code”), and the Treasury Regulations, and such officials are hereby authorized and directed to execute and deliver the Section 148 Certificate to counsel rendering an opinion on the validity and tax-exempt status of the Series 2022A Bond on the date of delivery thereof.

(b) The City shall set forth in the Section 148 Certificate its reasonable expectations as to relevant facts, estimates and circumstances relating to the use of the proceeds of

the Series 2022A Bond or of any monies, securities or other obligations to the credit of any account of the City which may be deemed to be proceeds of the Series 2022A Bond pursuant to Section 148 of the Code or the Treasury Regulations (collectively, the “Series 2022A Bond Proceeds”). The City covenants with the registered owner of the Series 2022A Bond that the facts, estimates and circumstances set forth in the Section 148 Certificate will be based on the City’s reasonable expectations on the date of issuance of the Series 2022A Bond and will be, to the best of the certifying officials’ knowledge, true and correct as of that date.

(c) The City covenants with the registered owner of the Series 2022A Bond that it will not make, or (to the extent that it exercises control or direction) permit to be made, any use of the Series 2022A Bond Proceeds that would cause the Series 2022A Bond to be an “arbitrage bond” within the meaning of Section 148 of the Code and the Treasury Regulations, and that it will comply with those provisions of Section 148 of the Code and the Treasury Regulations as may be applicable to the Series 2022A Bond on its date of delivery and which may subsequently lawfully be made applicable to the Series 2022A Bond as long as the Series 2022A Bond remains outstanding and unpaid.

(d) In connection with the execution and delivery of the Section 148 Certificate, the authorized officials provided for in this Section 12 are hereby authorized and empowered, on behalf of the City, to make any designations, elections, determinations or filings on behalf of the City provided for in or permitted by the Code and the Treasury Regulations and to reflect the same in the Section 148 Certificate and/or the IRS Form 8038-G filed in connection with the issuance of the Series 2022A Bond or any other documentation deemed appropriate by bond counsel to the City; provided that, only one such identified official must sign the IRS Form 8038-G.

SECTION 13. The City specifically covenants that it will comply with the provisions of the Code applicable to the Series 2022A Bond, including, without limitation, compliance with provisions regarding the timing of the expenditure of the Series 2022A Bond Proceeds, the use of such proceeds and the facilities and improvements financed with such proceeds, the restriction of investment yields, the filing of information with the Internal Revenue Service, and the rebate of certain earnings resulting from the investment of the Series 2022A Bond Proceeds or payments in lieu thereof. The City further covenants that it shall make such use of the Series 2022A Bond Proceeds, regulate the investment of the Series 2022A Bond Proceeds and take such other and further actions as may be required to maintain the exemption from federal income taxation of interest on the Series 2022A Bond. All officials, officers, employees and agents of the City are hereby authorized and directed to provide such certifications of facts and estimates regarding the amount and use of the Series 2022A Bond Proceeds as may be necessary or appropriate.

SECTION 14. That for purposes of Section 148(f)(4)(D) of the Code (relating to the exception for small governmental units from the arbitrage rebate requirement) the City represents and certifies that (i) the City has general taxing powers, (ii) the Series 2022A Bond is not a “private activity bond” within the meaning of Section 141 of the Code, (iii) at least ninety-five percent (95%) of the proceeds of the Series 2022A Bond are to be used for local governmental activities of the City, and (iv) the aggregate face amount of all tax-exempt bonds (other than private activity bonds) issued by the City (and all on-behalf-of issuers and subordinate entities of the City) during calendar year 2022 is not reasonably expected to exceed Five Million Dollars (\$5,000,000.00).

SECTION 15. Notwithstanding anything to the contrary contained in the Ordinance or this Resolution, the City shall use and apply proceeds of the Bonds only as permitted by the Loan

Agreements, the Safe Drinking Water Act (as defined in the Loan Agreements) and the Act (as defined in the Loan Agreements).

SECTION 16. The provisions of this Resolution shall be liberally construed in order to effectuate the transactions contemplated by this Resolution.

SECTION 17. This Resolution shall become effective immediately upon its adoption.

MAYOR AND CITY COUNCIL
OF CUMBERLAND

(SEAL)

Raymond M. Morriss, Mayor

ATTEST:

Marjorie A. Woodring
City Clerk

Introduced: _____, 2022

Adopted: _____, 2022

Effective: _____, 2022

#224369;10002.076

EXHIBIT A

SUBSTANTIALLY FINAL FORM OF THE SERIES 2022A LOAN AGREEMENT

[See Attached]

DRINKING WATER LOAN AGREEMENT

By and Between

**MARYLAND WATER QUALITY
FINANCING ADMINISTRATION**

and

MAYOR AND CITY COUNCIL OF CUMBERLAND

Dated as of January 27, 2022

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LOAN AGREEMENT

THIS LOAN AGREEMENT, made this 27th day of January, 2022, between the Maryland Water Quality Financing Administration (the "Administration"), a unit of the Department of the Environment (the "Department") of the State of Maryland (the "State"), and MAYOR AND CITY COUNCIL OF CUMBERLAND, a municipal corporation of the State (the "Borrower").

RECITALS

The federal Safe Drinking Water Act ("SDWA"), as amended, authorizes the Environmental Protection Agency ("EPA") to award grants to qualifying States to establish and capitalize State drinking water treatment revolving loan funds ("SRFs") for the purpose of providing loans and certain other forms of financial assistance (but not grants) to finance, among other things, the construction and improvement of publicly-owned and privately-owned water supply systems.

As contemplated by the SDWA, the General Assembly of the State has amended the Maryland Water Quality Financing Administration Act, codified at Sections 9-1601 through 9-1622 of the Environment Article of the Annotated Code of Maryland, as amended (the "Act"), establishing an SRF designated the Maryland Drinking Water Revolving Loan Fund (the "Fund") to be maintained and administered by the Administration. The Act authorizes the Administration, among other things, to make a loan from the Fund to a "local government" (as defined in the Act) for the purpose of financing all or a portion of the cost of a "water supply system" project (as defined in the Act).

The Borrower, which is a "local government" within the meaning of the Act, has applied to the Administration for a loan from the Fund to assist in the financing of a certain project or projects of the Borrower (the "Project," as defined herein) which constitutes a "water supply system" within the meaning of the Act. The Project is one designated for funding in an Intended Use Plan promulgated by the Administration in accordance with regulations issued by the EPA pursuant to the SDWA, and the Project conforms to the applicable "county plan" adopted pursuant to the requirements of Subtitle 5 of Title 9 of the Environment Article of the Annotated Code of Maryland, as amended.

The Director of the Administration has determined that the making of a loan to the Borrower for the purpose of assisting the financing of the Project, on the terms and conditions hereinafter set forth, is necessary and desirable in the public interest, will promote the health, safety and welfare of the inhabitants of the State and the United States by assisting in ensuring that public drinking water remains safe, adequate and affordable, and will further the purposes of the SDWA and the Act.

The Act authorizes the Administration, subject to the prior approval of the Secretary of the Department and the Board of Public Works, to issue its revenue bonds for the purpose of providing monies for deposit to the Fund. The Administration may issue and sell one

or more series of such revenue bonds (the “Bonds”) for the purpose of providing monies for deposit to the Fund in an amount sufficient, together with certain other monies expected to be available for that purpose, to enable the Administration to make, or reimburse the Administration for making, a loan to the Borrower and certain other entities to assist in the financing of projects, all as contemplated by the Administration’s Intended Use Plan. The revenues from this loan and such other loans, whether or not funded from the proceeds of Bonds, may be pledged by the Administration to secure Bonds.

NOW THEREFORE, in consideration of the mutual promises and covenants hereinafter set forth and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Borrower and the Administration, each intending to be legally bound, hereby agree as follows:

ARTICLE I

DEFINITIONS

Section 1.01. Definitions. Unless specifically provided otherwise or the context otherwise requires, when used in this Agreement:

“Act” means the Maryland Water Quality Financing Administration Act, Sections 9-1601 through 9-1622 of the Environment Article, Annotated Code of Maryland, and all acts supplemental thereto or amendatory thereof.

“Administration” means the Maryland Water Quality Financing Administration, a unit of the Department of the Environment of the State, and its successors and assigns.

“Administrative Fee” means the fee payable by the Borrower pursuant to this Agreement for the general administrative services and other functions and expenses of the Administration.

“Agreement” means this Loan Agreement, including the Exhibits attached hereto and any amendments hereto.

“Application” means the application for the Loan submitted by the Borrower to the Administration, together with any amendments thereto.

“Authorized Officer” means, in the case of the Borrower, any person authorized by law or by a resolution of the governing body of the Borrower to perform any act or execute any document on behalf of the Borrower.

“Board” means the Board of Public Works of the State.

“Bonds” means any series of revenue bonds issued by the Administration under the Act.

“Bond Counsel” means a law firm acceptable to the Administration whose legal opinions are generally accepted by purchasers of municipal bonds.

“Borrower” means the local government, individual or entity that is identified in the first paragraph of this Agreement, and its successors and assigns.

“Business Day” means a day other than a Saturday, Sunday, or day on which the offices of the Administration or commercial banks in the State are authorized or obligated to remain closed.

“Change Orders” means any amendments or modifications to any Plans and Specifications or any general construction contract for the Project.

“Code” means the Internal Revenue Code of 1986, as amended from time to time, or any successor federal income tax statute or code, and the applicable regulations and rulings promulgated thereunder.

“Default” means an event or condition the occurrence of which would, with the lapse of time or the giving of notice or both, constitute an Event of Default.

“Default Rate” means the interest rate so specified in Exhibit B of this Agreement.

“Department” means the Maryland Department of the Environment, and its successors.

“Director” means the Director of the Administration.

“Eligible Project Costs” means all those costs of the Project permitted by the Act to be funded by a loan from the Fund and which have been approved by the Director.

“EPA” means the United States Environmental Protection Agency, and its successors.

“Event of Default” means any occurrence or event specified in Section 4.01 hereof.

“Fiscal Year” means the period of 12 consecutive months commencing on July 1 in any calendar year and ending on June 30 of the succeeding calendar year.

“Fund” means the Maryland Drinking Water Revolving Loan Fund.

“Governmental Authority” means the United States, the State of Maryland, or any of their political subdivisions, agencies, departments, commissions, boards, bureaus or instrumentalities, including any local authority having jurisdiction over the Project, and including EPA, the Department, the Board and the Administration.

“Indenture” means the indenture of trust, bond resolution or other trust agreement between the Administration and the Trustee, providing for the issuance of Bonds, as amended, modified or supplemented from time to time.

“Independent Counsel” means any attorney or law firm with attorneys duly admitted to practice law before the highest court of any state who has or have regularly engaged in the practice of law as the primary occupation of such attorney or attorneys for at least five years. Independent Counsel may also serve as Bond Counsel if qualified to act as Bond Counsel.

“Independent Public Accountant” means an individual, partnership or corporation engaged in the accounting profession, either entitled to practice, or having members or officers entitled to practice, as a certified public accountant under the laws of the State of Maryland and, in fact, independent.

“Loan” means the aggregate amounts which are advanced from time to time by the Administration to the Borrower pursuant to the terms and provisions of this Agreement.

“Loan Closing Date” means the date on which the Note is executed and delivered to the Administration.

“Loan Commitment” means that amount which the Administration is obligated to lend to the Borrower pursuant to the terms and provisions of this Agreement and subject to the satisfaction of the conditions set forth in this Agreement, as such amount may be adjusted as provided in this Agreement.

“Loan Proceeds Questionnaire and Certificate” means the Loan Proceeds Questionnaire and Certificate executed and provided by the Borrower in connection with the Loan, in form and substance satisfactory to the Administration.

“Loan Year” means the period beginning on the first February 1 on which principal of the Loan is payable and each February 1 thereafter and ending on the immediately succeeding January 31.

“Note” means the bond, note or other obligation executed and delivered by the Borrower to the Administration to evidence the Loan, such Note to be substantially in the form attached hereto as Exhibit F.

“Plans and Specifications” means the final plans and specifications for the construction of the Project prepared by the architect or engineer and approved by the Department.

“Project” means the project or projects of the Borrower described in Exhibit B to this Agreement.

“Project Budget” means the budget for the Project as set forth in Exhibit C to this Agreement, as revised in accordance with Section 2.02(d).

“Related Financing” means any bond, note, agreement or other instrument or transaction (other than this Agreement or the Note) pursuant to which the Borrower obtains any monies that may be expended to pay costs of the Project.

“Requirement” means any law, ordinance, code, order, rule or regulation of a Governmental Authority, including, without limitation, the State primary drinking water regulations or a condition in a construction permit issued by the Department.

“Safe Drinking Water Act” means Title XIV of the Public Health Service Act, P.L. 93-523, as amended, 42 U.S.C. § 300f, et seq., and the rules and regulations promulgated thereunder.

“State” means the State of Maryland.

“Tax-Exempt Bonds” means Bonds the interest on which is excludable from gross income for federal income tax purposes under the Code.

“Trustee” means the trustee for the Bonds.

Section 1.02. Rules of Construction. Unless the context clearly indicates to the contrary, the following rules shall apply to the construction of this Agreement:

(a) words importing the singular number include the plural number and words importing the plural number include the singular number;

(b) words of the masculine gender include correlative words of the feminine and neuter genders;

(c) words importing persons include any individual, corporation, partnership, joint venture, association, joint stock company, trust, unincorporated organization or government or agency or political subdivision thereof;

(d) the terms “agree” and “agreement” shall include and mean “covenant”, and all agreements contained in this Agreement are intended to constitute covenants and shall be enforceable as such;

(e) the headings and the Table of Contents set forth in this Agreement are solely for convenience of reference and shall not constitute a part of this Agreement or affect its meaning, construction or effect; and

(f) any reference to a particular Article or Section shall be to such Article or Section of this Agreement unless the context shall otherwise require.

ARTICLE II

REPRESENTATIONS AND COVENANTS OF BORROWER

Section 2.01. Representations of Borrower. The Borrower represents for the benefit of the Administration as follows:

(a) Corporate Organization and Authority. The Borrower:

(i) is a “local government” as defined in the Act; and

(ii) has all requisite power and authority and all necessary licenses and permits required as of the date hereof to own and operate the Project, to enter into this Agreement, to execute and deliver the Note, and to carry out and consummate all transactions contemplated by this Agreement.

(b) Full Disclosure. There is no fact that the Borrower has not disclosed to the Administration in writing that materially adversely affects or (so far as the Borrower can now foresee) that will materially adversely affect the properties, activities, prospects or condition (financial or other) of the Borrower or the ability of the Borrower to make all payments due hereunder and otherwise perform its obligations under this Agreement and the Note.

(c) Pending Litigation. There are no proceedings pending, or to the knowledge of the Borrower threatened, against or affecting the Borrower in any court or before any Governmental Authority or arbitration board or tribunal that, if adversely determined, would materially adversely affect the properties, activities, prospects or condition (financial or other) of the Borrower, or the ability of the Borrower to make all payments due hereunder and otherwise perform its obligations under this Agreement and the Note, and that have not been disclosed in writing to the Administration in the Application or otherwise.

(d) Borrowing Legal and Authorized. The consummation of the transactions provided for in this Agreement and the Note and compliance by the Borrower with the provisions of this Agreement and the Note:

(i) are within its powers and have been duly authorized by all necessary action on the part of the governing body of the Borrower; and

(ii) will not result in any breach of any of the terms, conditions or provisions of, or constitute a default under, or result in the creation or imposition of any lien, charge or encumbrances upon any property or assets of the Borrower pursuant to, any indenture, loan agreement or other instrument (other than this

Agreement and the Note) to which the Borrower is a party or by which the Borrower may be bound, nor will such action result in any violation of the provisions of laws, ordinances, governmental rules, regulations or court orders to which the Borrower or its properties or operations is subject.

(e) No Defaults. No event has occurred and no condition exists that, upon execution of this Agreement and the Note or receipt of the Loan, would constitute a Default hereunder. The Borrower is not in violation, and has not received notice of any claimed violation, of any term of any agreement or other instrument to which it is a party or by which it or its property may be bound, which violation would materially adversely affect the properties, activities, prospects or condition (financial or other) of the Borrower or the ability of the Borrower to make all payments due hereunder and otherwise perform its obligations under this Agreement and the Note, and that have not been disclosed in writing to the Administration in the Application or otherwise.

(f) Governmental Consent; Project Consistency.

(i) The Borrower has obtained all permits and approvals required to date by any Governmental Authority for the making and performance by the Borrower of its obligations under this Agreement and the Note or for the Project and the financing thereof. No consent, approval or authorization of, or filing, registration or qualification with, any Governmental Authority that has not been obtained is required on the part of the Borrower as a condition to the execution and delivery of this Agreement and the Note or the consummation of any transaction herein contemplated.

(ii) The Project is consistent with (A) the local plan of the Borrower as contemplated under Section 5-7A-02 of the State Finance and Procurement Article of the Annotated Code of Maryland, as amended; (B) the State Economic Growth, Resource Protection, and Planning Policy established in Section 5-7A-01 of the State Finance and Procurement Article of the Annotated Code of Maryland, as amended; and (C) all applicable provisions of *Subtitle 7B, "Priority Funding Areas,"* of Title 5 of the State Finance and Procurement Article of the Annotated Code of Maryland, as amended.

(g) No Conflicts. No member, officer, or employee of the Borrower, or its designees, or agents, no consultant, no member of the governing body of the Borrower or of any Governmental Authority, who exercises or has exercised any authority over the Project during such person's tenure, shall have any interest, direct or indirect, in any contract or subcontract, or its proceeds, in any activity, or in any benefit therefrom, which is part of the Project.

(h) Use of Proceeds. The Borrower will apply the proceeds of the Loan from the Administration as described in Exhibit B attached hereto and made a part hereof (i) to finance all or a portion of the Eligible Project Costs; and (ii) to reimburse the Borrower for all or a portion of the Eligible Project Costs paid or incurred prior to the date hereof in anticipation of reimbursement by the Administration (and subject to compliance with Section 2.02(1) of this

Agreement). Except as provided in Sections 3.01 and 3.03(c) of this Agreement, before each and every advance of the proceeds of the Loan to the Borrower, the Borrower shall submit to the Administration a requisition meeting the requirements of Section 3.03 of this Agreement.

(i) Loan Closing Submissions. On or before the Loan Closing Date, the Borrower will cause to be delivered to the Administration each of the following items:

(i) an opinion of Independent Counsel, acceptable to the Administration, dated as of the Loan Closing Date, substantially in the form set forth in Exhibit D to this Agreement;

(ii) an opinion of Bond Counsel [who may rely, as to the validity of this Agreement and the Note, on the opinion of Independent Counsel referred to in (i)], dated as of the Loan Closing Date, and acceptable to the Administration, to the effect that (A) interest on the Loan and the Note will be excludable from gross income for purposes of federal income taxation and (B) interest on the Loan and the Note will not be included in the alternative minimum taxable income of individuals, corporations or other taxpayers as an enumerated item of tax preference or other specific adjustment;

(iii) fully executed counterparts of this Agreement, the Note and the Loan Proceeds Questionnaire and Certificate;

(iv) copies of the ordinance, resolution or other official action of the governing body of the Borrower authorizing the execution and delivery of this Agreement and the Note, certified by an appropriate officer of the Borrower;

(v) a certificate, dated as of the Loan Closing Date, signed by an Authorized Officer of the Borrower and in form satisfactory to the Administration, confirming the Borrower's obligations under and representations in the Loan Agreement and the Loan Proceeds Questionnaire and Certificate as of such date;

(vi) a requisition in an amount not less than the lesser of 5% of the Loan Commitment or \$50,000 for (i) reimbursement to the Borrower of Eligible Project Costs together with paid invoices supporting such reimbursement, or (ii) payment to third-parties of currently due and payable invoices for Eligible Project Costs, or (iii) a combination of (i) and (ii); and

(vii) such other certificates, documents, opinions and information as the Administration may require.

Section 2.02. Particular Covenants of the Borrower.

(a) Maintenance of Project; Insurance. The Borrower shall (i) keep, operate and maintain, or cause to be kept, operated and maintained, the Project in good working order, condition and repair; (ii) make or cause to be made all needed and proper replacements to the Project so that the Project will at all times be in good operating condition, fit and proper for the purposes for which it was originally erected or installed; (iii) not permit any waste of the Project; (iv) observe and comply with, or cause to be observed and complied with, all Requirements; and (v) operate, or cause to be operated, the Project in the manner in which similar projects are operated by persons operating a first-class facility of a similar nature. The Borrower shall maintain or cause to be maintained at its sole cost and expense insurance with respect to the Project, both during its construction and thereafter, against such casualties and contingencies and in such amounts as are customarily maintained by governmental entities similarly situated and as are consistent with sound governmental practice.

(b) Sale or Disposition of Project. The Borrower reasonably expects that no portion of the Project will be sold prior to the final maturity date of the Loan. In the event that the Borrower shall sell or otherwise dispose of any portion of the Project prior to the final maturity date of the Loan, the Borrower shall apply the net proceeds thereof to the prepayment of the Loan or as the Administration shall otherwise direct unless (i) the Borrower shall have obtained the prior written consent of the Administration to some other proposed application of such net proceeds and (ii) there shall have been delivered to the Administration an opinion of Bond Counsel to the effect that, in the opinion of such firm, such proposed application of such net proceeds will not adversely affect the tax-exempt status for federal income tax purposes of the interest on any Tax-Exempt Bonds applicable to the Project or the Note.

(c) Inspections; Information. The Borrower shall permit the Administration or its designee to examine, visit and inspect, at any and all reasonable times (including, without limitation, any time during which the Project is under construction or in operation), the property constituting the Project, to attend all construction progress meetings relating to the Project and to inspect and make copies of any accounts, books and records, including (without limitation) its records regarding receipts, disbursements, contracts, investments and any other matters relating to the Project and the financing thereof, and shall supply such reports and information as the Administration may reasonably require in connection therewith. Without limiting the generality of the foregoing, the Borrower shall keep and maintain any books, records, and other documents that may be required under applicable federal and State statutes, regulations, guidelines, rules and procedures now or hereafter applicable to loans made by the Administration from the Fund, and as may be reasonably necessary to reflect and disclose fully the amount and disposition of the Loan, the total cost of the activities paid for, in whole or in part, with the proceeds of the Loan, and the amount and nature of all investments related to such activities which are supplied or to be supplied by other sources. All such books, records and other documents shall be maintained at the offices of the Borrower, as specified on Exhibit B attached hereto, for inspection, copying, audit and examination at all reasonable times by any duly authorized representative of the Administration. All such books, records and other documents shall be maintained until the completion of an audit of the Project by the EPA or notification from the State or the EPA that no audit is required.

(d) Completion of the Project; Payment of Excess Costs of the Project. The Borrower shall proceed diligently to complete the Project in accordance with the Plans and Specifications, the State primary drinking water regulations and with any requirements set forth in the construction and other required permits. The Borrower shall satisfy all applicable Requirements for operation of the Project by the completion of the Project, and shall commence operation of the Project promptly upon its completion. No substantial changes may be made to the Plans and Specifications, the general construction contract or the Project Budget, or in the construction of the Project without the prior written approval of the Administration in its discretion. The Borrower shall pay any amount required for the acquisition, construction and equipping of the Project in excess of the amount available to be loaned to the Borrower hereunder. Upon the completion of the Project, the Borrower shall deliver to the Administration a certificate of the Borrower certifying that the Project was completed as of the date set forth in such certificate.

(e) Cancellation of Loan. As provided by Section 9-1606(e) of the Act, the Borrower, unless it is a “disadvantaged community” pursuant to the SDWA, acknowledges and agrees that its obligation to make the payments due hereunder and under the Note is cancelable only upon repayment in full of the Loan, and that neither the Administration, the Secretary of the Department, nor the Board is authorized to forgive the repayment of all or any portion of the Loan.

(f) Dedicated Source of Revenue. Pursuant to the SDWA, the Borrower has established one or more dedicated sources of revenue for repayment of the Loan, as described in Exhibit E attached hereto as a part hereof.

(g) Indemnification. To the extent permitted by law, the Borrower releases the Administration, the Fund, the Department, the Board and the State from, agrees that the Administration, the Fund, the Department, the Board and the State shall not have any liability for, and agrees to protect, indemnify and save harmless the Administration, the Fund, the Department, the Board and the State from and against, any and all liabilities, suits, actions, claims, demands, losses, expenses and costs of every kind and nature incurred by, or asserted or imposed against, the Administration, the Fund, the Department, the Board or the State, as a result of or in connection with the Project or the financing thereof. To the extent permitted by law, all money expended by the Administration, the Fund, the Department, the Board or the State as a result of such liabilities, suits, actions, claims, demands, losses, expenses or costs, together with interest at the rate provided in the Note from the date of such payment, shall constitute an additional indebtedness of the Borrower and shall be immediately and without notice due and payable by the Borrower to the Administration.

(h) Non-discrimination. The Borrower certifies that it does not discriminate, and covenants that it shall not discriminate, on the basis of (1) political or religious opinion or affiliation, marital status, race, color, creed or national origin, or (2) sex or age, except where sex or age constitutes a bona fide occupational qualification, or (3) the physical or mental handicap of a qualified handicapped individual. At such times as the Administration requests, the Borrower shall submit to the Administration information relating to the Borrower’s operations, with regard to political or religious opinion or affiliation, marital status, physical or mental handicap, race, color, creed, sex, age, or national origin, on a form to be prescribed by the Administration.

(i) Compliance with Requirements. The Borrower acknowledges that the Loan and this Agreement are subject to, and the Borrower agrees to comply with, all Requirements applicable to the Project and the financing thereof, including (without limiting the generality of the foregoing) the SDWA, the Act, and all other applicable State and federal statutes and such rules, regulations, orders and procedural guidelines as may be promulgated from time to time by the EPA, the Board, the Department, the Administration, or other Governmental Authority.

(j) Annual Audit. Within nine (9) months of the end of each Fiscal Year (unless such period is changed to comply with terms of the Administration's financings, or a Requirement, in which case the Administration shall notify the Borrower in writing), the Borrower shall cause financial statements of the Borrower to be prepared with respect to such Fiscal Year in accordance with generally accepted accounting principles, applicable to governmental units, consistently applied, which financial statements shall be audited by, and accompanied by a report of, an Independent Public Accountant. Such financial statements and report shall be delivered upon completion to the Administration within the nine (9) month period or within thirty (30) days from receipt of a report from the auditor, whichever period is shorter.

(k) Bonds Not to Be Arbitrage Bonds. The Administration expects to deliver on each date of issuance of each series of Tax-Exempt Bonds a certificate (such certificate, as it may be amended and supplemented from time to time in accordance with the Indenture, being referred to herein as the "Section 148 Certificate") that complies with the requirements of Section 148 of the Code or applicable successor provisions ("Section 148") and that states the Administration's reasonable expectations as to relevant facts, estimates and circumstances relating to the use of the proceeds of such Tax-Exempt Bonds or of any monies, securities or other obligations on deposit to the credit of any of the funds and accounts created by the Indenture or this Agreement or otherwise that may be deemed to be proceeds of the Tax-Exempt Bonds within the meaning of Section 148 (collectively, "Bond Proceeds"). The Borrower covenants to provide, or cause to be provided, such facts and estimates as the Administration reasonably considers necessary to enable it to execute and deliver its Section 148 Certificate including (but not limited to) those updates required in the Loan Proceeds Questionnaire and Certificate. The Borrower further covenants that (i) such facts and estimates will be based on its reasonable expectations on the date of issuance of the Tax-Exempt Bonds and will be, to the best of the knowledge of the officers of the Borrower providing such facts and estimates, true, correct and complete as of that date, and (ii) the Borrower will make reasonable inquiries to ensure such truth, correctness and completeness.

The Borrower covenants that it will not make, or (to the extent that it exercises control or direction) permit to be made, any use of the Bond Proceeds that would cause any of the Tax-Exempt Bonds to be "arbitrage bonds" within the meaning of Section 148. The Borrower further covenants that it will comply with those provisions of Section 148 that are applicable to the Tax-Exempt Bonds on the date of issuance of such Tax-Exempt Bonds and with those provisions of Section 148 that may subsequently be lawfully made applicable to such Bonds.

The Administration and the Borrower shall hold and invest Bond Proceeds within their control (if such proceeds are invested) in accordance with the expectations of the

Administration set forth in the Section 148 Certificate. If the Administration is of the opinion, upon receipt of advice of Bond Counsel, that it is necessary further to restrict or limit the yield on the investment of any Bond Proceeds in order to avoid any of the Tax-Exempt Bonds being considered “arbitrage bonds” within the meaning of Section 148, the Borrower shall take such action as is necessary to restrict or limit the yield on such investment, irrespective of whether the Borrower is of the same or a different opinion. Upon the request of the Borrower and receipt of advice of Bond Counsel, the Administration may, and upon receipt of an approving ruling from the Internal Revenue Service or a decision of a court of competent jurisdiction, the Administration shall, take such action as is necessary to remove or modify a restriction or limitation on the yield on the investment of any Bond Proceeds that was formerly deemed necessary. The Administration shall incur no liability in connection with action as contemplated herein so long as the Administration acts in good faith.

The Administration contemplates and will use its best efforts to provide for the payment of rebate or penalties in lieu of rebate with respect to the Tax-Exempt Bonds pursuant to Section 148 from the proceeds of the Tax-Exempt Bonds or investment earnings thereon. However, in the event that funds from this source are inadequate to provide for any such payment of rebate or such penalties, the Borrower agrees to pay to the Administration the portion of the rebate or penalties with respect to any Tax-Exempt Bonds fairly allocable to the Loan (as reasonably determined by the Administration) upon written request of the Administration accompanied by an explanation of the method for allocating any such penalties or rebate.

In addition, the Borrower covenants that it will not make, or (to the extent that it exercises control or direction) permit to be made, any use of the monies deemed to be proceeds of any other Tax-Exempt Bonds of the Administration that would cause any such Tax-Exempt Bonds to be “arbitrage bonds” within the meaning of Section 148. The Borrower further covenants that it will comply with those provisions of Section 148 that are applicable to such other Tax-Exempt Bonds on the date of issuance of such Tax-Exempt Bonds and with those provisions of Section 148 that may subsequently be lawfully made applicable to such Tax-Exempt Bonds. The Borrower shall have no obligation under this paragraph unless advised of such in writing by the Administration.

(1) Compliance With Loan Proceeds Questionnaire and Certificate. Without otherwise limiting the covenants or representations set forth in this Agreement or in the Loan Proceeds Questionnaire and Certificate, the representations set forth in Paragraphs 3 through 9, inclusive, and Paragraphs 11 through 14, inclusive, of the Loan Proceeds Questionnaire and Certificate are hereby incorporated as continuing representations of the Borrower, except to the extent that the Administration shall receive an opinion from Bond Counsel to the effect that any variation from such representations shall not adversely affect the excludability of interest on any Tax-Exempt Bonds from gross income for federal income tax purposes. The Borrower shall not take or permit to be taken any action or actions which would cause any Tax-Exempt Bonds to be “arbitrage bonds” within the meaning of Section 148 of the Code or which would otherwise cause interest on any Tax-Exempt Bonds to be includable in gross income for federal income tax purposes.

(m) Additional Disclosure Information. The Borrower agrees to provide the Administration with such information regarding the Borrower and its finances as the Administration may from time to time request. The Borrower further acknowledges that the Administration may issue one or more series of Bonds pursuant to the Indenture, and that any or all of such Bonds may be secured in part by repayments of the Borrower with respect to the Loan. The Borrower accordingly agrees to provide to the Administration such information regarding the Borrower and its finances as the Administration may from time to time request for inclusion in the official statements or other offering documents to be distributed in connection with the sale of any such Bonds or any annual disclosure document or other informational document prepared from time to time by the Administration to be made available to prospective purchasers or holders of any of such Bonds. The Borrower shall also furnish to the Administration at its request a certificate of an Authorized Officer of the Borrower to the effect that any information so provided or included contains no material inaccuracy or omission in light of the purposes for which such information is provided or included. The Borrower agrees to notify the Administration promptly in writing of (a) any changes in the condition or affairs of the Borrower (financial or other) that would cause any information regarding the Borrower so provided or included in an official statement or any subsequent offering document, annual disclosure document or other informational document of the Administration that the Borrower has had an opportunity to review and certify as to its accuracy, to contain a material inaccuracy or omission in light of the purposes for which such information is so included, and (b) upon request from the Administration, any event set forth in Securities and Exchange Commission Rule 15c2-12(b)(5)(i)(C), as such rule may be amended and supplemented.

(n) Related Financing. The Borrower agrees that the proceeds of any Related Financing shall be expended to pay costs of the Project on a monthly basis proportionately with the proceeds of the Loan, taking into account the total amount of the proceeds of such Related Financing available to pay costs of the Project and the maximum amount of the Loan Commitment. The Borrower agrees to provide the Administration upon its request with such information as the Administration deems reasonably necessary to determine whether the Borrower is in compliance with the provisions of this Section 2.02(n).

ARTICLE III

LOAN TO BORROWER; AMOUNTS PAYABLE; GENERAL AGREEMENTS

Section 3.01. The Loan. Subject to the provisions of Sections 3.02, 3.03 and 3.08 hereof, the Administration hereby agrees to advance amounts under this Agreement to the Borrower, and the Borrower agrees to borrow and accept from the Administration amounts advanced under this Agreement, in an aggregate principal amount not to exceed the maximum amount of the Loan Commitment set forth on Exhibit B attached hereto.

Section 3.02. Availability of Funds. The Administration expects to have, and shall use its best efforts to obtain and maintain, funds in an amount sufficient to make advances to the Borrower in accordance with the “Construction Cash Draw Schedule” included in Exhibit C attached hereto. The Borrower recognizes, however, that the Administration is a governmental entity with limited financial resources and that the Administration’s ability to make such advances may be adversely affected by events or circumstances beyond the Administration’s control. The Borrower accordingly assumes the risk that monies may not be available to make advances of the Loan to the Borrower, and, in such event, the Borrower specifically agrees that the Administration shall have no obligation to lend any amounts to the Borrower in excess of the amount theretofore advanced to the Borrower.

Section 3.03. Disbursements and Capitalized Interest.

(a) Requisitions and Disbursements. Amounts shall be loaned from time to time to pay, or reimburse the Borrower for the payment of, Eligible Project Costs, upon receipt of requisitions of the Borrower. Each such requisition shall (i) state the names of the payees, (ii) describe in reasonable detail the purpose of each payment, (iii) state the amount of each payment (supported by appropriate paid invoices or other evidence satisfactory to the Administration that the amount requisitioned has been paid or has been incurred by the Borrower and is then due), (iv) state that the amount so requisitioned constitutes a part of the Eligible Project Costs, and (v) state that no Default or Event of Default under this Agreement has occurred and is continuing; provided, that this section shall not apply to advances made or deemed to have been made as provided in Section 3.03(c) hereof. The Administration shall not be required to advance monies on more than one day in each month, and the Administration shall not be required to advance monies for the Project sooner than, or in an amount greater than, the schedule of disbursements for the Project shown on the “Construction Cash Draw Schedule” included in Exhibit C attached hereto. The Administration may require the Borrower to submit requisitions in advance of each such disbursement date in such manner as shall be reasonably acceptable to the Administration.

(b) Conditions Precedent. Before making the first advance of Loan proceeds, the Administration shall receive the following in form and content satisfactory to the Administration:

(i) copies of the Plans and Specifications and of any Change Orders issued through the date of such advance, the general construction contract, and the Project Budget;

(ii) a survey showing the location of existing and proposed easements, rights-of-way and improvements, and the perimeter boundaries of the land upon which the Project will be located, if any Loan proceeds are to be used for acquisition of the land;

(iii) copies of all building permits, if any, pertaining to the Project;

(iv) cost breakdown in trade form showing all subcontracts which represent at least 10 percent of the costs of the Project, and indicating use of the proceeds of the Loan therefor;

(v) a fully executed copy of any contract for the purchase of real property constituting a portion of the Eligible Project Costs described in Exhibit C; and

(vi) evidence satisfactory to the Administration that the conditions (if any) set forth in Exhibit A to this Agreement have been satisfied.

In addition, it shall be a condition precedent to the Administration's obligation to make any advance of Loan proceeds under this Agreement that no Default or Event of Default shall have occurred and be continuing at the time of any such advance.

(c) Interest During Construction. In the event that the Administration has consented to permit the Borrower to pay interest on the Loan from proceeds of the Loan during all or a portion of the period of time related to construction of the Project (as itemized in Exhibit C) ("Construction Period Interest"), the Administration shall on each February 1 and August 1 during such period advance to the Borrower and immediately apply to the interest then due and owing, an amount equal to the interest on the Loan due on such February 1 or August 1 and not theretofore paid by the Borrower. Any such amount of Construction Period Interest advanced by the Administration shall constitute part of the principal amount of the Loan hereunder immediately upon its advance to the Borrower in accordance with this paragraph. Notwithstanding the advance of any Construction Period Interest to the Borrower in accordance with this Section, the Borrower shall pay directly to the Administration the Administrative Fee on the dates and in the amounts set forth in Section 3.04(c), and no amounts shall be advanced under the Loan for the payment of the Administrative Fee.

Section 3.04. Amounts Payable.

(a) Loan Payments. The Borrower shall punctually repay the Loan in installments on the dates, in the amounts, and in the manner specified in the Note. The outstanding amount of the Loan shall bear interest at a rate per annum equal to the rate or rates of interest set forth in Exhibit B, and shall be payable in accordance with the amortization schedule as specified in Exhibit B attached hereto and more particularly set out in the Note (which amortization schedule is subject to adjustment in accordance with this Agreement and the Note). On or prior to the Loan Closing Date, the Borrower shall execute the Note to evidence such obligation. In addition, the Borrower shall pay to the Administration an Administrative Fee in accordance with paragraph (c) of this Section.

(b) Late Charges. In addition to the payments of principal and interest on the Loan required by paragraph (a) of this Section, the Borrower shall pay (i) a late charge for any payment of principal or interest on the Loan that is received later than the tenth day following its due date, in an amount equal to 5% of such payment, and (ii) interest on overdue installments of

principal and (to the extent permitted by law) interest at a rate equal to the Default Rate set forth in Exhibit B. Amounts payable pursuant to this paragraph (b) shall be immediately due and payable to the Administration, and interest at the Default Rate shall continue to accrue on overdue installments of principal and (to the extent permitted by law) interest until such amounts are paid in full.

(c) Administrative Fee. (i) On the date specified in Exhibit B for the first payment of the Administrative Fee and on each August 1 thereafter that the Note remains outstanding and unpaid to and including the date of final maturity of the Note (each such date, an “Administrative Fee Payment Date”), the Borrower shall pay to the Administration an Administrative Fee. Subject to paragraph (iv) below, the Administrative Fee for any Administrative Fee Payment Date shall be (A) the Administrative Fee set forth in Exhibit B or (B) after any date on which the outstanding principal amount of the Loan Commitment is reduced by the Administration by a notice in writing to the Borrower in accordance with this Agreement (other than by reason of the repayment of the principal of the Loan), the Administrative Fee set forth in a notice from the Administration to the Borrower in connection with such reduction. Any adjustment of the Administrative Fee in accordance with the foregoing shall be prospective only, and the Administration shall in no event be obligated to refund any portion of any Administrative Fee payment theretofore received from the Borrower.

(ii) In prescribing the Administrative Fee for a loan with a term of thirty years for purposes of paragraph (i) above, the Administration shall employ the following formula, it being understood that any determinations as to the application of such formula shall be within the discretion of the Administration and any Administrative Fee Payment prescribed by the Administration in accordance with the foregoing shall be conclusive and binding upon the Administration and the Borrower: the Administrative Fee equals (A) the aggregate amount of all scheduled payments of principal of and interest on the Note, multiplied by the Percentage Rate (defined in paragraph (iv) below) then in effect, (B) divided by the total number of scheduled Administrative Fee Payment Dates. For example, if the aggregate amount of all scheduled payments of principal of and interest on the Note were \$5,000,000 and the Percentage Rate were 5%, and the total number of scheduled Administrative Fee Payment Dates were 31, the Administrative Fee to be paid each year would equal:

$$\frac{\$5,000,000 \times .05}{31} = \$8,064.52$$

(iii) In prescribing the Administrative Fee for a loan with a term of less than thirty years for purposes of paragraph (i) above, the Administration shall employ the following formula, it being understood that any determinations as to the application of such formula shall be within the discretion of the Administration and any Administrative Fee Payment prescribed by the Administration in accordance with the foregoing shall be conclusive and binding upon the Administration and the Borrower: The Administrative Fee equals (A) the aggregate amount of all scheduled payments of principal of and interest on the Note, multiplied by the Percentage Rate (defined in paragraph (iv) below) then in effect, (B) divided by 30. For example, if the aggregate amount of all scheduled payments of principal of and interest on the Note were

\$4,000,000 and the Percentage Rate were 5%, the Administrative Fee to be paid each year would equal:

$$\frac{\$4,000,000 \times .05}{30} = \$6,666.67$$

(iv) The Percentage Rate for each Fiscal Year shall be fixed as a uniform rate for all borrowers receiving loans from the Fund in order to provide sufficient revenues to pay the expenses of the Administration, as approved in the operating budget of the State by the General Assembly of the State; provided, however, that in no event shall the Percentage Rate exceed five percent (5%). In each Fiscal Year, the Administration shall review the Percentage Rate then in effect and adjust it for the immediately succeeding Fiscal Year to reflect its approved budget for the immediately succeeding Fiscal Year, a retainage of not more than ten percent (10%) for an operating reserve within the Administration's general account, and other factors as reasonably determined by the Secretary. No later than June 1 following the end of the Session of the General Assembly in each Fiscal Year, the Administration shall notify the Borrower of the newly established Percentage Rate, which shall be the Percentage Rate applicable to the immediately succeeding Fiscal Year, and of any change in the amount of the Administrative Fee payable by the Borrower in such Fiscal Year as a result of the application of such Percentage Rate.

Section 3.05. Sources of Payment.

(a) Dedicated Revenues. In accordance with Section 2.02(f) hereof, the principal of and interest on the Note, and any other amounts due from time to time under this Agreement, shall be payable in the first instance from the dedicated source of revenues described in Exhibit E attached hereto.

(b) General Obligation. In addition, the Note constitutes a general obligation of the Borrower, to the payment of which the full faith and credit and taxing power of the Borrower are pledged.

(c) State Withholding. As further security for the payment of the Note and any other amounts due hereunder, the Borrower hereby pledges the following to the Administration and grants a security interest therein to the Administration: (i) as authorized by Section 9-1606(d) of the Act, the Borrower's share of any and all income tax revenues collected by the State from time to time that would otherwise be payable to the Borrower, and (ii) to the maximum extent permitted by law, any and all other tax revenues, grants, and other monies that the Borrower is or may from time to time be entitled to receive from the State or that may at any time be due from the State, or any department, agency, or instrumentality of the State, to the Borrower. The Borrower further agrees that, upon the occurrence of an Event of Default, among other things, the State Comptroller and the State Treasurer may (i) withhold any such amounts that the Borrower is then or may thereafter be entitled to receive and (ii) at the direction of the Administration, apply the amounts so withheld to the payment of any amounts then due or thereafter becoming due hereunder (including, without limitation, payments under the Note) until the Borrower's obligations hereunder have been fully paid and discharged.

Section 3.06. Unconditional Obligations. The obligations of the Borrower to make payments under the Note as and when due and all other payments required hereunder and to perform and observe the other agreements on its part contained herein shall be absolute and unconditional, and shall not be abated, rebated, set-off, reduced, abrogated, terminated, waived, diminished, postponed or otherwise modified in any manner or to any extent whatsoever, regardless of any contingency, act of God, event or cause whatsoever, including (without limitation) any acts or circumstances that may constitute failure of consideration, eviction or constructive eviction, the taking by eminent domain or destruction of or damage to the Project, commercial frustration of purpose, any change in the laws of the United States of America or of the State or any political subdivision of either or in the rules or regulations of any Governmental Authority, any failure of the Administration, the Department or the State to perform or observe any agreement, whether express or implied, or any duty, liability or obligation arising out of or connected with the Project, this Agreement, or otherwise or any rights of set-off, recoupment, abatement or counterclaim that the Borrower might otherwise have against the Administration, the Department or the State or any other party or parties; provided, however, that payments hereunder shall not constitute a waiver of any such rights.

Section 3.07. Loan Commitment. The Borrower acknowledges and agrees that the monies attributable to the Borrower's Loan Commitment are the property of the Administration and are held by the Administration to provide for advances to be made to the Borrower in accordance with this Agreement. Without limiting the foregoing, the Borrower acknowledges and agrees that monies attributable to the Borrower's Loan Commitment may at the discretion of the Administration be pledged or applied to the payment of Bonds.

Section 3.08. Reduction of Loan Commitment. The Loan Commitment is subject to reduction in accordance with the provisions of this Section 3.08.

(a) Any portion of the Loan Commitment not advanced to the Borrower under Section 3.03 of this Agreement at the later of (1) two years from the date of this Agreement and (2) the earlier of one year following (i) actual completion of construction of the Project or (ii) the estimated completion date specified on Exhibit B attached hereto, shall no longer be available to be advanced to the Borrower and the amount of the Loan Commitment shall be reduced by an amount equal to the portion of the Loan Commitment not advanced, unless otherwise agreed to by the Administration in writing.

(b) The Administration may reduce the amount of the Loan Commitment if the Administration should for any reason determine that it will be unable to fund the full amount of the Loan Commitment (including, without limitation, a determination that the Eligible Project Costs to be paid with proceeds of the Loan are expected to be less than the maximum amount of the Loan Commitment), or if it determines that the Borrower is not proceeding satisfactorily and expeditiously with the Project in accordance with schedules and plans provided to the Administration, or if it determines that the Borrower is no longer able to make the certifications required under Section 3.03 in connection with the submission of requisitions.

(c) Any reduction in the amount of the Loan Commitment shall not affect the obligation of the Borrower to repay the Loan in accordance with the provisions of this Agreement and the Note.

(d) The Administration shall advise the Borrower in writing of any reduction in the amount of the Loan Commitment. Such notice shall specify the reason for and the amount of the reduction. In the event of any such reduction, the Borrower shall repay the Loan in accordance with such revised principal amortization schedule (prepared by applying such amount to reduce the installments of principal due under the Note in inverse order of payment, such that any such reduction is applied first to the last installment of principal due under the Note) as may be prescribed by the Administration in accordance with the provisions of the Note executed in connection therewith. The Administration may require, and the Borrower shall deliver, such certificates, documents, opinions and other evidence as the Administration may deem necessary or advisable in connection with any such reduction in the Loan Commitment. If a new Note is delivered in connection with any such reduction, the Administration shall cancel the Note initially delivered to the Administration by the Borrower pursuant to this Agreement.

Section 3.09. Disclaimer of Warranties. The Administration makes no warranty or representation, either express or implied, as to the value, design, condition, merchantability or fitness for particular purpose or fitness for use of the Project or any portion thereof or any other warranty with respect thereto. In no event shall the Administration be liable for any incidental, indirect, special or consequential damages in connection with or arising out of this Agreement or the Project or the existence, furnishing, functioning or use of the Project or any item or products or services provided for in this Agreement.

Section 3.10. Prepayments. The Loan shall be subject to mandatory prepayment, in whole or in part, as, when and to the extent required by the EPA's State Revolving Fund Program Regulations. Otherwise, the Loan may be prepaid by the Borrower, in whole or in part, only at such times and in such amounts, and upon the payment by the Borrower of such prepayment premium or penalty, as the Director, in his or her discretion, may specify and approve.

Section 3.11. Assignment. Neither this Agreement nor the Note may be assigned by the Borrower for any reason without the prior written consent of the Administration. The Administration may transfer, pledge or assign the Note and any or all rights or interests of the Administration under this Agreement without the prior consent of the Borrower.

ARTICLE IV

EVENTS OF DEFAULT AND REMEDIES

Section 4.01. Events of Default. If any of the following events occur, it is hereby defined as and declared to be and to constitute an "Event of Default":

(a) failure by the Borrower to pay any amount required to be paid hereunder or under the Note when due, which failure shall continue for a period of 20 days;

(b) failure by the Borrower to observe and perform any covenant, condition or agreement on its part to be observed or performed under this Agreement, other than as referred to in paragraph (a) of this Section, which failure shall continue for a period of 30 days after written notice specifying such failure and requesting that it be remedied is given to the Borrower by the Administration, unless the Administration shall agree in writing to an extension of such time prior to its expiration; provided, however, that if the failure stated in such notice is correctable but cannot be corrected within the applicable period, the Administration will not unreasonably withhold its consent to an extension of such time if corrective action is instituted by the Borrower within the applicable period and diligently pursued until the Default is corrected;

(c) if (i) at any time any representation made by the Borrower in Section 2.01(f)(ii) is incorrect, or (ii) any other representation made by or on behalf of the Borrower contained in this Agreement, or in any instrument furnished in compliance with or with reference to this Agreement, the Loan Commitment or the Loan, is false or misleading in any material respect on the date on which such representation is made;

(d) if an order, judgment or decree is entered by a court of competent jurisdiction (i) appointing a receiver, trustee, or liquidator for the Borrower; (ii) granting relief in involuntary proceedings with respect to the Borrower under the federal bankruptcy act, or (iii) assuming custody or control of the Borrower under the provision of any law for the relief of debtors, and the order, judgment or decree is not set aside or stayed within 60 days from the date of entry of the order, judgment or decree; or

(e) if the Borrower (i) admits in writing its inability to pay its debts generally as they become due, (ii) commences voluntary proceedings in bankruptcy or seeking a composition of indebtedness, (iii) makes an assignment for the benefit of its creditors, (iv) consents to the appointment of a receiver, or (v) consents to the assumption of custody or control of the Borrower by any court of competent jurisdiction under any law for the relief of debtors.

Section 4.02. Notice of Default. The Borrower shall give the Administration prompt telephonic notice by contacting the Director of the Administration, followed by prompt written confirmation, of the occurrence of any event referred to in Section 4.01(d) or (e) hereof and of the occurrence of any other event or condition that constitutes a Default or an Event of Default at such time as any senior administrative or financial officer of the Borrower becomes aware of the existence thereof.

Section 4.03. Remedies on Default. Whenever any Event of Default referred to in Section 4.01 hereof shall have happened and be continuing, the Administration shall have the right to take one or more of the following remedial steps:

(a) declare all amounts due hereunder (including, without limitation, payments under the Note) to be immediately due and payable, and upon notice to the Borrower the same shall become immediately due and payable by the Borrower without further notice or demand; and

(b) take whatever other action at law or in equity that may appear necessary or desirable to collect the amounts then due and thereafter to become due hereunder or to enforce the performance and observance of any obligation, agreement or covenant of the Borrower hereunder.

Section 4.04. Attorneys' Fees and Other Expenses. The Borrower shall on demand pay to the Administration the reasonable fees and expenses of attorneys and the Trustee and other reasonable expenses incurred in the collection of any sum due hereunder or in the enforcement of performance of any other obligations of the Borrower upon an Event of Default.

Section 4.05. Application of Monies. Any monies collected by the Administration pursuant to Section 4.03 hereof shall be applied (a) first, to pay any attorneys' fees or other fees and expenses owed by the Borrower pursuant to Section 4.04 hereof, (b) second, to pay interest due on the Loan, (c) third, to pay principal due on the Loan, (d) fourth, to pay any other amounts due hereunder, and (e) fifth, to pay interest and principal on the Loan and other amounts payable hereunder as such amounts become due and payable.

Section 4.06. No Remedy Exclusive; Waiver; Notice. No remedy herein conferred upon or reserved to the Administration is intended to be exclusive and every such remedy shall be cumulative and shall be in addition to every other remedy given under this Agreement or now or hereafter existing at law or in equity. No delay or omission to exercise any right, remedy or power accruing upon any Default or Event of Default shall impair any such right, remedy or power or shall be construed to be a waiver thereof, but any such right, remedy or power may be exercised from time to time and as often as may be deemed expedient. In order to entitle the Administration to exercise any remedy reserved to it in this Article, it shall not be necessary to give any notice, other than such notice as may be required in this Article.

ARTICLE V

MISCELLANEOUS

Section 5.01. Notices. All notices, requests, objections, waivers, rejections, agreements, approvals, disclosures and consents of any kind made pursuant to this Agreement shall be in writing, unless expressly stated otherwise herein. Any such communication shall be sufficiently given and shall be deemed given when hand delivered or mailed by registered or certified mail, postage prepaid, to the Borrower at the address specified on Exhibit B attached hereto and to the Administration at Maryland Water Quality Financing Administration, 1800 Washington Blvd., Baltimore, Maryland 21230-1718, Attention: Director.

Section 5.02. Binding Effect. This Agreement shall inure to the benefit of and shall be binding upon the Administration and the Borrower and their respective successors and assigns.

Section 5.03. Severability. In the event any provision of this Agreement shall be held illegal, invalid or unenforceable by any court of competent jurisdiction, such holding shall not invalidate, render unenforceable or otherwise affect any other provision hereof.

Section 5.04. Execution in Counterparts. This Agreement may be executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

Section 5.05. Applicable Law. This Agreement shall be governed by and construed in accordance with the laws of the State of Maryland.

Section 5.06. Captions. The captions or headings in this Agreement are for convenience only and shall not in any way define, limit or describe the scope or intent of any provisions or sections of this Agreement.

Section 5.07. Further Assurances. The Borrower shall, at the request of the Administration, execute, acknowledge and deliver such further resolutions, conveyances, transfers, assurances, financing statements, certificates and other instruments as may be necessary or desirable for better assuring, conveying, granting, assigning and confirming the rights, security interests and agreements granted or intended to be granted by this Agreement and the Note.

Section 5.08. Entire Agreement. This Agreement constitutes the entire agreement between the parties and supersedes all prior oral and written agreements between the parties hereto with respect to the Loan. In the event of any inconsistency between the provisions of this Agreement and anything contained in the Application, the provisions of this Agreement shall prevail.

Section 5.09. Amendment of this Agreement. This Agreement, or any part hereof, may be amended from time to time hereafter only if and to the extent permitted by the Indenture and only by an instrument in writing jointly executed by the Administration and the Borrower.

Section 5.10. Disclaimer of Relationships. The Borrower acknowledges that the obligation of the Administration is limited to making the Loan in the manner and on the terms set forth in this Agreement. Nothing in this Agreement and no act of either the Administration or of the Borrower shall be deemed or construed by either of them, or by third persons, to create any relationship of third-party beneficiary, principal and agent, limited or general partnership, or joint venture, or of any association or relationship whatsoever involving the Borrower and the Administration.

Section 5.11. Effective Date. The effective date of this Agreement shall be the date of the Administration's execution.

Section 5.12. Term of this Agreement. Unless sooner terminated pursuant to Article IV of this Agreement, or by the mutual consent of the Borrower and the Administration, this Agreement shall continue and remain in full force and effect until the Loan, together with interest and all other sums due and owing in connection with this Agreement or the Loan, have been paid in full to the satisfaction of the Administration. Upon payment in full of the Loan together with interest and all other sums due and owing in connection with this Agreement or the Loan from any source whatsoever, this Agreement shall be terminated.

Section 5.13. Delegation Not to Relieve Obligations. The delegation by the Borrower of the planning, construction or carrying out of the Project shall not relieve the Borrower of any obligations under this Agreement and any other documents executed in connection with the Loan.

Section 5.14. Additional Terms. This Agreement shall also be subject to the additional terms, if any, set forth in Exhibit A hereto. The terms, if any, set forth in Exhibit A shall be deemed to be a part of this Agreement as if set forth in full herein. In the case of any conflict between the terms set forth in Exhibit A and any term of this Agreement, the terms set forth in Exhibit A shall be controlling.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed and delivered as of the day and year first above written.

(SEAL)

LENDER:

WITNESS:

MARYLAND WATER QUALITY FINANCING
ADMINISTRATION

Name:
Title:

By:

Name: Jeffrey Fretwell
Title: Director

(SEAL)

ATTEST:

BORROWER:

Name:
Title:

By:

Name:
Title:

Approved for form and legal sufficiency
this ____ day of _____, 2022

Approved for form and legal sufficiency
this ____ day of _____, 2022

Name:
Local Attorney for Borrower

Name:
Assistant Attorney General

EXHIBIT A
to Loan Agreement

Borrower Name: Mayor and City Council of Cumberland
Address: 57 North Liberty Street
Cumberland, MD 21502
Attention: The Honorable Raymond M. Morriss, Mayor
Project Name: Decatur Street 24" Crosstown Water Main Replacement

CONDITIONS TO INITIAL ADVANCE UNDER SECTION 3.03(b)(vi) OF LOAN AGREEMENT:

NONE

ADDITIONAL TERMS APPLICABLE TO LOAN AGREEMENT:

The provisions of this Exhibit A shall be deemed to be a part of the foregoing Agreement as if set forth in full therein. In the case of any conflict between this Exhibit A and any provision thereof, the provisions of this Exhibit A shall be controlling, notwithstanding any other provisions contained in the Agreement.

1. The first regularly scheduled payment of interest on the Loan shall be due on August 1, 2022.
2. The Borrower agrees to comply with the Davis-Bacon Act requirements of Section 1450(e) of the Safe Drinking Water Act for the entirety of construction contract costs of the Project and shall include specific language regarding compliance in its contracts and subcontracts.
3. The Borrower agrees to comply with the Use of American Iron and Steel requirement of federal law, which provides that all of the iron and steel products used in the Project are produced in the United States, unless a waiver is granted.

EXHIBIT A
to Loan Agreement

Borrower Name: Mayor and City Council of Cumberland
Address: 57 North Liberty Street
Cumberland, MD 21502
Attention: The Honorable Raymond M. Morriss, Mayor
Project Name: Decatur Street 24" Crosstown Water Main Replacement

ADDITIONAL TERMS APPLICABLE TO LOAN AGREEMENT (CONT.):

4. The Borrower agrees to comply with EPA's Final Financial Assistance Conflict of Interest Policy and report any instances of actual or potential conflicts of interest in the award, administration, or monitoring of subawards arising from procurements or other actions. Any conflicts of interest must be immediately disclosed to the Administration within 30 days of discovery for further guidance. The EPA's Final Financial Assistance Conflict of Interest Policy is found at: <https://www.epa.gov/grants/epas-final-financial-assistance-conflict-interest-policy>
5. If this Project is financed with the use of federal funds under CFDA # 66.468, the Borrower may be subject to a single audit to be undertaken by an independent auditor in accordance with uniform administrative requirements, cost principles, and audit requirements for federal awards, 2 C.F.R. § 200.501 (see generally, Subpart F – Audit Requirements of 2 C.F.R. Part 200). The Borrower hereby agrees to obtain such single audit, if required by the Single Audit Act.
6. Borrower agrees to comply with 2 CFR 200.216, which requires that EPA recipients and subrecipients, including borrowers under EPA funded revolving loan fund programs, are prohibited from obligating or expending loan or grant funds to procure or obtain; extend or renew a contract to procure or obtain; or enter into a contract (or extend or renew a contract) to procure or obtain equipment, services, or systems that use covered telecommunications equipment or services as a substantial or essential component of any system, or as critical technology as part of any system. As described in Public Law 115-232, section 889, covered telecommunications equipment is telecommunications equipment produced by Huawei Technologies Company or ZTE Corporation (or any subsidiary or affiliate of such entities).

EXHIBIT B
to Loan Agreement

Borrower Name: Mayor and City Council of Cumberland
Address: 57 North Liberty Street
Cumberland, MD 21502
Attention: The Honorable Raymond M. Morriss, Mayor
Project Name: Decatur Street 24" Crosstown Water Main Replacement

DESCRIPTION OF THE LOAN

- (1) Project Name(s): Decatur Street 24" Crosstown Water Main Replacement
- (2) Maximum Principal Amount of Loan Commitment: \$ 1,549,998.00
- (3) Rate of Interest: 0.30 % (Based upon 25 % of the December 2021 average of the Bond Buyer 11-Bond Index)
- (4) Amortization Schedule:
 - (a) 39 years
\$1,000 Mini Principal Payment Date: N/A
Date of First of 39 Amortizing Principal Payments: February 1, 2023
 - (b) Level Principal ; or
Level Debt Service X ; or
Other
- (5) Annual Administrative Fee: \$ 2,107.53, beginning August 1, 2022.
- (6) Estimated Completion Date of Project(s): August 2022
- (7) Default Rate: 1.58 % (Based upon the December 2021 average of the Bond Buyer 11-Bond Index)
- (8) Description of Project: The proposed project involves the replacement of aging water lines along Decatur and Davidson Streets, and other locations within the City of Cumberland. The City's antiquated water distribution system has had numerous breaks and leaks and is in need of replacement. The proposed improvements will provide residents with safe and adequate drinking water, including fire protection. This project will be constructed in accordance with coastal and non-coastal resiliency guidelines developed as part of the Coast Smart Program to reduce climate change risks to such projects.

EXHIBIT B
to Loan Agreement

Borrower Name: Mayor and City Council of Cumberland
Address: 57 North Liberty Street
Cumberland, MD 21502
Attention: The Honorable Raymond M. Morriss, Mayor
Project Name: Decatur Street 24" Crosstown Water Main Replacement

DESCRIPTION OF THE LOAN (Continued)

- (9) Address for Borrower's Office(s) Where Books and Records Are Kept, if different from address printed above: 20 Bedford Street, Cumberland, MD 21502-2312

EXHIBIT C
to Loan Agreement

Borrower Name: Mayor and City Council of Cumberland
Address: 57 North Liberty Street
Cumberland, MD 21502
Attention: The Honorable Raymond M. Morriss, Mayor
Project Name: Decatur Street 24" Crosstown Water Main Replacement

PROJECT BUDGET

Breakdown of Eligible Project Costs:

A. Portion of Eligible Project Costs to be directly financed:

<u>Description</u>	<u>Allocated Amount of Loan*</u>
Eligible Project Costs include administrative and legal expenses, planning/design engineering fees, construction costs, construction phase engineering/inspection fees and contingencies	
Subtotal Loan:	<u>\$ 1,416,971.00</u>

B. Portion of Eligible Project Costs for which Borrower will be reimbursed at closing, which the Borrower hereby certifies were paid or incurred prior to the date of the Agreement, in anticipation of being reimbursed through a loan from the Administration (and subject to compliance with Sections 2.02(l) and 3.03(a) of the Agreement):

<u>Description</u>	<u>Allocated Amount of Loan</u>
Eligible Project Costs include administrative and legal expenses, planning/design engineering fees, construction costs, construction phase engineering/inspection fees and contingencies	
Total Reimbursement at Closing:	<u>\$ 133,027.00</u>
Total Loan:	<u>\$ 1,549,998.00</u>

EXHIBIT C
to Loan Agreement

Borrower Name: Mayor and City Council of Cumberland
Address: 57 North Liberty Street
Cumberland, MD 21502
Attention: The Honorable Raymond M. Morriss, Mayor
Project Name: Decatur Street 24" Crosstown Water Main Replacement

PROJECT BUDGET (Continued)

C. Construction Cash Draw Schedule*

<u>Federal Quarter</u>	<u>Cash Disbursements*</u>
FFY 22 Q2 (Jan 22 – Mar 22)	\$ 750,001.00
FFY 22 Q3 (Apr 22 – June 22)	\$ 412,498.00
FFY 22 Q4 (Jul 22 – Sep 22)	\$ 387,499.00
FFY 23 Q1 (Oct 22 – Dec 22)	
FFY 23 Q2 (Jan 23 – Mar 23)	
FFY 23 Q3 (Apr 23 – June 23)	
Total Disbursements:	<u>\$ 1,549,998.00</u>

* SUBJECT TO CHANGE WITH CONSENT OF THE ADMINISTRATION IN ITS DISCRETION UNDER SECTION 2.02(d) OF THIS AGREEMENT

OPINION OF BORROWER'S COUNSEL

[LETTERHEAD OF COUNSEL TO BORROWER]

[CLOSING DATE]

Maryland Water Quality
Financing Administration
1800 Washington Blvd.
Baltimore, Maryland 21230-1718

Ladies and Gentlemen:

We are counsel to [NAME OF BORROWER], a [body politic and corporate and a political subdivision] [municipal corporation] [other appropriate description] of the State of Maryland (the "Borrower") in connection with the loan (the "Loan") by Maryland Water Quality Financing Administration (the "Administration") to the Borrower of funds to finance all or a portion of the costs of a project (the "Project") described in Exhibit B to the Drinking Water Loan Agreement dated as of _____, 2022 (the "Agreement") by and between the Administration and the Borrower.

In this connection, we have reviewed such records, certificates, and other documents as we have considered necessary or appropriate for the purposes of this opinion, including, without limitation, the Agreement and the Borrower's \$ _____ Drinking Water Bond, Series 2022, dated _____, 2022 (the "Note"). The Agreement and the Note are referred to herein collectively as the "Loan Documents". Based on such review, and such other considerations of law and fact as we believe to be relevant, we are of the opinion that:

(a) The Borrower is a validly created and existing [body politic and corporate and a political subdivision] [municipal corporation] [other appropriate description] of the State of Maryland, possessing authority to acquire, construct and operate the Project and to enter into the Loan Documents and perform its obligations thereunder.

(b) The Borrower has duly authorized, executed and delivered the Loan Documents and, assuming due authorization, execution and delivery of the Agreement by the Administration, the Loan Documents constitute legal, valid and binding obligations of the Borrower enforceable in accordance with their respective terms.

(c) The Note is a general obligation of the Borrower to which its full faith and credit is pledged payable, if and to the extent not paid from other sources as described in the Agreement, from ad valorem taxes, unlimited as to rate and amount, which the Borrower is empowered to levy on all real and tangible personal property within its corporate limits subject to assessment for unlimited taxation by the Borrower.

(d) The Loan Documents and the enforceability thereof are subject to bankruptcy, insolvency, moratorium, reorganization and other state and federal laws affecting the enforcement of creditors' rights and to general principles of equity.

(e) To the best of our knowledge after reasonable investigation, the Borrower has all necessary licenses, approvals and permits required to date under federal, state and local law to own, construct and acquire the Project.

(f) Neither the execution and delivery of the Loan Documents, nor the consummation of the transactions contemplated thereby, nor the acquisition and construction of the Project, nor the fulfillment of or compliance with the terms and conditions of the Loan Documents, conflicts with or results in a breach of or default under any of the terms, conditions or provisions of the charter or laws governing the Borrower (including any limit on indebtedness) or, to the best of our knowledge after reasonable investigation, any agreement, contract or other instrument, or law, ordinance, regulation, or judicial or other governmental order, to which the Borrower is now a party or by which the Borrower or its properties are otherwise subject or bound, and the Borrower is not otherwise in violation of any of the foregoing in a manner material to the transactions contemplated by the Loan Documents.

(g) To the best of our knowledge after reasonable investigation, there is no action, suit, proceeding or investigation, at law or in equity, before or by any court, governmental agency or public board or body pending or threatened against or affecting the Borrower that, if adversely determined, would materially affect the ability of the Borrower to perform its obligations under the Loan Documents, which has not been disclosed in writing to the Administration.

We hereby authorize Bond Counsel to the Administration to rely on this opinion as if we had addressed this opinion to them in addition to you.

Very truly yours,

EXHIBIT E
to Loan Agreement

Borrower Name: Mayor and City Council of Cumberland
Address: 57 North Liberty Street
Cumberland, MD 21502
Attention: The Honorable Raymond M. Morriss, Mayor
Project Name: Decatur Street 24" Crosstown Water Main Replacement

DESCRIPTION OF DEDICATED REVENUES*

Water user charges, including any and all fees for use of the public water system or connection to it.

* The identification of the dedicated source or sources of revenues above is intended to specify a source or sources of revenues available in sufficient amount to provide for the payment of the costs of operating and maintaining the Project as well as the payment of the costs of debt service of any borrowing incurred to finance the Project. The specification of a dedicated source or sources of revenues above is not intended to constitute an undertaking by the Borrower to pledge, segregate or otherwise set aside any specific funds of the Borrower with the expectation that such funds would be used to pay the debt service on the Loan.

\$(MAX. AMT.)

R-1

REGISTERED

UNITED STATES OF AMERICA
STATE OF MARYLAND

[NAME OF BORROWER]
DRINKING WATER BOND, SERIES 2022
Dated _____, 2022

PAYMENTS OF PRINCIPAL AND INTEREST ON THIS BOND ARE MADE BY CHECK, DRAFT OR ELECTRONIC FUNDS TRANSFER TO THE REGISTERED OWNER AND IT CANNOT BE DETERMINED FROM THE FACE OF THIS BOND WHETHER ALL OR ANY PART OF THE PRINCIPAL OF OR INTEREST ON THIS BOND HAS BEEN PAID.

REGISTERED OWNER: Maryland Water Quality Financing
Administration

_____, a [body politic and corporate] [municipal corporation] [other appropriate description] of the State of Maryland (the "Borrower"), hereby acknowledges itself obligated to pay to the Registered Owner shown above, the principal amount of \$_____ (the "Maximum Principal Amount") or so much thereof as shall have been advanced from time to time under the terms of the Drinking Water Loan Agreement dated as of _____, 2022 (the "Loan Agreement") by and between the Borrower and the Maryland Water Quality Financing Administration (the "Administration"), plus interest on the unpaid principal advanced under the terms of the Loan Agreement at the rate of _____ per centum (___%) per annum.

The principal advanced under the Loan Agreement shall be paid in installments on the dates and in the amounts as set forth in the following schedule, as such schedule may be amended in accordance with the terms hereof:

Due
[February 1]

Principal
Amount

Due
[February 1]

Principal
Amount

If the Administration determines at any time to reduce the maximum amount of the Loan Commitment (as defined in the Loan Agreement) in accordance with Section 3.08 of the Loan Agreement, the Maximum Principal Amount shall be reduced accordingly and the Maximum Principal Amount as so reduced shall be amortized in accordance with Section 3.08 of the Loan Agreement. The Administration shall deliver, and the Borrower shall acknowledge in writing, a certificate setting forth such reamortized payment schedule, which shall be attached hereto and shall replace and supersede for all purposes the foregoing payment schedule. Any such reduction shall not affect the obligation of the Borrower to pay the principal of and interest on this bond as and when the same shall become due.

Notwithstanding the foregoing, all outstanding unpaid principal amounts advanced under the Loan Agreement, if not previously due hereunder, shall be due on that date which is the earliest to occur of the following: (i) the date that is [40] years after the date of issuance of this bond (_____), (ii) the last day of the design life of the Project, as determined by the Administration in its sole and absolute discretion, or (iii) [40] years after the date of completion of the Project (as defined in the Loan Agreement), as certified by the Borrower to the Administration pursuant to Section 2.02(d) of the Loan Agreement.

Interest due on the unpaid principal amounts advanced under the Loan Agreement shall accrue on the basis of a 30-day month, 360-day year from the date of the respective advances of such principal amount, and shall be paid on _____, 20__, and semiannually thereafter on the 1st day of _____ and _____ in each year until the principal amount hereof has been paid.

This bond is subject to (i) a late charge for any payment of principal or interest that is received later than the tenth day following its due date and (ii) interest on overdue installments of principal and (to the extent permitted by law) interest at a rate equal to the Default Rate (as defined in the Loan Agreement) in accordance with Section 3.04(b) of the Loan Agreement. Interest at the Default Rate shall accrue on the basis of a 30-day month, 360-day year.

This bond is subject to prepayment only in accordance with Section 3.10 of the Loan Agreement.

Both the principal of and interest on this bond will be paid to the registered owner in lawful money of the United States of America, at the time of payment, and will be paid by electronic funds transfer, or by check or draft mailed (by depositing such check or draft, correctly addressed and postage prepaid, in the United States mail before the payment date) to the registered owner at such address as the registered owner may designate from time to time by a notice in writing delivered to the [INSERT BORROWER'S AUTHORIZED OFFICER].

This bond is issued pursuant to and in full conformity with the provisions of [INSERT BORROWER'S LOCAL ACT(S)] and the Maryland Water Quality Financing Administration Act (codified as Sections 9-1601 to 9-1622, inclusive, of the Environment Article of the Annotated Code of Maryland, as amended), and by virtue of due proceedings had and taken by the Borrower, particularly [AN ORDINANCE AND OR A RESOLUTION] (numbered ___) [INSERT BORROWER'S AUTHORIZING ORDINANCE OR RESOLUTION] (collectively, the "Resolution") adopted by Borrower.

This bond, together with the Loan Agreement, evidences the Loan (as defined in the Loan Agreement) to the Borrower from the Maryland Water Quality Financing Administration. In accordance with the Loan Agreement, the principal amount of the Loan, being the amount denominated as principal under this bond, is subject to reduction or adjustment by the Administration in accordance with the Loan Agreement.

The full faith and credit and unlimited taxing power of the Borrower are hereby irrevocably pledged to the prompt payment of the principal of and interest on this bond according to its terms, and the Borrower does hereby covenant and agree to pay the principal of and interest on this bond at the dates and in the manner prescribed herein.

This bond is transferable only after the first principal payment date as set forth above or the date upon which the Maximum Principal Amount has been borrowed, whichever is earlier, upon the books of the Borrower at the office of the [INSERT BORROWER'S AUTHORIZED OFFICERS] by the registered owner hereof in person or by his attorney duly authorized in writing, upon surrender hereof, together with a written instrument of transfer satisfactory to the [INSERT BORROWER'S AUTHORIZED OFFICER], duly executed by the registered owner or his duly authorized attorney. The Borrower shall, within a reasonable time, issue in the name of the transferee a new registered bond or bonds, in such denominations as the Borrower shall by resolution approve, in an aggregate principal amount equal to the unpaid principal amount of the bond or bonds surrendered and with the same maturities and interest rate. If more than one bond is issued upon any such transfer, the installment of principal and interest to be paid on each such bond on each payment date shall be equal to the product of the following formula: the total installment due on each payment date multiplied by a fraction, the numerator of which shall be the principal amount of such bond and the denominator of which shall be the aggregate principal amount of bonds then outstanding and unpaid. The new bond or bonds shall be delivered to the transferee only after payment of any taxes on and any shipping or insurance expenses relating to such transfer. The Borrower may deem and treat the party in whose name this bond is registered as the absolute owner hereof for the purpose of receiving payment of or on account of the principal hereof and interest due hereon and for all other purposes.

It is hereby certified and recited that all conditions, acts and things required by the Constitution or statutes of the State of Maryland and the Resolution to exist, to have happened or to have been performed precedent to or in the issuance of this bond, exist, have happened and have been performed, and that the issuance of this bond, together with all other indebtedness of the Borrower, is within every debt and other limit prescribed by said Constitution or statutes.

IN WITNESS WHEREOF, this bond has been executed by the manual signature of the [INSERT AUTHORIZED OFFICERS] and the seal of the Borrower has been affixed hereto, attested by the manual signature of the [INSERT AUTHORIZED OFFICER], all as of the __ day of _____, 2022.

(SEAL)

ATTEST:

[NAME OF BORROWER]

[AUTHORIZED OFFICER]

By: _____
[AUTHORIZED OFFICER]

EXHIBIT B

SUBSTANTIALLY FINAL FORM OF THE SERIES 2022B LOAN AGREEMENT

[See Attached]

DRINKING WATER LOAN AGREEMENT

By and Between

**MARYLAND WATER QUALITY
FINANCING ADMINISTRATION**

and

MAYOR AND CITY COUNCIL OF CUMBERLAND

Dated as of January 27, 2022

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LOAN AGREEMENT

THIS LOAN AGREEMENT, made this 27th day of January, 2022, between the Maryland Water Quality Financing Administration (the "Administration"), a unit of the Department of the Environment (the "Department") of the State of Maryland (the "State"), and MAYOR AND CITY COUNCIL OF CUMBERLAND, a municipal corporation of the State (the "Borrower").

RECITALS

The federal Safe Drinking Water Act ("SDWA"), as amended, authorizes the Environmental Protection Agency ("EPA") to award grants to qualifying States to establish and capitalize State drinking water treatment revolving loan funds ("SRFs") for the purpose of providing loans and certain other forms of financial assistance (but not grants) to finance, among other things, the construction and improvement of publicly-owned and privately-owned water supply systems.

As contemplated by the SDWA, the General Assembly of the State has amended the Maryland Water Quality Financing Administration Act, codified at Sections 9-1601 through 9-1622 of the Environment Article of the Annotated Code of Maryland, as amended (the "Act"), establishing an SRF designated the Maryland Drinking Water Revolving Loan Fund (the "Fund") to be maintained and administered by the Administration. The Act authorizes the Administration, among other things, to make a loan from the Fund to a "local government" (as defined in the Act) for the purpose of financing all or a portion of the cost of a "water supply system" project (as defined in the Act).

The Borrower, which is a "local government" within the meaning of the Act, has applied to the Administration for a loan from the Fund to assist in the financing of a certain project or projects of the Borrower (the "Project," as defined herein) which constitutes a "water supply system" within the meaning of the Act. The Project is one designated for funding in an Intended Use Plan promulgated by the Administration in accordance with regulations issued by the EPA pursuant to the SDWA, and the Project conforms to the applicable "county plan" adopted pursuant to the requirements of Subtitle 5 of Title 9 of the Environment Article of the Annotated Code of Maryland, as amended.

The Director of the Administration has determined that the making of a loan to the Borrower for the purpose of assisting the financing of the Project, on the terms and conditions hereinafter set forth, is necessary and desirable in the public interest, will promote the health, safety and welfare of the inhabitants of the State and the United States by assisting in ensuring that public drinking water remains safe, adequate and affordable, and will further the purposes of the SDWA and the Act.

NOW THEREFORE, in consideration of the mutual promises and covenants hereinafter set forth and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Borrower and the Administration, each intending to be legally bound, hereby agree as follows:

ARTICLE I

DEFINITIONS

Section 1.01. Definitions. Unless specifically provided otherwise or the context otherwise requires, when used in this Agreement:

“Act” means the Maryland Water Quality Financing Administration Act, Sections 9-1601 through 9-1622 of the Environment Article, Annotated Code of Maryland, and all acts supplemental thereto or amendatory thereof.

“Administration” means the Maryland Water Quality Financing Administration, a unit of the Department of the Environment of the State, and its successors and assigns.

“Administrative Fee” means the fee payable by the Borrower pursuant to this Agreement for the general administrative services and other functions and expenses of the Administration.

“Agreement” means this Loan Agreement, including the Exhibits attached hereto and any amendments hereto.

“Application” means the application for the Loan submitted by the Borrower to the Administration, together with any amendments thereto.

“Authorized Officer” means, in the case of the Borrower, any person authorized by law or by a resolution of the governing body of the Borrower to perform any act or execute any document on behalf of the Borrower.

“Board” means the Board of Public Works of the State.

“Bonds” means any series of revenue bonds issued by the Administration under the Act.

“Borrower” means the local government, individual or entity that is identified in the first paragraph of this Agreement, and its successors and assigns.

“Business Day” means a day other than a Saturday, Sunday, or day on which the offices of the Administration or commercial banks in the State are authorized or obligated to remain closed.

“Change Orders” means any amendments or modifications to any Plans and Specifications or any general construction contract for the Project.

“Default” means an event or condition the occurrence of which would, with the lapse of time or the giving of notice or both, constitute an Event of Default.

“Default Rate” means the interest rate so specified in Exhibit B of this Agreement.

“Department” means the Maryland Department of the Environment, and its successors.

“Director” means the Director of the Administration.

“Eligible Project Costs” means all those costs of the Project permitted by the Act to be funded by a loan from the Fund and which have been approved by the Director.

“EPA” means the United States Environmental Protection Agency, and its successors.

“Event of Default” means any occurrence or event specified in Section 4.01 hereof.

“Fiscal Year” means the period of 12 consecutive months commencing on July 1 in any calendar year and ending on June 30 of the succeeding calendar year.

“Fund” means the Maryland Drinking Water Revolving Loan Fund.

“Governmental Authority” means the United States, the State of Maryland, or any of their political subdivisions, agencies, departments, commissions, boards, bureaus or instrumentalities, including any local authority having jurisdiction over the Project, and including EPA, the Department, the Board and the Administration.

“Independent Counsel” means any attorney or law firm with attorneys duly admitted to practice law before the highest court of any state who has or have regularly engaged in the practice of law as the primary occupation of such attorney or attorneys for at least five years. Independent Counsel may also serve as bond counsel if qualified to act as bond counsel.

“Independent Public Accountant” means an individual, partnership or corporation engaged in the accounting profession, either entitled to practice, or having members or officers entitled to practice, as a certified public accountant under the laws of the State of Maryland and, in fact, independent.

“Loan” means the aggregate amounts which are advanced from time to time by the Administration to the Borrower pursuant to the terms and provisions of this Agreement.

“Loan Closing Date” means the date on which the Note is executed and delivered to the Administration.

“Loan Commitment” means that amount which the Administration is obligated to lend to the Borrower pursuant to the terms and provisions of this Agreement and subject to the satisfaction of the conditions set forth in this Agreement, as such amount may be adjusted as provided in this Agreement.

“Loan Year” means the period beginning on the first February 1 on which principal of the Loan is payable and each February 1 thereafter and ending on the immediately succeeding January 31.

“Note” means the bond, note or other obligation executed and delivered by the Borrower to the Administration to evidence the Loan, such Note to be substantially in the form attached hereto as Exhibit F.

“Plans and Specifications” means the final plans and specifications for the construction of the Project prepared by the architect or engineer and approved by the Department.

“Project” means the project or projects of the Borrower described in Exhibit B to this Agreement.

“Project Budget” means the budget for the Project as set forth in Exhibit C to this Agreement, as revised in accordance with Section 2.02(d).

“Related Financing” means any bond, note, agreement or other instrument or transaction (other than this Agreement or the Note) pursuant to which the Borrower obtains any monies that may be expended to pay costs of the Project.

“Requirement” means any law, ordinance, code, order, rule or regulation of a Governmental Authority, including, without limitation, the State primary drinking water regulations or a condition in a construction permit issued by the Department.

“Safe Drinking Water Act” means Title XIV of the Public Health Service Act, P.L. 93-523, as amended, 42 U.S.C. § 300f, et seq., and the rules and regulations promulgated thereunder.

“State” means the State of Maryland.

“Trustee” means the trustee for the Bonds.

Section 1.02. Rules of Construction. Unless the context clearly indicates to the contrary, the following rules shall apply to the construction of this Agreement:

(a) words importing the singular number include the plural number and words importing the plural number include the singular number;

(b) words of the masculine gender include correlative words of the feminine and neuter genders;

(c) words importing persons include any individual, corporation, partnership, joint venture, association, joint stock company, trust, unincorporated organization or government or agency or political subdivision thereof;

(d) the terms “agree” and “agreement” shall include and mean “covenant”, and all agreements contained in this Agreement are intended to constitute covenants and shall be enforceable as such;

(e) the headings and the Table of Contents set forth in this Agreement are solely for convenience of reference and shall not constitute a part of this Agreement or affect its meaning, construction or effect; and

(f) any reference to a particular Article or Section shall be to such Article or Section of this Agreement unless the context shall otherwise require.

ARTICLE II

REPRESENTATIONS AND COVENANTS OF BORROWER

Section 2.01. Representations of Borrower. The Borrower represents for the benefit of the Administration as follows:

(a) Corporate Organization and Authority. The Borrower:

(i) is a “local government” as defined in the Act; and

(ii) has all requisite power and authority and all necessary licenses and permits required as of the date hereof to own and operate the Project, to enter into this Agreement, to execute and deliver the Note, and to carry out and consummate all transactions contemplated by this Agreement.

(b) Full Disclosure. There is no fact that the Borrower has not disclosed to the Administration in writing that materially adversely affects or (so far as the Borrower can now foresee) that will materially adversely affect the properties, activities, prospects or condition (financial or other) of the Borrower or the ability of the Borrower to make all payments due hereunder and otherwise perform its obligations under this Agreement and the Note.

(c) Pending Litigation. There are no proceedings pending, or to the knowledge of the Borrower threatened, against or affecting the Borrower in any court or before any Governmental Authority or arbitration board or tribunal that, if adversely determined, would materially adversely affect the properties, activities, prospects or condition (financial or other) of the Borrower, or the ability of the Borrower to make all payments due hereunder and otherwise perform its obligations under this Agreement and the Note, and that have not been disclosed in writing to the Administration in the Application or otherwise.

(d) Borrowing Legal and Authorized. The consummation of the transactions provided for in this Agreement and the Note and compliance by the Borrower with the provisions of this Agreement and the Note:

(i) are within its powers and have been duly authorized by all necessary action on the part of the governing body of the Borrower; and

(ii) will not result in any breach of any of the terms, conditions or provisions of, or constitute a default under, or result in the creation or imposition of any lien, charge or encumbrances upon any property or assets of the Borrower pursuant to, any indenture, loan agreement or other instrument (other than this Agreement and the Note) to which the Borrower is a party or by which the Borrower may be bound, nor will such action result in any violation of the provisions of laws, ordinances, governmental rules, regulations or court orders to which the Borrower or its properties or operations is subject.

(e) No Defaults. No event has occurred and no condition exists that, upon execution of this Agreement and the Note or receipt of the Loan, would constitute a Default hereunder. The Borrower is not in violation, and has not received notice of any claimed violation, of any term of any agreement or other instrument to which it is a party or by which it or its property may be bound, which violation would materially adversely affect the properties, activities, prospects or condition (financial or other) of the Borrower or the ability of the Borrower to make all payments due hereunder and otherwise perform its obligations under this Agreement and the Note, and that have not been disclosed in writing to the Administration in the Application or otherwise.

(f) Governmental Consent; Project Consistency.

(i) The Borrower has obtained all permits and approvals required to date by any Governmental Authority for the making and performance by the Borrower of its obligations under this Agreement and the Note or for the Project and the financing thereof. No consent, approval or authorization of, or filing, registration or qualification with, any Governmental Authority that has not been obtained is required on the part of the Borrower as a condition to the execution and delivery of this Agreement and the Note or the consummation of any transaction herein contemplated.

(ii) The Project is consistent with (A) the local plan of the Borrower as contemplated under Section 5-7A-02 of the State Finance and Procurement Article of the Annotated Code of Maryland, as amended; (B) the State Economic Growth, Resource Protection, and Planning Policy established in Section 5-7A-01 of the State Finance and Procurement Article of the Annotated Code of Maryland, as amended; and (C) all applicable provisions of *Subtitle 7B, "Priority Funding Areas,"* of Title 5 of the State Finance and Procurement Article of the Annotated Code of Maryland, as amended.

(g) No Conflicts. No member, officer, or employee of the Borrower, or its designees, or agents, no consultant, no member of the governing body of the Borrower or of any Governmental Authority, who exercises or has exercised any authority over the Project during such person's tenure, shall have any interest, direct or indirect, in any contract or subcontract, or its proceeds, in any activity, or in any benefit therefrom, which is part of the Project.

(h) Use of Proceeds. The Borrower will apply the proceeds of the Loan from the Administration as described in Exhibit B attached hereto and made a part hereof (i) to finance all or a portion of the Eligible Project Costs; and (ii) to reimburse the Borrower for all or a portion of the Eligible Project Costs paid or incurred prior to the date hereof in anticipation of reimbursement by the Administration. Except as provided in Sections 3.01 and 3.03(c) of this Agreement, before each and every advance of the proceeds of the Loan to the Borrower, the Borrower shall submit to the Administration a requisition meeting the requirements of Section 3.03 of this Agreement.

(i) Loan Closing Submissions. On or before the Loan Closing Date, the Borrower will cause to be delivered to the Administration each of the following items:

(i) an opinion of Independent Counsel, acceptable to the Administration, dated as of the Loan Closing Date, substantially in the form set forth in Exhibit D to this Agreement;

(ii) fully executed counterparts of this Agreement and the Note;

(iii) copies of the ordinance, resolution or other official action of the governing body of the Borrower authorizing the execution and delivery of this Agreement and the Note, certified by an appropriate officer of the Borrower;

(iv) a certificate, dated as of the Loan Closing Date, signed by an Authorized Officer of the Borrower and in form satisfactory to the Administration, confirming the Borrower's obligations under and representations in the Loan Agreement as of such date; and

(v) such other certificates, documents, opinions and information as the Administration may require.

Section 2.02. Particular Covenants of the Borrower.

(a) Maintenance of Project; Insurance. The Borrower shall (i) keep, operate and maintain, or cause to be kept, operated and maintained, the Project in good working order, condition and repair; (ii) make or cause to be made all needed and proper replacements to the Project so that the Project will at all times be in good operating condition, fit and proper for the purposes for which it was originally erected or installed; (iii) not permit any waste of the Project; (iv) observe and comply with, or cause to be observed and complied with, all Requirements; and (v) operate, or cause to be operated, the Project in the manner in which similar projects are operated by persons operating a first-class facility of a similar nature. The Borrower shall maintain or cause

to be maintained at its sole cost and expense insurance with respect to the Project, both during its construction and thereafter, against such casualties and contingencies and in such amounts as are customarily maintained by governmental entities similarly situated and as are consistent with sound governmental practice.

(b) Sale or Disposition of Project. The Borrower reasonably expects that no portion of the Project will be sold prior to the final maturity date of the Loan. In the event that the Borrower shall sell or otherwise dispose of any portion of the Project prior to the final maturity date of the Loan, the Borrower shall apply the net proceeds thereof to the prepayment of the Loan or as the Administration shall otherwise direct unless the Borrower shall have obtained the prior written consent of the Administration to some other proposed application of such net proceeds.

(c) Inspections; Information. The Borrower shall permit the Administration or its designee to examine, visit and inspect, at any and all reasonable times (including, without limitation, any time during which the Project is under construction or in operation), the property constituting the Project, to attend all construction progress meetings relating to the Project and to inspect and make copies of any accounts, books and records, including (without limitation) its records regarding receipts, disbursements, contracts, investments and any other matters relating to the Project and the financing thereof, and shall supply such reports and information as the Administration may reasonably require in connection therewith. Without limiting the generality of the foregoing, the Borrower shall keep and maintain any books, records, and other documents that may be required under applicable federal and State statutes, regulations, guidelines, rules and procedures now or hereafter applicable to loans made by the Administration from the Fund, and as may be reasonably necessary to reflect and disclose fully the amount and disposition of the Loan, the total cost of the activities paid for, in whole or in part, with the proceeds of the Loan, and the amount and nature of all investments related to such activities which are supplied or to be supplied by other sources. All such books, records and other documents shall be maintained at the offices of the Borrower, as specified on Exhibit B attached hereto, for inspection, copying, audit and examination at all reasonable times by any duly authorized representative of the Administration. All such books, records and other documents shall be maintained until the completion of an audit of the Project by the EPA or notification from the State or the EPA that no audit is required.

(d) Completion of the Project; Payment of Excess Costs of the Project. The Borrower shall proceed diligently to complete the Project in accordance with the Plans and Specifications, the State primary drinking water regulations and with any requirements set forth in the construction and other required permits. The Borrower shall satisfy all applicable Requirements for operation of the Project by the completion of the Project, and shall commence operation of the Project promptly upon its completion. No substantial changes may be made to the Plans and Specifications, the general construction contract or the Project Budget, or in the construction of the Project without the prior written approval of the Administration in its discretion. The Borrower shall pay any amount required for the acquisition, construction and equipping of the Project in excess of the amount available to be loaned to the Borrower hereunder. Upon the completion of the Project, the Borrower shall deliver to the Administration

a certificate of the Borrower certifying that the Project was completed as of the date set forth in such certificate.

(e) Cancellation of Loan. As provided by Section 9-1606(e) of the Act, the Borrower, unless it is a “disadvantaged community” pursuant to the SDWA, acknowledges and agrees that its obligation to make the payments due hereunder and under the Note is cancelable only upon repayment in full of the Loan, and that neither the Administration, the Secretary of the Department, nor the Board is authorized to forgive the repayment of all or any portion of the Loan, except for loans made in accordance with Section 9-1605.1(d)(10) of the Act.

(f) Dedicated Source of Revenue. Pursuant to the SDWA, the Borrower has established one or more dedicated sources of revenue for repayment of the Loan, as described in Exhibit E attached hereto as a part hereof.

(g) Indemnification. To the extent permitted by law, the Borrower releases the Administration, the Fund, the Department, the Board and the State from, agrees that the Administration, the Fund, the Department, the Board and the State shall not have any liability for, and agrees to protect, indemnify and save harmless the Administration, the Fund, the Department, the Board and the State from and against, any and all liabilities, suits, actions, claims, demands, losses, expenses and costs of every kind and nature incurred by, or asserted or imposed against, the Administration, the Fund, the Department, the Board or the State, as a result of or in connection with the Project or the financing thereof. To the extent permitted by law, all money expended by the Administration, the Fund, the Department, the Board or the State as a result of such liabilities, suits, actions, claims, demands, losses, expenses or costs, together with interest at the rate provided in the Note from the date of such payment, shall constitute an additional indebtedness of the Borrower and shall be immediately and without notice due and payable by the Borrower to the Administration.

(h) Non-discrimination. The Borrower certifies that it does not discriminate, and covenants that it shall not discriminate, on the basis of (1) political or religious opinion or affiliation, marital status, race, color, creed or national origin, or (2) sex or age, except where sex or age constitutes a bona fide occupational qualification, or (3) the physical or mental handicap of a qualified handicapped individual. At such times as the Administration requests, the Borrower shall submit to the Administration information relating to the Borrower’s operations, with regard to political or religious opinion or affiliation, marital status, physical or mental handicap, race, color, creed, sex, age, or national origin, on a form to be prescribed by the Administration.

(i) Compliance with Requirements. The Borrower acknowledges that the Loan and this Agreement are subject to, and the Borrower agrees to comply with, all Requirements applicable to the Project and the financing thereof, including (without limiting the generality of the foregoing) the SDWA, the Act, and all other applicable State and federal statutes and such rules, regulations, orders and procedural guidelines as may be promulgated from time to time by the EPA, the Board, the Department, the Administration, or other Governmental Authority.

(j) Annual Audit. Within nine (9) months of the end of each Fiscal Year (unless such period is changed to comply with terms of the Administration's financings, or a Requirement, in which case the Administration shall notify the Borrower in writing), the Borrower shall cause financial statements of the Borrower to be prepared with respect to such Fiscal Year in accordance with generally accepted accounting principles, applicable to governmental units, consistently applied, which financial statements shall be audited by, and accompanied by a report of, an Independent Public Accountant. Such financial statements and report shall be delivered upon completion to the Administration within the nine (9) month period or within thirty (30) days from receipt of a report from the auditor, whichever period is shorter.

(k) Additional Disclosure Information. The Borrower agrees to provide the Administration with such information regarding the Borrower and its finances as the Administration may from time to time request. The Borrower further acknowledges that the Administration may issue one or more series of bonds pursuant to one or more bond indentures, and that any or all of such bonds may be secured in part by repayments of the Borrower with respect to the Loan. The Borrower accordingly agrees to provide to the Administration such information regarding the Borrower and its finances as the Administration may from time to time request for inclusion in the official statements or other offering documents to be distributed in connection with the sale of any such bonds or any annual disclosure document or other informational document prepared from time to time by the Administration to be made available to prospective purchasers or holders of any of such bonds. The Borrower shall also furnish to the Administration at its request a certificate of an Authorized Officer of the Borrower to the effect that any information so provided or included contains no material inaccuracy or omission in light of the purposes for which such information is provided or included. The Borrower agrees to notify the Administration promptly in writing of (a) any changes in the condition or affairs of the Borrower (financial or other) that would cause any information regarding the Borrower so provided or included in an official statement or any subsequent offering document, annual disclosure document or other informational document of the Administration that the Borrower has had an opportunity to review and certify as to its accuracy, to contain a material inaccuracy or omission in light of the purposes for which such information is so included, and (b) upon request from the Administration, any event set forth in Securities and Exchange Commission Rule 15c2-12(b)(5)(i)(C), as such rule may be amended and supplemented.

(l) Related Financing. The Borrower agrees that the proceeds of any Related Financing shall be expended to pay costs of the Project on a monthly basis proportionately with the proceeds of the Loan, taking into account the total amount of the proceeds of such Related Financing available to pay costs of the Project and the maximum amount of the Loan Commitment. The Borrower agrees to provide the Administration upon its request with such information as the Administration deems reasonably necessary to determine whether the Borrower is in compliance with the provisions of this Section 2.02(l).

ARTICLE III

LOAN TO BORROWER; AMOUNTS PAYABLE; GENERAL AGREEMENTS

Section 3.01. The Loan. Subject to the provisions of Sections 3.02, 3.03 and 3.08 hereof, the Administration hereby agrees to advance amounts under this Agreement to the Borrower, and the Borrower agrees to borrow and accept from the Administration amounts advanced under this Agreement, in an aggregate principal amount not to exceed the maximum amount of the Loan Commitment set forth on Exhibit B attached hereto.

Section 3.02. Availability of Funds. The Administration expects to have, and shall use its best efforts to obtain and maintain, funds in an amount sufficient to make advances to the Borrower in accordance with the “Construction Cash Draw Schedule” included in Exhibit C attached hereto. The Borrower recognizes, however, that the Administration is a governmental entity with limited financial resources and that the Administration’s ability to make such advances may be adversely affected by events or circumstances beyond the Administration’s control. The Borrower accordingly assumes the risk that monies may not be available to make advances of the Loan to the Borrower, and, in such event, the Borrower specifically agrees that the Administration shall have no obligation to lend any amounts to the Borrower in excess of the amount theretofore advanced to the Borrower.

Section 3.03. Disbursements and Capitalized Interest.

(a) Requisitions and Disbursements. Amounts shall be loaned from time to time to pay, or reimburse the Borrower for the payment of, Eligible Project Costs, upon receipt of requisitions of the Borrower. Each such requisition shall (i) state the names of the payees, (ii) describe in reasonable detail the purpose of each payment, (iii) state the amount of each payment (supported by appropriate paid invoices or other evidence satisfactory to the Administration that the amount requisitioned has been paid or has been incurred by the Borrower and is then due), (iv) state that the amount so requisitioned constitutes a part of the Eligible Project Costs, and (v) state that no Default or Event of Default under this Agreement has occurred and is continuing; provided, that this section shall not apply to advances made or deemed to have been made as provided in Section 3.03(c) hereof. The Administration shall not be required to advance monies on more than one day in each month, and the Administration shall not be required to advance monies for the Project sooner than, or in an amount greater than, the schedule of disbursements for the Project shown on the “Construction Cash Draw Schedule” included in Exhibit C attached hereto. The Administration may require the Borrower to submit requisitions in advance of each such disbursement date in such manner as shall be reasonably acceptable to the Administration.

(b) Conditions Precedent. Before making the first advance of Loan proceeds, the Administration shall receive the following in form and content satisfactory to the Administration:

(i) copies of the Plans and Specifications and of any Change Orders issued through the date of such advance, the general construction contract, and the Project Budget;

(ii) a survey showing the location of existing and proposed easements, rights-of-way and improvements, and the perimeter boundaries of the land upon which the Project will be located, if any Loan proceeds are to be used for acquisition of the land;

(iii) copies of all building permits, if any, pertaining to the Project;

(iv) cost breakdown in trade form showing all subcontracts which represent at least 10 percent of the costs of the Project, and indicating use of the proceeds of the Loan therefor;

(v) a fully executed copy of any contract for the purchase of real property constituting a portion of the Eligible Project Costs described in Exhibit C; and

(vi) evidence satisfactory to the Administration that the conditions (if any) set forth in Exhibit A to this Agreement have been satisfied.

In addition, it shall be a condition precedent to the Administration's obligation to make any advance of Loan proceeds under this Agreement that no Default or Event of Default shall have occurred and be continuing at the time of any such advance.

(c) Interest During Construction. In the event that the Administration has consented to permit the Borrower to pay interest on the Loan from proceeds of the Loan during all or a portion of the period of time related to construction of the Project (as itemized in Exhibit C) ("Construction Period Interest"), the Administration shall on each February 1 and August 1 during such period advance to the Borrower and immediately apply to the interest then due and owing, an amount equal to the interest on the Loan due on such February 1 or August 1 and not theretofore paid by the Borrower. Any such amount of Construction Period Interest advanced by the Administration shall constitute part of the principal amount of the Loan hereunder immediately upon its advance to the Borrower in accordance with this paragraph. Notwithstanding the advance of any Construction Period Interest to the Borrower in accordance with this Section, the Borrower shall pay directly to the Administration the Administrative Fee on the dates and in the amounts set forth in Section 3.04(c), and no amounts shall be advanced under the Loan for the payment of the Administrative Fee.

Section 3.04. Amounts Payable.

(a) Loan Payments. The Borrower shall punctually repay the Loan in installments on the dates, in the amounts, and in the manner specified in the Note. The outstanding amount of the Loan shall bear interest at a rate per annum equal to the rate or rates of interest set forth in Exhibit B, and shall be payable in accordance with the amortization schedule as specified in Exhibit B attached hereto and more particularly set out in the Note (which amortization schedule is subject to adjustment in accordance with this Agreement and the Note).

On or prior to the Loan Closing Date, the Borrower shall execute the Note to evidence such obligation. In addition, the Borrower shall pay to the Administration an Administrative Fee in accordance with paragraph (c) of this Section.

(b) Late Charges. In addition to the payments of principal and interest on the Loan required by paragraph (a) of this Section, the Borrower shall pay (i) a late charge for any payment of principal or interest on the Loan that is received later than the tenth day following its due date, in an amount equal to 5% of such payment, and (ii) interest on overdue installments of principal and (to the extent permitted by law) interest at a rate equal to the Default Rate set forth in Exhibit B. Amounts payable pursuant to this paragraph (b) shall be immediately due and payable to the Administration, and interest at the Default Rate shall continue to accrue on overdue installments of principal and (to the extent permitted by law) interest until such amounts are paid in full.

(c) Administrative Fee. (i) On the date specified in Exhibit B for the first payment of the Administrative Fee and on each August 1 thereafter that the Note remains outstanding and unpaid to and including the date of final maturity of the Note (each such date, an "Administrative Fee Payment Date"), the Borrower shall pay to the Administration an Administrative Fee. Subject to paragraph (iv) below, the Administrative Fee for any Administrative Fee Payment Date shall be (A) the Administrative Fee set forth in Exhibit B or (B) after any date on which the outstanding principal amount of the Loan Commitment is reduced by the Administration by a notice in writing to the Borrower in accordance with this Agreement (other than by reason of the repayment of the principal of the Loan), the Administrative Fee set forth in a notice from the Administration to the Borrower in connection with such reduction. Any adjustment of the Administrative Fee in accordance with the foregoing shall be prospective only, and the Administration shall in no event be obligated to refund any portion of any Administrative Fee payment theretofore received from the Borrower.

(ii) In prescribing the Administrative Fee for a loan with a term of thirty years for purposes of paragraph (i) above, the Administration shall employ the following formula, it being understood that any determinations as to the application of such formula shall be within the discretion of the Administration and any Administrative Fee Payment prescribed by the Administration in accordance with the foregoing shall be conclusive and binding upon the Administration and the Borrower: the Administrative Fee equals (A) the aggregate amount of all scheduled payments of principal of and interest on the Note, multiplied by the Percentage Rate (defined in paragraph (iv) below) then in effect, (B) divided by the total number of scheduled Administrative Fee Payment Dates. For example, if the aggregate amount of all scheduled payments of principal of and interest on the Note were \$5,000,000 and the Percentage Rate were 5%, and the total number of scheduled Administrative Fee Payment Dates were 31, the Administrative Fee to be paid each year would equal:

$$\frac{\$5,000,000 \times .05}{31} = \$8,064.52$$

(iii) In prescribing the Administrative Fee for a loan with a term of less than thirty years for purposes of paragraph (i) above, the Administration shall employ the

following formula, it being understood that any determinations as to the application of such formula shall be within the discretion of the Administration and any Administrative Fee Payment prescribed by the Administration in accordance with the foregoing shall be conclusive and binding upon the Administration and the Borrower: The Administrative Fee equals (A) the aggregate amount of all scheduled payments of principal of and interest on the Note, multiplied by the Percentage Rate (defined in paragraph (iv) below) then in effect, (B) divided by 30. For example, if the aggregate amount of all scheduled payments of principal of and interest on the Note were \$4,000,000 and the Percentage Rate were 5%, the Administrative Fee to be paid each year would equal:

$$\frac{\$4,000,000 \times .05}{30} = \$6,666.67$$

(iv) The Percentage Rate for each Fiscal Year shall be fixed as a uniform rate for all borrowers receiving loans from the Fund in order to provide sufficient revenues to pay the expenses of the Administration, as approved in the operating budget of the State by the General Assembly of the State; provided, however, that in no event shall the Percentage Rate exceed five percent (5%). In each Fiscal Year, the Administration shall review the Percentage Rate then in effect and adjust it for the immediately succeeding Fiscal Year to reflect its approved budget for the immediately succeeding Fiscal Year, a retainage of not more than ten percent (10%) for an operating reserve within the Administration's general account, and other factors as reasonably determined by the Secretary. No later than June 1 following the end of the Session of the General Assembly in each Fiscal Year, the Administration shall notify the Borrower of the newly established Percentage Rate, which shall be the Percentage Rate applicable to the immediately succeeding Fiscal Year, and of any change in the amount of the Administrative Fee payable by the Borrower in such Fiscal Year as a result of the application of such Percentage Rate.

Section 3.05. Sources of Payment.

(a) Dedicated Revenues. In accordance with Section 2.02(f) hereof, the principal of and interest on the Note, and any other amounts due from time to time under this Agreement, shall be payable in the first instance from the dedicated source of revenues described in Exhibit E attached hereto.

(b) General Obligation. In addition, the Note constitutes a general obligation of the Borrower, to the payment of which the full faith and credit and taxing power of the Borrower are pledged.

(c) State Withholding. As further security for the payment of the Note and any other amounts due hereunder, the Borrower hereby pledges the following to the Administration and grants a security interest therein to the Administration: (i) as authorized by Section 9-1606(d) of the Act, the Borrower's share of any and all income tax revenues collected by the State from time to time that would otherwise be payable to the Borrower, and (ii) to the maximum extent permitted by law, any and all other tax revenues, grants, and other monies that

the Borrower is or may from time to time be entitled to receive from the State or that may at any time be due from the State, or any department, agency, or instrumentality of the State, to the Borrower. The Borrower further agrees that, upon the occurrence of an Event of Default, among other things, the State Comptroller and the State Treasurer may (i) withhold any such amounts that the Borrower is then or may thereafter be entitled to receive and (ii) at the direction of the Administration, apply the amounts so withheld to the payment of any amounts then due or thereafter becoming due hereunder (including, without limitation, payments under the Note) until the Borrower's obligations hereunder have been fully paid and discharged.

Section 3.06. Unconditional Obligations. The obligations of the Borrower to make payments under the Note as and when due and all other payments required hereunder and to perform and observe the other agreements on its part contained herein shall be absolute and unconditional, and shall not be abated, rebated, set-off, reduced, abrogated, terminated, waived, diminished, postponed or otherwise modified in any manner or to any extent whatsoever, regardless of any contingency, act of God, event or cause whatsoever, including (without limitation) any acts or circumstances that may constitute failure of consideration, eviction or constructive eviction, the taking by eminent domain or destruction of or damage to the Project, commercial frustration of purpose, any change in the laws of the United States of America or of the State or any political subdivision of either or in the rules or regulations of any Governmental Authority, any failure of the Administration, the Department or the State to perform or observe any agreement, whether express or implied, or any duty, liability or obligation arising out of or connected with the Project, this Agreement, or otherwise or any rights of set-off, recoupment, abatement or counterclaim that the Borrower might otherwise have against the Administration, the Department or the State or any other party or parties; provided, however, that payments hereunder shall not constitute a waiver of any such rights.

Section 3.07. Loan Commitment. The Borrower acknowledges and agrees that the monies attributable to the Borrower's Loan Commitment are the property of the Administration and are held by the Administration to provide for advances to be made to the Borrower in accordance with this Agreement or to be otherwise disposed of by the Administration in accordance with this Agreement.

Section 3.08. Reduction of Loan Commitment. The Loan Commitment is subject to reduction in accordance with the provisions of this Section 3.08.

(a) Any portion of the Loan Commitment not advanced to the Borrower under Section 3.03 of this Agreement at the later of (1) two years from the date of this Agreement and (2) the earlier of one year following (i) actual completion of construction of the Project or (ii) the estimated completion date specified on Exhibit B attached hereto, shall no longer be available to be advanced to the Borrower and the amount of the Loan Commitment shall be reduced by an amount equal to the portion of the Loan Commitment not advanced, unless otherwise agreed to by the Administration in writing.

(b) The Administration may reduce the amount of the Loan Commitment if the Administration should for any reason determine that it will be unable to fund the full amount of the Loan Commitment (including, without limitation, a determination that the Eligible Project Costs to be paid with proceeds of the Loan are expected to be less than the maximum amount of the Loan Commitment), or if it determines that the Borrower is not proceeding satisfactorily and expeditiously with the Project in accordance with schedules and plans provided to the Administration, or if it determines that the Borrower is no longer able to make the certifications required under Section 3.03 in connection with the submission of requisitions.

(c) Any reduction in the amount of the Loan Commitment shall not affect the obligation of the Borrower to repay the Loan in accordance with the provisions of this Agreement and the Note.

(d) The Administration shall advise the Borrower in writing of any reduction in the amount of the Loan Commitment. Such notice shall specify the reason for and the amount of the reduction. In the event of any such reduction, the Borrower shall repay the Loan in accordance with such revised principal amortization schedule (prepared by applying such amount to reduce the installments of principal due under the Note in inverse order of payment, such that any such reduction is applied first to the last installment of principal due under the Note) as may be prescribed by the Administration in accordance with the provisions of the Note executed in connection therewith. The Administration may require, and the Borrower shall deliver, such certificates, documents, opinions and other evidence as the Administration may deem necessary or advisable in connection with any such reduction in the Loan Commitment. If a new Note is delivered in connection with any such reduction, the Administration shall cancel the Note initially delivered to the Administration by the Borrower pursuant to this Agreement.

Section 3.09. Disclaimer of Warranties. The Administration makes no warranty or representation, either express or implied, as to the value, design, condition, merchantability or fitness for particular purpose or fitness for use of the Project or any portion thereof or any other warranty with respect thereto. In no event shall the Administration be liable for any incidental, indirect, special or consequential damages in connection with or arising out of this Agreement or the Project or the existence, furnishing, functioning or use of the Project or any item or products or services provided for in this Agreement.

Section 3.10. Prepayments. The Loan shall be subject to mandatory prepayment, in whole or in part, as, when and to the extent required by the EPA's State Revolving Fund Program Regulations. Otherwise, the Loan may be prepaid by the Borrower, in whole or in part, only at such times and in such amounts, and upon the payment by the Borrower of such prepayment premium or penalty, as the Director, in his or her discretion, may specify and approve.

Section 3.11. Assignment. Neither this Agreement nor the Note may be assigned by the Borrower for any reason without the prior written consent of the Administration. The Administration may transfer, pledge or assign the Note and any or all rights or interests of the Administration under this Agreement without the prior consent of the Borrower.

ARTICLE IV

EVENTS OF DEFAULT AND REMEDIES

Section 4.01. Events of Default. If any of the following events occur, it is hereby defined as and declared to be and to constitute an “Event of Default”:

(a) failure by the Borrower to pay any amount required to be paid hereunder or under the Note when due, which failure shall continue for a period of 20 days;

(b) failure by the Borrower to observe and perform any covenant, condition or agreement on its part to be observed or performed under this Agreement, other than as referred to in paragraph (a) of this Section, which failure shall continue for a period of 30 days after written notice specifying such failure and requesting that it be remedied is given to the Borrower by the Administration, unless the Administration shall agree in writing to an extension of such time prior to its expiration; provided, however, that if the failure stated in such notice is correctable but cannot be corrected within the applicable period, the Administration will not unreasonably withhold its consent to an extension of such time if corrective action is instituted by the Borrower within the applicable period and diligently pursued until the Default is corrected;

(c) if (i) at any time any representation made by the Borrower in Section 2.01(f)(ii) is incorrect, or (ii) any other representation made by or on behalf of the Borrower contained in this Agreement, or in any instrument furnished in compliance with or with reference to this Agreement, the Loan Commitment or the Loan, is false or misleading in any material respect on the date on which such representation is made;

(d) if an order, judgment or decree is entered by a court of competent jurisdiction (i) appointing a receiver, trustee, or liquidator for the Borrower; (ii) granting relief in involuntary proceedings with respect to the Borrower under the federal bankruptcy act, or (iii) assuming custody or control of the Borrower under the provision of any law for the relief of debtors, and the order, judgment or decree is not set aside or stayed within 60 days from the date of entry of the order, judgment or decree; or

(e) if the Borrower (i) admits in writing its inability to pay its debts generally as they become due, (ii) commences voluntary proceedings in bankruptcy or seeking a composition of indebtedness, (iii) makes an assignment for the benefit of its creditors, (iv) consents to the appointment of a receiver, or (v) consents to the assumption of custody or control of the Borrower by any court of competent jurisdiction under any law for the relief of debtors.

Section 4.02. Notice of Default. The Borrower shall give the Administration prompt telephonic notice by contacting the Director of the Administration, followed by prompt written confirmation, of the occurrence of any event referred to in Section 4.01(d) or (e) hereof and of the occurrence of any other event or condition that constitutes a Default or an Event of Default at such time as any senior administrative or financial officer of the Borrower becomes aware of the existence thereof.

Section 4.03. Remedies on Default. Whenever any Event of Default referred to in Section 4.01 hereof shall have happened and be continuing, the Administration shall have the right to take one or more of the following remedial steps:

(a) declare all amounts due hereunder (including, without limitation, payments under the Note) to be immediately due and payable, and upon notice to the Borrower the same shall become immediately due and payable by the Borrower without further notice or demand; and

(b) take whatever other action at law or in equity that may appear necessary or desirable to collect the amounts then due and thereafter to become due hereunder or to enforce the performance and observance of any obligation, agreement or covenant of the Borrower hereunder.

Section 4.04. Attorneys' Fees and Other Expenses. The Borrower shall on demand pay to the Administration the reasonable fees and expenses of attorneys and the Trustee and other reasonable expenses incurred in the collection of any sum due hereunder or in the enforcement of performance of any other obligations of the Borrower upon an Event of Default.

Section 4.05. Application of Monies. Any monies collected by the Administration pursuant to Section 4.03 hereof shall be applied (a) first, to pay any attorneys' fees or other fees and expenses owed by the Borrower pursuant to Section 4.04 hereof, (b) second, to pay interest due on the Loan, (c) third, to pay principal due on the Loan, (d) fourth, to pay any other amounts due hereunder, and (e) fifth, to pay interest and principal on the Loan and other amounts payable hereunder as such amounts become due and payable.

Section 4.06. No Remedy Exclusive; Waiver; Notice. No remedy herein conferred upon or reserved to the Administration is intended to be exclusive and every such remedy shall be cumulative and shall be in addition to every other remedy given under this Agreement or now or hereafter existing at law or in equity. No delay or omission to exercise any right, remedy or power accruing upon any Default or Event of Default shall impair any such right, remedy or power or shall be construed to be a waiver thereof, but any such right, remedy or power may be exercised from time to time and as often as may be deemed expedient. In order to entitle the Administration to exercise any remedy reserved to it in this Article, it shall not be necessary to give any notice, other than such notice as may be required in this Article.

ARTICLE V

MISCELLANEOUS

Section 5.01. Notices. All notices, requests, objections, waivers, rejections, agreements, approvals, disclosures and consents of any kind made pursuant to this Agreement shall be in writing, unless expressly stated otherwise herein. Any such communication shall be

sufficiently given and shall be deemed given when hand delivered or mailed by registered or certified mail, postage prepaid, to the Borrower at the address specified on Exhibit B attached hereto and to the Administration at Maryland Water Quality Financing Administration, 1800 Washington Blvd., Baltimore, Maryland 21230-1718, Attention: Director.

Section 5.02. Binding Effect. This Agreement shall inure to the benefit of and shall be binding upon the Administration and the Borrower and their respective successors and assigns.

Section 5.03. Severability. In the event any provision of this Agreement shall be held illegal, invalid or unenforceable by any court of competent jurisdiction, such holding shall not invalidate, render unenforceable or otherwise affect any other provision hereof.

Section 5.04. Execution in Counterparts. This Agreement may be executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

Section 5.05. Applicable Law. This Agreement shall be governed by and construed in accordance with the laws of the State of Maryland.

Section 5.06. Captions. The captions or headings in this Agreement are for convenience only and shall not in any way define, limit or describe the scope or intent of any provisions or sections of this Agreement.

Section 5.07. Further Assurances. The Borrower shall, at the request of the Administration, execute, acknowledge and deliver such further resolutions, conveyances, transfers, assurances, financing statements, certificates and other instruments as may be necessary or desirable for better assuring, conveying, granting, assigning and confirming the rights, security interests and agreements granted or intended to be granted by this Agreement and the Note.

Section 5.08. Entire Agreement. This Agreement constitutes the entire agreement between the parties and supersedes all prior oral and written agreements between the parties hereto with respect to the Loan. In the event of any inconsistency between the provisions of this Agreement and anything contained in the Application, the provisions of this Agreement shall prevail.

Section 5.09. Amendment of this Agreement. This Agreement, or any part hereof, may be amended from time to time hereafter only by an instrument in writing jointly executed by the Administration and the Borrower, and if applicable, only to the extent permitted by any bond indenture secured by the Loan.

Section 5.10. Disclaimer of Relationships. The Borrower acknowledges that the obligation of the Administration is limited to making the Loan in the manner and on the terms set forth in this Agreement. Nothing in this Agreement and no act of either the Administration or of

the Borrower shall be deemed or construed by either of them, or by third persons, to create any relationship of third-party beneficiary, principal and agent, limited or general partnership, or joint venture, or of any association or relationship whatsoever involving the Borrower and the Administration.

Section 5.11. Effective Date. The effective date of this Agreement shall be the date of the Administration's execution.

Section 5.12. Term of this Agreement. Unless sooner terminated pursuant to Article IV of this Agreement, or by the mutual consent of the Borrower and the Administration, this Agreement shall continue and remain in full force and effect until the Loan, together with interest and all other sums due and owing in connection with this Agreement or the Loan, have been paid in full to the satisfaction of the Administration. Upon payment in full of the Loan together with interest and all other sums due and owing in connection with this Agreement or the Loan from any source whatsoever, this Agreement shall be terminated.

Section 5.13. Delegation Not to Relieve Obligations. The delegation by the Borrower of the planning, construction or carrying out of the Project shall not relieve the Borrower of any obligations under this Agreement and any other documents executed in connection with the Loan.

Section 5.14. Additional Terms. This Agreement shall also be subject to the additional terms, if any, set forth in Exhibit A hereto. The terms, if any, set forth in Exhibit A shall be deemed to be a part of this Agreement as if set forth in full herein. In the case of any conflict between the terms set forth in Exhibit A and any term of this Agreement, the terms set forth in Exhibit A shall be controlling.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed and delivered as of the day and year first above written.

(SEAL)

LENDER:

WITNESS:

MARYLAND WATER QUALITY FINANCING
ADMINISTRATION

Name:
Title:

By:

Name: Jeffrey Fretwell
Title: Director

(SEAL)

ATTEST:

BORROWER:

Name:
Title:

By:

Name:
Title:

Approved for form and legal sufficiency
this ____ day of _____, 2022

Approved for form and legal sufficiency
this ____ day of _____, 2022

Name:
Local Attorney for Borrower

Name:
Assistant Attorney General

EXHIBIT A
to Loan Agreement

Borrower Name: Mayor and City Council of Cumberland
Address: 57 North Liberty Street
Cumberland, MD 21502
Attention: The Honorable Raymond Morriss, Mayor
Project Name: Decatur Street 24" Crosstown Water Main Replacement

CONDITIONS TO INITIAL ADVANCE UNDER SECTION 3.03(b)(vi) OF LOAN AGREEMENT:

NONE

ADDITIONAL TERMS APPLICABLE TO LOAN AGREEMENT:

The provisions of this Exhibit A shall be deemed to be a part of the foregoing Agreement as if set forth in full therein. In the case of any conflict between this Exhibit A and any provision thereof, the provisions of this Exhibit A shall be controlling, notwithstanding any other provisions contained in the Agreement.

1. Pursuant to the Safe Drinking Water Act and Section 9-1605.1(d)(8) of the Environment Article of the Annotated Code of Maryland, as amended, the Administration shall forgive repayment of the principal amount of the Loan and the interest payable thereon under Article III hereof and the Note, so long as the Borrower performs all of its other obligations under the Loan Agreement. Upon determination by the Administration that any such other obligations under the Loan Agreement have not been performed by the Borrower, payment of the principal of the Loan and the interest thereon will be due and payable on demand. If the Administration has not demanded payment of the principal of and interest on the Note prior to January 27, 2032, then the Administration shall be deemed to have forgiven repayment of the Loan evidenced by the Note and interest thereon, the Note shall be deemed cancelled and the Loan Agreement shall be terminated and of no further force and effect.
2. Section 2.02(k) "Additional Disclosure Information" is deleted in its entirety.
3. The last sentence of Section 3.03(c) "Interest During Construction" is deleted in its entirety.

EXHIBIT A
to Loan Agreement

Borrower Name: Mayor and City Council of Cumberland
Address: 57 North Liberty Street
Cumberland, MD 21502
Attention: The Honorable Raymond Morriss, Mayor
Project Name: Decatur Street 24" Crosstown Water Main Replacement

ADDITIONAL TERMS APPLICABLE TO LOAN AGREEMENT (CONT.):

4. The last sentence of Section 3.04(a) "Amounts Payable" is deleted in its entirety.
5. Section 3.04(b) is deleted in its entirety and inserted in place thereof is the following: "(b) Late Charges. The Borrower shall pay a late charge for any payment of principal or interest on the Loan that is received later than the 30th day following its date of demand, in an amount equal to 5% of such payment."
6. Section 3.04(c) "Administrative Fee" is deleted in its entirety.
7. Section 3.10 "Prepayments" is deleted in its entirety.
8. The Borrower agrees to comply with the Davis-Bacon Act requirements of Section 1450(e) of the Safe Drinking Water Act for the entirety of construction contract costs of the Project and shall include specific language regarding compliance in its contracts and subcontracts.
9. The Borrower agrees to comply with the Use of American Iron and Steel requirement of federal law, which provides that all of the iron and steel products used in the Project are produced in the United States, unless a waiver is granted.
10. The Borrower agrees to comply with EPA's Final Financial Assistance Conflict of Interest Policy and report any instances of actual or potential conflicts of interest in the award, administration, or monitoring of subawards arising from procurements or other actions. Any conflicts of interest must be immediately disclosed to the Administration within 30 days of discovery for further guidance. The EPA's Final Financial Assistance Conflict of Interest Policy is found at: <https://www.epa.gov/grants/epas-final-financial-assistance-conflict-interest-policy>

EXHIBIT A
to Loan Agreement

Borrower Name: Mayor and City Council of Cumberland
Address: 57 North Liberty Street
Cumberland, MD 21502
Attention: The Honorable Raymond Morriss, Mayor
Project Name: Decatur Street 24" Crosstown Water Main Replacement

ADDITIONAL TERMS APPLICABLE TO LOAN AGREEMENT (CONT.):

11. If this Project is financed with the use of federal funds under CFDA # 66.468, the Borrower may be subject to a single audit to be undertaken by an independent auditor in accordance with uniform administrative requirements, cost principles, and audit requirements for federal awards, 2 C.F.R. § 200.501 (see generally, Subpart F – Audit Requirements of 2 C.F.R. Part 200). The Borrower hereby agrees to obtain such single audit, if required by the Single Audit Act.
12. Borrower agrees to comply with 2 CFR 200.216, which requires that EPA recipients and subrecipients, including borrowers under EPA funded revolving loan fund programs, are prohibited from obligating or expending loan or grant funds to procure or obtain; extend or renew a contract to procure or obtain; or enter into a contract (or extend or renew a contract) to procure or obtain equipment, services, or systems that use covered telecommunications equipment or services as a substantial or essential component of any system, or as critical technology as part of any system. As described in Public Law 115-232, section 889, covered telecommunications equipment is telecommunications equipment produced by Huawei Technologies Company or ZTE Corporation (or any subsidiary or affiliate of such entities).

EXHIBIT B
to Loan Agreement

Borrower Name: Mayor and City Council of Cumberland
Address: 57 North Liberty Street
Cumberland, MD 21502
Attention: The Honorable Raymond Morriss, Mayor
Project Name: Decatur Street 24" Crosstown Water Main Replacement

DESCRIPTION OF THE LOAN

- (1) Project Name(s): Decatur Street 24" Crosstown Water Main Replacement
- (2) Maximum Principal Amount of Loan Commitment: \$ 516,666.00
- (3) Rate of Interest: 0.00 %
- (4) Amortization Schedule: Due on demand, with interest accruing at the Default Rate from the date of demand, in accordance with Exhibit A to this Loan Agreement.
- (5) Estimated Completion Date of Project(s): August 2022
- (6) Default Rate: 1.58 % (Based upon the December 2021 average of the Bond Buyer 11-Bond Index)
- (7) Description of Project: The proposed project involves the replacement of aging water lines along Decatur and Davidson Streets, and other locations within the City of Cumberland. The City's antiquated water distribution system has had numerous breaks and leaks and is in need of replacement. The proposed improvements will provide residents with safe and adequate drinking water, including fire protection. This project will be constructed in accordance with coastal and non-coastal resiliency guidelines developed as part of the Coast Smart Program to reduce climate change risks to such projects.
- (8) Address for Borrower's Office(s) Where Books and Records Are Kept, if different from address printed above: 20 Bedford Street, Cumberland, MD 21502-2312

EXHIBIT C
to Loan Agreement

Borrower Name: Mayor and City Council of Cumberland
Address: 57 North Liberty Street
Cumberland, MD 21502
Attention: The Honorable Raymond Morriss, Mayor
Project Name: Decatur Street 24" Crosstown Water Main Replacement

PROJECT BUDGET

Breakdown of Eligible Project Costs:

A. Portion of Eligible Project Costs to be directly financed:

<u>Description</u>	<u>Allocated Amount of Loan*</u>
Eligible Project Costs include administrative and legal expenses, planning/design engineering fees, construction costs, construction phase engineering/inspection fees and contingencies	
Subtotal Loan:	<u>\$ 472,324.00</u>

B. Portion of Eligible Project Costs for which Borrower will be reimbursed at closing, which the Borrower hereby certifies were paid or incurred prior to the date of the Agreement, in anticipation of being reimbursed through a loan from the Administration (and subject to compliance with Section 3.03(a) of the Agreement):

<u>Description</u>	<u>Allocated Amount of Loan</u>
Eligible Project Costs include administrative and legal expenses, planning/design engineering fees, construction costs, construction phase engineering/inspection fees and contingencies	
Total Reimbursement at Closing:	<u>\$ 44,342.00</u>
Total Loan:	<u>\$ 516,666.00</u>

EXHIBIT C
to Loan Agreement

Borrower Name: Mayor and City Council of Cumberland
Address: 57 North Liberty Street
Cumberland, MD 21502
Attention: The Honorable Raymond Morriss, Mayor
Project Name: Decatur Street 24" Crosstown Water Main Replacement

PROJECT BUDGET (Continued)

C. Construction Cash Draw Schedule*

<u>Federal Quarter</u>	<u>Cash Disbursements*</u>
FFY 22 Q2 (Jan 22 – Mar 22)	\$ 249,999.00
FFY 22 Q3 (Apr 22 – June 22)	\$ 137,500.00
FFY 22 Q4 (Jul 22 – Sep 22)	\$ 129,167.00
FFY 23 Q1 (Oct 22 – Dec 22)	
FFY 23 Q2 (Jan 23 – Mar 23)	
FFY 23 Q3 (Apr 23 – June 23)	
Total Disbursements:	<u>\$ 516,666.00</u>

* SUBJECT TO CHANGE WITH CONSENT OF THE ADMINISTRATION IN ITS DISCRETION UNDER SECTION 2.02(d) OF THIS AGREEMENT

OPINION OF BORROWER'S COUNSEL

[LETTERHEAD OF COUNSEL TO BORROWER]

[CLOSING DATE]

Maryland Water Quality
Financing Administration
1800 Washington Blvd.
Baltimore, Maryland 21230-1718

Ladies and Gentlemen:

We are counsel to [NAME OF BORROWER], a [body politic and corporate and a political subdivision] [municipal corporation] [other appropriate description] of the State of Maryland (the "Borrower") in connection with the loan (the "Loan") by Maryland Water Quality Financing Administration (the "Administration") to the Borrower of funds to finance all or a portion of the costs of a project (the "Project") described in Exhibit B to the Drinking Water Loan Agreement dated as of _____, 2022 (the "Agreement") by and between the Administration and the Borrower.

In this connection, we have reviewed such records, certificates, and other documents as we have considered necessary or appropriate for the purposes of this opinion, including, without limitation, the Agreement and the Borrower's \$ _____ Drinking Water Bond, Series 2022, dated _____, 2022 (the "Note"). The Agreement and the Note are referred to herein collectively as the "Loan Documents". Based on such review, and such other considerations of law and fact as we believe to be relevant, we are of the opinion that:

(a) The Borrower is a validly created and existing [body politic and corporate and a political subdivision] [municipal corporation] [other appropriate description] of the State of Maryland, possessing authority to acquire, construct and operate the Project and to enter into the Loan Documents and perform its obligations thereunder.

(b) The Borrower has duly authorized, executed and delivered the Loan Documents and, assuming due authorization, execution and delivery of the Agreement by the Administration, the Loan Documents constitute legal, valid and binding obligations of the Borrower enforceable in accordance with their respective terms.

(c) The Note is a general obligation of the Borrower to which its full faith and credit is pledged payable, if and to the extent not paid from other sources as described in the Agreement, from ad valorem taxes, unlimited as to rate and amount, which the Borrower is empowered to levy on all real and tangible personal property within its corporate limits subject to assessment for unlimited taxation by the Borrower.

(d) The Loan Documents and the enforceability thereof are subject to bankruptcy, insolvency, moratorium, reorganization and other state and federal laws affecting the enforcement of creditors' rights and to general principles of equity.

(e) To the best of our knowledge after reasonable investigation, the Borrower has all necessary licenses, approvals and permits required to date under federal, state and local law to own, construct and acquire the Project.

(f) Neither the execution and delivery of the Loan Documents, nor the consummation of the transactions contemplated thereby, nor the acquisition and construction of the Project, nor the fulfillment of or compliance with the terms and conditions of the Loan Documents, conflicts with or results in a breach of or default under any of the terms, conditions or provisions of the charter or laws governing the Borrower (including any limit on indebtedness) or, to the best of our knowledge after reasonable investigation, any agreement, contract or other instrument, or law, ordinance, regulation, or judicial or other governmental order, to which the Borrower is now a party or by which the Borrower or its properties are otherwise subject or bound, and the Borrower is not otherwise in violation of any of the foregoing in a manner material to the transactions contemplated by the Loan Documents.

(g) To the best of our knowledge after reasonable investigation, there is no action, suit, proceeding or investigation, at law or in equity, before or by any court, governmental agency or public board or body pending or threatened against or affecting the Borrower that, if adversely determined, would materially affect the ability of the Borrower to perform its obligations under the Loan Documents, which has not been disclosed in writing to the Administration.

We hereby authorize Bond Counsel to the Administration to rely on this opinion as if we had addressed this opinion to them in addition to you.

Very truly yours,

EXHIBIT E
to Loan Agreement

Borrower Name: Mayor and City Council of Cumberland
Address: 57 North Liberty Street
Cumberland, MD 21502
Attention: The Honorable Raymond M. Morriss, Mayor
Project Name: Decatur Street 24" Crosstown Water Main Replacement

DESCRIPTION OF DEDICATED REVENUES*

Water user charges, including any and all fees for use of the public water system or connection to it.

* The identification of the dedicated source or sources of revenues above is intended to specify a source or sources of revenues available in sufficient amount to provide for the payment of the costs of operating and maintaining the Project as well as the payment of the costs of debt service of any borrowing incurred to finance the Project. The specification of a dedicated source or sources of revenues above is not intended to constitute an undertaking by the Borrower to pledge, segregate or otherwise set aside any specific funds of the Borrower with the expectation that such funds would be used to pay the debt service on the Loan.

\$(MAX. AMT.)

R-1

REGISTERED

UNITED STATES OF AMERICA
STATE OF MARYLAND

[NAME OF BORROWER]
DRINKING WATER BOND, SERIES 2022
Dated _____, 2022

PAYMENTS OF PRINCIPAL AND INTEREST ON THIS BOND ARE MADE BY CHECK, DRAFT OR ELECTRONIC FUNDS TRANSFER TO THE REGISTERED OWNER AND IT CANNOT BE DETERMINED FROM THE FACE OF THIS BOND WHETHER ALL OR ANY PART OF THE PRINCIPAL OF OR INTEREST ON THIS BOND HAS BEEN PAID.

REGISTERED OWNER: Maryland Water Quality Financing Administration

_____, a [body politic and corporate] [municipal corporation] [other appropriate description] of the State of Maryland (the "Borrower"), hereby acknowledges itself obligated to pay to the Registered Owner shown above, the principal amount of \$____ (the "Maximum Principal Amount") or so much thereof as shall have been advanced from time to time under the terms of the Drinking Water Loan Agreement dated as of _____, 2022 (the "Loan Agreement") by and between the Borrower and the Maryland Water Quality Financing Administration (the "Administration"), plus interest on the unpaid principal advanced under the terms of the Loan Agreement as provided for herein.

At any time prior to _____, the principal advanced under the Loan Agreement shall be payable in full on demand by the Administration in accordance with the Loan Agreement and the second succeeding paragraph below, together with interest at the rate of _____ per centum (____%) per annum (the "Default Rate") accruing from the date on which such demand is made by the Administration.

If the Administration determines at any time to reduce the maximum amount of the Loan Commitment (as defined in the Loan Agreement) in accordance with Section 3.08 of the Loan Agreement, the Maximum Principal Amount shall be reduced accordingly. Any such reduction shall not affect the obligation of the Borrower to pay the principal of and interest on this bond as and when the same shall become due in accordance with the terms hereof.

PURSUANT TO THE SAFE DRINKING WATER ACT AND SECTION 9-1605.1(d)(8) OF THE ENVIRONMENT ARTICLE OF THE ANNOTATED CODE OF MARYLAND, AS AMENDED, THE ADMINISTRATION SHALL FORGIVE REPAYMENT OF THE PRINCIPAL AMOUNT OF THE LOAN (AS DEFINED IN THE LOAN AGREEMENT) UNDER ARTICLE III OF THE LOAN AGREEMENT AND THIS BOND, SO LONG AS THE BORROWER PERFORMS ALL OF ITS OTHER OBLIGATIONS UNDER THE LOAN AGREEMENT. UPON DETERMINATION BY THE ADMINISTRATION THAT ANY SUCH OTHER OBLIGATIONS UNDER THE LOAN AGREEMENT HAVE NOT BEEN PERFORMED BY THE BORROWER, PAYMENT OF THE PRINCIPAL OF THE LOAN WILL BE DUE AND PAYABLE ON DEMAND, ALONG WITH INTEREST ACCRUING AND PAYABLE AT THE DEFAULT RATE FROM THE DATE OF DEMAND. IF THE ADMINISTRATION HAS NOT DEMANDED PAYMENT OF THE PRINCIPAL OF THIS BOND PRIOR TO _____, THEN THE ADMINISTRATION SHALL BE DEEMED TO HAVE FORGIVEN REPAYMENT OF THE LOAN EVIDENCED BY THIS BOND, THIS BOND SHALL BE DEEMED CANCELLED AND THE LOAN EVIDENCED BY THIS BOND AND THE LOAN AGREEMENT SHALL BE TERMINATED AND OF NO FURTHER FORCE AND EFFECT.

This bond is subject to a late charge for any payment of principal or interest that is received later than the 30th day following its date of demand in accordance with Section 3.04(b) of the Loan Agreement. Any interest due on the unpaid principal amounts advanced under the Loan Agreement shall accrue on the basis of a 30-day month, 360-day year from the date of demand.

Both the principal of and interest on this bond will be paid to the registered owner in lawful money of the United States of America, at the time of payment, and will be paid by electronic funds transfer, or by check or draft mailed (by depositing such check or draft, correctly addressed and postage prepaid, in the United States mail before the payment date) to the registered owner at such address as the registered owner may designate from time to time by a notice in writing delivered to the [INSERT BORROWER'S AUTHORIZED OFFICER].

This bond is issued pursuant to and in full conformity with the provisions of [INSERT BORROWER'S LOCAL ACT(S)] and the Maryland Water Quality Financing Administration Act (codified as Sections 9-1601 to 9-1622, inclusive, of the Environment Article of the Annotated Code of Maryland, as amended), and by virtue of due proceedings had and taken by the Borrower, particularly [AN ORDINANCE AND OR A RESOLUTION] (numbered ___) [INSERT BORROWER'S AUTHORIZING ORDINANCE OR RESOLUTION] (collectively, the "Resolution") adopted by Borrower.

This bond, together with the Loan Agreement, evidences the Loan (as defined in the Loan Agreement) to the Borrower from the Maryland Water Quality Financing Administration. In accordance with the Loan Agreement, the principal amount of the Loan, being the amount denominated as principal under this bond, is subject to reduction or adjustment by the Administration in accordance with the Loan Agreement.

The full faith and credit and unlimited taxing power of the Borrower are hereby irrevocably pledged to the prompt payment of the principal of and interest on this bond according to its terms,

and the Borrower does hereby covenant and agree to pay the principal of and interest on this bond at the dates and in the manner prescribed herein.

This bond is transferable only after the Maximum Principal Amount has been borrowed upon the books of the Borrower at the office of the [INSERT BORROWER'S AUTHORIZED OFFICERS] by the registered owner hereof in person or by his attorney duly authorized in writing, upon surrender hereof, together with a written instrument of transfer satisfactory to the [INSERT BORROWER'S AUTHORIZED OFFICER], duly executed by the registered owner or his duly authorized attorney. The Borrower shall, within a reasonable time, issue in the name of the transferee a new registered bond or bonds, in such denominations as the Borrower shall by resolution approve, in an aggregate principal amount equal to the unpaid principal amount of the bond or bonds surrendered of the same series and with the same maturity and interest rate and the same forgiveness provisions. The new bond or bonds shall be delivered to the transferee only after payment of any taxes on and any shipping or insurance expenses relating to such transfer. The Borrower may deem and treat the party in whose name this bond is registered as the absolute owner hereof for the purpose of receiving payment of or on account of the principal hereof and interest due hereon and for all other purposes.

It is hereby certified and recited that all conditions, acts and things required by the Constitution or statutes of the State of Maryland and the Resolution to exist, to have happened or to have been performed precedent to or in the issuance of this bond, exist, have happened and have been performed, and that the issuance of this bond, together with all other indebtedness of the Borrower, is within every debt and other limit prescribed by said Constitution or statutes.

IN WITNESS WHEREOF, this bond has been executed by the manual signature of the [INSERT AUTHORIZED OFFICERS] and the seal of the Borrower has been affixed hereto, attested by the manual signature of the [INSERT AUTHORIZED OFFICER], all as of the __ day of ____, 2022.

(SEAL)

ATTEST:

[NAME OF BORROWER]

[AUTHORIZED OFFICER]

By: _____
[AUTHORIZED OFFICER]

File Attachments for Item:

. **Resolution R2022-02** - designating the City's Sustainable Community Area as a Sustainable Community, adopting a Sustainable Community Plan, authorizing the submission of an application to the Department of Housing and Community Development to become a designated Sustainable Community, and authorizing the Mayor and City Administrator to execute documents necessary to carry out the intent of these resolutions

City of Cumberland

- Maryland -

RESOLUTION

No. R2022-02

A RESOLUTION OF THE MAYOR AND CITY COUNCIL OF CUMBERLAND, MARYLAND TO DESIGNATE THE CITY OF CUMBERLAND'S SUSTAINABLE COMMUNITY AREA AS A SUSTAINABLE COMMUNITY, PURSUANT TO THE SUSTAINABLE COMMUNITY MAP AND SUSTAINABLE COMMUNITY PLAN (THE "PLAN,") FURTHER DESCRIBED IN THE SUSTAINABLE COMMUNITY APPLICATION (THE "APPLICATION") TO BE SUBMITTED FOR APPROVAL EITHER DIRECTLY BY THE DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT (THE "DEPARTMENT") OF THE STATE OF MARYLAND OR THROUGH THE SMART GROWTH SUBCABINET OF THE STATE OF MARYLAND.

WHEREAS, the Mayor and City Council of Cumberland, Maryland recognizes that there is a significant need for reinvestment and revitalization of the communities in Cumberland; and

WHEREAS, the Mayor and City Council of Cumberland, Maryland proposes to (i) designate the area of Cumberland Sustainable Community Area in the corporate limits of Cumberland as outlined on the attached map (the "Area"), as a Sustainable Community, and to (ii) adopt the Plan, as further described in the Application, for the purposes of contributing to the reinvestment and revitalization in the Area; and

WHEREAS, the Area is located within a priority funding area under Section 5-7B-02 of the Smart Growth Act; and

WHEREAS, the applicable law and the Community Legacy Program regulations require a local government to submit an application to the Department in order to become a designated Sustainable Community, and to adopt a satisfactory Sustainable Community Plan in order to be eligible to receive financial assistance under the Community Legacy Program;

NOW, THEREFORE BE IT RESOLVED THAT, the Mayor and City Council of Cumberland, Maryland hereby (i) endorses the designation of the Area as a Sustainable Community; and (ii) adopts a Sustainable Community Plan.

BE IT FURTHER RESOLVED THAT, the chief elected executive official is hereby requested to endorse this Resolution, indicating his or her approval by signature hereof; and,

BE IT FURTHER RESOLVED THAT, the Mayor and City Administrator are hereby authorized to execute documents and take any action necessary to carry out the intent of these resolutions; and,

BE IT FURTHER RESOLVED THAT, copies of this Resolution are sent to the Secretary of the Department of Housing and Community Development of the State of Maryland for consideration by the Smart Growth Sub-Cabinet.

GIVEN UNDER OUR HANDS AND SEALS THIS 18TH DAY OF JANUARY, 2022,
WITH THE CORPORATE SEAL OF THE CITY OF CUMBERLAND HERETO ATTACHED,
DULY ATTESTED BY THE CITY CLERK

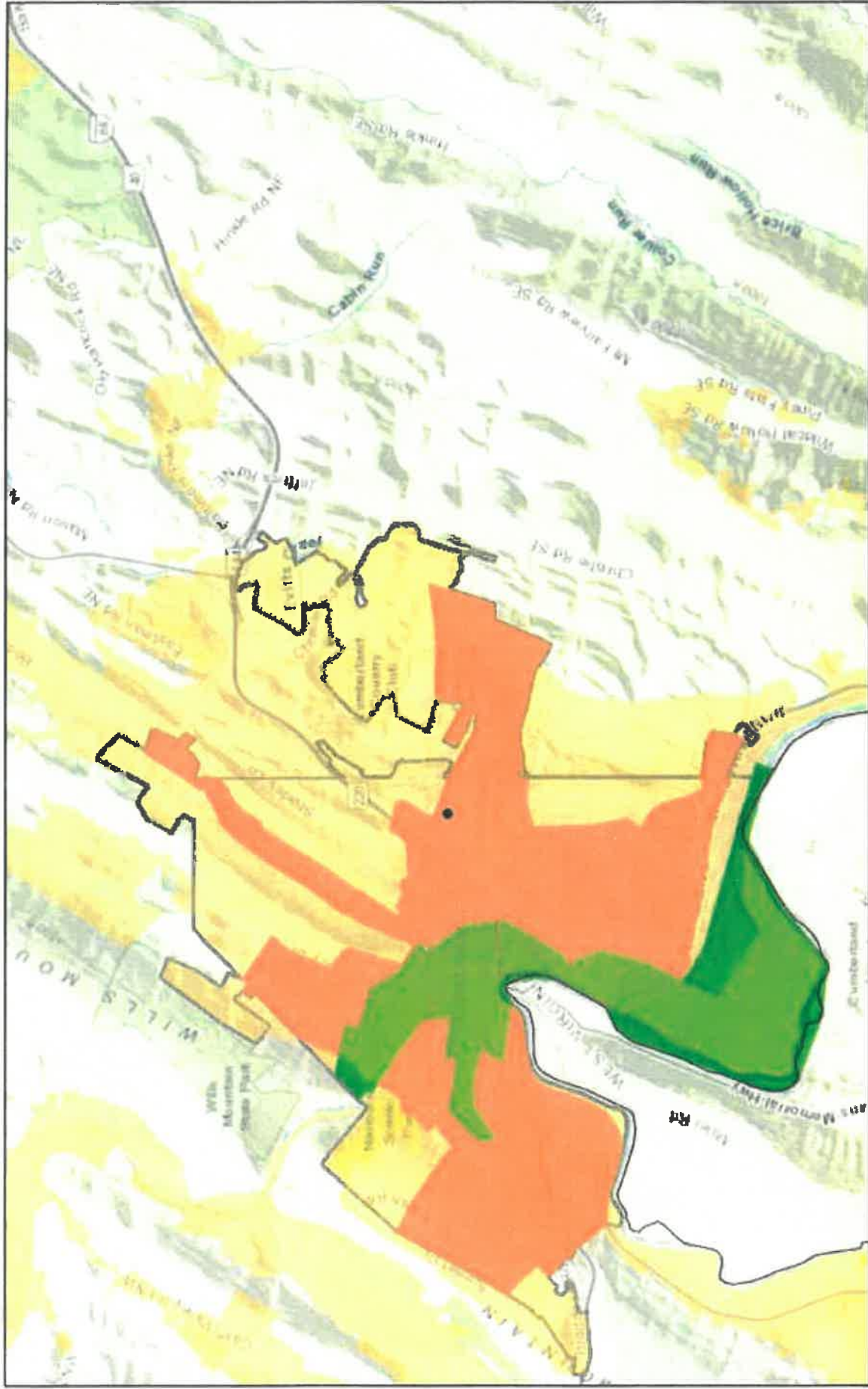
Attest:

Mayor and City Council
Of Cumberland

Marjorie A. Woodring
City Clerk

Raymond M. Morriss
Mayor

Neighborhood Revitalization Mapper



10/28/2021, 1:21:20 PM

- Maryland Opportunity Zones (DHCD) Priority Funding Areas
- Sustainable Communities (DHCD)
- Heritage Area in Locally Designated Growth Areas
- PFA

1:72,224

0 0.47 0.95 1.9 mi
 0 0.75 1.5 3 km

MD MAP, DAT, MDP, MDOOT, MDOOT SHA, West Virginia GIS, Esri, HERE, West Virginia GIS, Esri, HERE, Gannett, INCREMENT P, USGS, METWRABA, NOAA, EPA, USDA | MD MAP, MDP | MD MAP, MDP, SDAT | MD MAP, MDT, MDP, MSHA | MD MAP, COMMERCE, Maryland Department of Housing and Community Development

File Attachments for Item:

. **Order 26,941** - authorizing a 1-year extension to Burgmeier's Hauling, Inc. Municipal Curbside Solid Waste and Recycling contract (22-18-M) at the new fiscal rate of \$1,264,634.64 for the term July 1, 2022 through June 30, 2023

- Order -
of the
Mayor and City Council of Cumberland
MARYLAND

ORDER NO. 26,941

DATE: January 18, 2022

ORDERED, By the Mayor and City Council of Cumberland, Maryland

THAT the City Administrator be and is hereby authorized to approve the request of Burgmeier's Hauling, Inc., P.O. Box 929, Altoona, PA, 16603 to extend their current contract by one (1) year to collect and haul curbside municipal solid waste and recycling at the new fiscal year rate of One Million, Two Hundred Sixty-four Thousand, Six Hundred Thirty-four Dollars and Sixty-four Cents (\$1,264,634.64) for the term July 1, 2022 through June 30, 2023.

Raymond M. Morriss, Mayor

BURGMEIER'S HAULING, INC.

INDUSTRIAL, COMMERCIAL, RESIDENTIAL,
RECYCLING & RECYCLING CONSULTANT
(814) 943-8975

DAVID M. BURGMEIER
President

P.O. BOX 929
ALTOONA, PA 16603

City of Cumberland
57 North Liberty St.
Cumberland MD 21502

12/30/21

Raquel,

Burgmeier's Hauling Inc. hereby, formally requests a 1 – year extension to the City of Cumberland Garbage and Recycling Contract – starting July 1 2022 through June 30th 2023.

Regarding that renewal, we formally ask for a rate increase in the amount of **3%** of the total yearly contract price. The new monthly rate would be: **\$105,386.22 or \$1,264,634.64 total for the fiscal year.**

As we are all painfully aware, the last 2 years have been incredibly difficult. We have done our best to maintain a consistent level of quality service at an affordable price. We were able to continue our operations without stopping for even one day during the pandemic.

Unfortunately, like all businesses in this climate, we are not immune to rising operational expenses. Fuel increases, rising wage and benefit expenses, equipment and parts shortages are just a few of the issues face. To date, the consumer price index is up over 6.8% for 2021.

It is our hope that you find our request for a 3% increase to be reasonable. We greatly enjoy the good working relationship that BHI has with the City of Cumberland and its residents. We look forward to working with the city for years to come. As always, we would be glad to meet with you to go over this proposal or answer any questions you may have.

Respectfully,

Mathew Burgmeier
Vice President
Burgmeier's Hauling Inc.

Service & Satisfaction Guaranteed

Council Agenda Summary

Meeting Date: January 18, 2021

Key Staff Contact: Raquel Ketterman

Item Title: Municipal Solid Waste: Hauling Services 1-year Contract Extension (Project No. 22-18-M)

Summary of project/issue/purchase/contract, etc for Council:

Consider describing in detail 1) what the project / purchase / contract/ presentation, etc. entails; 2) what funding will be used; 3) whether the project, etc. is budgeted for this fiscal year or what other funding will apply; 4) if sole source, how the purchase qualifies under the code provisions; 5) benefits to City; 6) timeline, etc.

An order to accept Burgmeier’s Hauling – contract extension request to collect & haul curbside municipal solid waste and recycling at \$1,264,634.64 for the period of July 1, 2022 to June 30, 2023 (one 1-year extension).

Amount of Award: \$1,264,634.64 per year (\$105,386.22 per month)

Budget number:

Grant, bond, etc. reference:

File Attachments for Item:

. **Order 26,942** - approving the sole source purchase of a new John Deere FC20M Flex Wing Rotary Cutter from Deere & Company for use by the Flood Control branch of Public Works in the not-to-exceed amount of \$28,660.50

- Order -
of the
Mayor and City Council of Cumberland
MARYLAND

ORDER NO. 26,942

DATE: January 18, 2022

ORDERED, By the Mayor and City Council of Cumberland, Maryland

THAT, the Sole Source purchase of a new John Deere FC20M Flex Wing Rotary Cutter from Deere & Company, 2000 John Deere Run, Cary, NC, 27513 in the not-to-exceed amount of Twenty-eight Thousand, Six Hundred Sixty Dollars and Fifty Cents (\$28,660.50), be and is hereby approved.

Raymond M. Morriss, Mayor

Budget: 003.325.64000

Council Agenda Summary

Meeting Date: January 18, 2022

Key Staff Contact: Brian Broadwater

Item Title:

Order Accepting the Sole Source Purchase of a New John Deere FC20M Flex Wing Rotary Cutter from Deere & Company, 2000 John Deere Run, Cary, NC 27513 for an amount not to exceed \$28,660.50.

Summary of project/issue/purchase/contract, etc for Council:

Requesting an order to accept the sole source purchase of a New John Deere FC20M Flex Wing Rotary Cutter from Deere & Company for an amount not to exceed \$28,660.50. Deere and Company is offering us MD State of Maryland 001B0600298 Contract Pricing, which is in accordance with the City Code Sec. 2-171 (c) (iv) of the City Code - through joint efforts with other agencies, such as those of the state, county and board of education, the city is able to take advantage of bulk purchase pricing and special sales opportunities. This Rotary Cutter will be used to maintain the Flood Control Levee. West Central Equipment, LLC, 729 Red Goose Road, Somerset, PA 15501 will be the suppling dealer.

Amount of Award:

\$28,660.50

Budget number:

003.325.64000 (Flood Department)

Grant, bond, etc. reference:

N/A

ALL PURCHASE ORDERS MUST BE MADE OUT TO (VENDOR):

Deere & Company
2000 John Deere Run
Cary, NC 27513
FED ID: 36-2382580; DUNS#: 60-7690989

ALL PURCHASE ORDERS MUST BE SENT TO DELIVERING DEALER:

West Central Equipment, LLC
729 Red Goose Road
Somerset, PA 15501
814-445-6500
jmoon@westcentraleq.com

Quote Summary

Prepared For:
City Of Cumberland
PA

Delivering Dealer:
West Central Equipment, LLC
Brian Floyd
729 Red Goose Road
Somerset, PA 15501
Phone: 814-445-6500
bfloyd@westcentraleq.com

Quote ID: 25706225
Created On: 02 December 2021
Last Modified On: 14 December 2021
Expiration Date: 02 January 2022

Equipment Summary	Suggested List	Selling Price	Qty	Extended
JOHN DEERE FC20M Flex Wing Rotary Cutter	\$ 38,214.00	\$ 28,660.50 X	1 =	\$ 28,660.50
Contract: MD State of Maryland 001B0600298 (PG YL CG 22)				
Price Effective Date: December 1, 2021				
Equipment Total				\$ 28,660.50

* Includes Fees and Non-contract items

Quote Summary

Equipment Total	\$ 28,660.50
Trade In	
SubTotal	\$ 28,660.50
Est. Service Agreement Tax	\$ 0.00
Total	\$ 28,660.50
Down Payment	(0.00)
Rental Applied	(0.00)
Balance Due	\$ 28,660.50

Salesperson : X _____

Accepted By : X _____

Selling Equipment

Quote Id: 25706225 Customer Name:

ALL PURCHASE ORDERS MUST BE MADE OUT TO (VENDOR):
 Deere & Company
 2000 John Deere Run
 Cary, NC 27513
 FED ID: 36-2382580; DUNS#: 60-7690989

ALL PURCHASE ORDERS MUST BE SENT TO DELIVERING DEALER:
 West Central Equipment, LLC
 729 Red Goose Road
 Somerset, PA 15501
 814-445-6500
 jmoon@westcentraleq.com

JOHN DEERE FC20M Flex Wing Rotary Cutter

Hours: Suggested List *
 Stock Number: \$ 38,214.00
 Contract: MD State of Maryland 001B0600298 (PG YL CG Selling Price *
 22) \$ 28,660.50

Price Effective Date: December 1, 2021

* Price per item - includes Fees and Non-contract items

Code	Description	Qty	List Price	Discount%	Discount Amount	Contract Price	Extended Contract Price
22D0P	FC20M Flex Wing Rotary Cutter	1	\$ 35,570.00	25.00	\$ 8,892.50	\$ 26,677.50	\$ 26,677.50
Standard Options - Per Unit							
0202	United States	1	\$ 0.00	25.00	\$ 0.00	\$ 0.00	\$ 0.00
1200	Spring Suspension	1	\$ 0.00	25.00	\$ 0.00	\$ 0.00	\$ 0.00
2500	Blade Pan	1	\$ 0.00	25.00	\$ 0.00	\$ 0.00	\$ 0.00
3335	8 Foam-Filled Tires - (Double tires on center and wings) - Severe duty ag tires	1	\$ 1,604.00	25.00	\$ 401.00	\$ 1,203.00	\$ 1,203.00
3539	1000 RPM Driveline - 1 3/8" coupler	1	\$ 0.00	25.00	\$ 0.00	\$ 0.00	\$ 0.00
3639	1000 RPM - 100 HP Gearbox	1	\$ 0.00	25.00	\$ 0.00	\$ 0.00	\$ 0.00
5110	Clevis Hitch	1	\$ 0.00	25.00	\$ 0.00	\$ 0.00	\$ 0.00
5280	Rigid Casting Tongue	1	\$ 0.00	25.00	\$ 0.00	\$ 0.00	\$ 0.00
9130	Independent Control Valve - 3 Function with Hoses and ROPS Mounting Bracket(For Separate Wing and Lift Control)	1	\$ 1,040.00	25.00	\$ 260.00	\$ 780.00	\$ 780.00
Standard Options Total			\$ 2,644.00		\$ 661.00	\$ 1,983.00	\$ 1,983.00
Additional Discounts							
Additional Discount Total					\$ 0.00	\$ -0.00	\$ -0.00
Total Selling Price			\$ 38,214.00		\$ 9,553.50	\$ 28,660.50	\$ 28,660.50



Brian Broadwater <brian.broadwater@cumberlandmd.gov>

Sole Source Request for FY2022 Flood Flex Wing Rotary Mower

3 messages

Brian Broadwater <brian.broadwater@cumberlandmd.gov>

Thu, Dec 23, 2021 at 8:35 AM

To: Jeff Silka <jeff.silka@cumberlandmd.gov>

Cc: Ken Tressler <ken.tressler@cumberlandmd.gov>, Mark Gandolfi <mark.gandolfi@cumberlandmd.gov>, Brooke Cassell <brooke.cassell@cumberlandmd.gov>, Tim Murphy <tim.murphy@cumberlandmd.gov>

Jeff,

I would like to request a sole source for a New John Deere FC20M Flex Wing Rotary Cutter from West Central Equipment through John Deere & Company. They are offering us MD state of Maryland Contract 001B0600298 pricing. This pricing is in accordance with the City Code Sec. 2-171 (c) (iv) - through joint efforts with other agencies, such as those of the state, county and board of education, the city is able to take advantage of bulk purchase pricing and special sales opportunities. The Flood Department budgeted \$30,000 for the Rotary Cutter. The total cost for this from West Central is \$28,660.50. This flex wing rotary cutter will be used to maintain the Flood Control Levee. The quote is also attached below. Please let me know if you have any questions or concerns.

Please Consider this sole source request.

Thanks,
Brian

David Brian Broadwater Jr

Fleet Manager

City of Cumberland, MD

W: (301) 759-6627 | C: (240) 920-2079

215 Bowen St. | Cumberland, MD 21502



Cumberland
Maryland

1951_001.pdf
167K

Jeff Silka <jeff.silka@cumberlandmd.gov>

Thu, Dec 23, 2021 at 8:48 AM

To: Brian Broadwater <brian.broadwater@cumberlandmd.gov>

Cc: Ken Tressler <ken.tressler@cumberlandmd.gov>, Mark Gandolfi <mark.gandolfi@cumberlandmd.gov>, Brooke Cassell <brooke.cassell@cumberlandmd.gov>, Tim Murphy <tim.murphy@cumberlandmd.gov>

Approved.

Jeffrey F. Silka

City Administrator

City of Cumberland

57 N. Liberty Street

Cumberland, MD 21502

Office (301) 759-6424

Cell (240) 609-9303

[Quoted text hidden]

Brian Broadwater <brian.broadwater@cumberlandmd.gov>

Thu, Dec 23, 2021 at 8:52 AM

To: Jeff Silka <jeff.silka@cumberlandmd.gov>

Thank you, have a good holiday.

Brian

[Quoted text hidden]

CITY OF
CUMBERLAND
MARYLAND

DEPARTMENT OF PUBLIC WORKS

January 3, 2022

Mayor and City Council of
Cumberland, MD
57 N. Liberty St.
Cumberland, MD 21502

Dear Mayor and City Council,

I recommend that we move forward with the sole source purchase of a New John Deere FC20M Flex Wing Rotary Cutter from Deere & Company for an amount not to exceed \$28,660.50. Deere and Company is offering us MD State of Maryland 001B0600298 Contract Pricing, which is in accordance with the City Code Sec. 2-171 (c) (iv) of the City Code - through joint efforts with other agencies, such as those of the state, county and board of education, the city is able to take advantage of bulk purchase pricing and special sales opportunities.

MAYOR

RAYMOND M. MORRISS

COUNCIL

RICHARD J. CIONI, JR.
EUGENE T. FRAZIER
JOSEPH P. GEORGE
LAURIE P. MARCHINI

This Rotary Cutter was budgeted by the Flood Department for \$30,000.00. The total cost of this rotary cutter is \$28,660.50. By using the State of Maryland Contract, we are saving time and money. West Central Equipment, LLC, 729 Red Goose Road, Somerset, PA 15501 will be the suppling dealer.

Please consider this sole source purchase.

CITY ADMINISTRATOR

JEFFREY F. SILKA

**PW OPERATIONS
MANAGER**

BROOKE CASSELL

Sincerely,



David Broadwater Jr
Fleet Manager



MEMBER MARYLAND
MUNICIPAL LEAGUE (MML)

215 BOWEN STREET, CUMBERLAND, MD 21502 www.cumberlandmd.gov
VOICE (301)759-6620 • FAX (301)759-6632 • TDD (800)735-2258

File Attachments for Item:

. **Order 26,943** - authorizing the abatement of 2020-2021 taxes in the amount of \$10,853.87, and 2021-2022 taxes in the amount of \$10,236.89 for City-owned property at 600 Bishop Walsh Road (Tax ID #06-050301)

- ORDER -
of the
Mayor and City Council of Cumberland
MARYLAND

ORDER NO. 26,943

DATE: January 18, 2022

ORDERED, By the Mayor and City Council of Cumberland, Maryland

THAT, the City Comptroller be and is hereby authorized to abate 2020-2021 taxes in the amount of \$10,853.87 and 2021-2022 taxes in the amount of \$10,236.89 for City-owned cellular tower location at 600 Bishop Walsh Road.

Mayor Raymond M. Morriss

Inquiry

Documents Exist

Prop#...: 06-050301
 Owner...: CUMBERLAND MAYOR & CITY COUNCIL
 Address: 600 BISHOP WALSH RD
 Mail To: CUMBERLAND MAYOR & CITY COUNCIL
 57 N LIBERTY ST
 CUMBERLAND MD
 Phone...:

School Dist.: CUMB SCHLS
 F22=Add'l Info
 Payoff Date : 1/05/2022
 Total Billed: 25,234.92
 Tot. Dsc App: .00
 Total Paid...: .00
 Total Due W/SC: 25,234.92

Enter Option: _

F3=Exit

X	Year	Perd	Type	Bill#	Tax	Pen	Int	Collected	Remaining Balance
-	2021	1	1	202110978	10853.87	.00	868.32	.00	11722.19
-	2020	1	1	202064837	10236.89	.00	3275.84	.00	13512.73

File Attachments for Item:

. **Order 26,944** - authorizing the payment of an estimated amount not-to-exceed \$105,842.08 as the City's 20% cost share for final design services through project bidding for the "Replacement of Bridge No. A-C-09 on Cumberland Street over CSXT Railway Project"; bringing the City's new 20% cost share amount, including preliminary engineering services costs, to an estimated \$204,813.07

- Order -
of the
Mayor and City Council of Cumberland
MARYLAND

ORDER NO. 26,944

DATE: January 18, 2022

WHEREAS, Order No. 26,529 was passed on September 17, 2019, to authorize a 20% estimated cost share payment of \$98,970.99 to Allegany County for Preliminary Engineering Services pertaining to the “Replacement of Bridge No. A-C-09 on Cumberland Street over CSXT Railway Project”; and

WHEREAS, the estimated costs for Final Design Service through project bidding are now known;

NOW, THEREFORE, BE IT ORDERED, By the Mayor and City Council of Cumberland, Maryland

THAT, the City Comptroller be and is hereby authorized to make payment to Allegany County Government the additional estimated amount not to exceed One Hundred Five Thousand, Eight Hundred Forty-Two Dollars and Eight Cents (\$105,842.08) as the City’s 20% cost share of the total estimated Final Design costs, bringing the City’s total cost share to an estimated amount not to exceed Two Hundred Four Thousand, Eight Hundred Thirteen Dollars and Seven Cents (\$204,813.07).

Raymond M. Morriss, Mayor

Item	Description	Total Cost	City’s Local Share (20%)	Federal Share (80%)
1	Preliminary Engineering	\$ 494,854.94	\$ 98,970.99	\$ 395,883.95
2	Final Design	\$ 529,210.43	\$ 105,842.08	\$ 423,368.35
	Total	\$ 1,024,065.37	\$ 204,813.07	\$ 819,252.30

Budget: 115.099B.6300

Council Agenda Summary

Meeting Date: November 2, 2021

Agenda Item Number: 9-18-BR

Key Staff Contact: Robert Smith

Item Title:

Replacement of Bridge No. A-C-09 on Cumberland Street over CSXT Railway, in Cumberland, Allegany County

Summary:

Requesting a change order to authorize payment to Allegany County Government for invoices pertaining to the Final Design Services for the Replacement of Bridge A-C-09 on Cumberland Street over CSXT Railway. Allegany County will be paying the MD Department of Transportation directly and seeking reimbursement from the City for its cost share portion estimated at \$105,842.08. The requested change order shall increase the total reimbursement request to \$204,813.07, which is 20% of the estimated project cost of \$1,024,065.37. The Preliminary Engineering costs are associated with M&CC order 26,529.

Item	Description	Total Cost	Local Share (20%)	Federal Share (80%)
1	Preliminary Engineering	\$ 494,854.94	\$ 98,970.99	\$ 395,883.95
2	Final Design	\$ 529,210.43	\$ 105,842.08	\$ 423,368.35
	Total	\$ 1,024,065.37	\$ 204,813.07	\$ 819,252.30

Issues and Considerations:

The requested change order is Final Design Service through project bidding by the City's State-Selected consultant Jacobs/EBA Joint Venture.

Fiscal Impact:

Is this item budgeted? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	
Budget:	115.099B.6300
Value of award:	\$204,813.07
If item is not budgeted, does the budget need to be appropriated? <input type="checkbox"/> Yes <input type="checkbox"/> No	
Is there grant funding being used? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	
If grant funding is being used, does it require a City match? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	

Match provisions:	80% Federal Bridge Program 20% Local Government Match
Is this a sole source purchase? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No (If so, attach department recommendation and approval from City Administrator.)	

STATE HIGHWAY ADMINISTRATION

COST SHARING AGREEMENT

Purpose: Documentation of Costs for Services Provided on Behalf of Counties, Municipalities and Others.

Description of work: For MDOT SHA to provide engineering services for the Replacement of Bridge No.

A-C-09 on Cumberland Street over CSXT Railway in Cumberland, Allegany County

1. I, Daniel DeWitt, P.E., County Engineer, January 12, 2022

Name Title Date
Being authorized to act on behalf of Allegany County Department of Public Works
Name of County, Municipality or Other Party

Billing address: 701 Kelly Road, Suite 300
Cumberland, MD 21502

Do assure that:

- 2. The requesting organization does not have adequate forces to perform this service and requests the State Highway Administration to: (check one)
 - a. Manage the entire project.
 - b. Provide services as described above or in the supplemental Attachment A.

- 3. A written agreement exists between the Maryland Department of Transportation State Highway Administration and the requesting organization, which agreement clearly indicates responsibility for project costs. (If no agreement exists, proceed to 4 and 4a. or 4b.)

Date of Agreement: _____
or
Date of Master Agreement: January 3, 1978
and
Date of Supplemental Letter: October 15, 2018

- 4. The total estimated costs of this project; \$ 1,024,065.37, which includes the payroll fringe benefit expenses on direct labor and the Administrative and General Overhead Expenses at the prevailing rates, will be invoiced at (check one)
 - a. 20 % of the total actual cost of this project—not to exceed the estimated total cost by more than 15% without prior notification and agreement.
 - or
 - b. not to exceed \$ _____

COST SHARING AGREEMENT

- 5. Estimated funds are available and will be paid by the requesting organization, other than Counties, Municipalities and other State Agencies:
 - By advance deposit for the total estimated costs. Refunds to the advance deposit will be issued at the completion of the project.

- 6. Estimated funds are available and will be paid by the Counties, Municipalities and other State Agencies (check one):
 - a. By payment of all costs expended to date within 30 days of receipt of SHA's progress billings.


 - b. By payment of all costs in excess of federal recovery either as an advance deposit or 30 days of receipt of MDOT SHA's progress billings

- 7. Requesting organizations (including other State Agencies) other than Counties and Municipalities will be billed monthly.

- 8. Counties and Municipalities will be billed as follows:
 - A project/local share which does not exceed \$60,000 will be billed quarterly
 - A project/local share which exceeds \$60,000 will be billed monthly.

- 9. Should the County or Municipality default in remitting payment to the State for their portion of the work, their Highway User Revenue Funds will be reduced accordingly.

- 10. Costs incurred in excess of the advance deposit, if applicable, will be billed monthly.

 January 12, 2022
Authorized Representative of Date
Requesting Organization

_____ Date
District Engineer or Senior Manager

Daniel S. DeWitt, P.E.
County Engineer
Allegany County DPW

PRELIMINARY & FINAL ENGINEERING

MDOT SHA STAFF REVIEW COSTS:	\$15,000.00
PAYROLL BURDEN FOR FRINGE BENEFITS FOR SHA STAFF (74.02%):	\$11,103.00
CONSULTANT DESIGN COSTS:	\$997,962.37
ADMINISTRATIVE AND GENERAL OVERHEAD COSTS (7.87%):	\$0.00
(0% for Local Government BR/BH Projects)	<hr/>
TOTAL PROJECT COST:	\$1,024,065.37
20% Local Government Share:	\$204,813.07
80% FEDERAL BR/BH AID SHARE:	\$819,252.30

NOTES: * THIS FACTOR NOT APPLIED TO LOCAL GOVERNMENT BR/BH PROJECTS

PE PAYROLL BURDEN:	74.02%
PE OVERHEAD*:	7.87%

File Attachments for Item:

. **Order 26,945** - appointing Justin T. Paulman and Nathan C. Williams to the Historic Preservation Commission for 3-year terms to be effective January 18, 2022 - December 31, 2025

- ORDER -
of the
Mayor and City Council of Cumberland
MARYLAND

ORDER NO. 26,945

DATE: January 18, 2022

ORDERED, By the Mayor and City Council of Cumberland, Maryland

THAT, the following appointments to the Historic Preservation Commission be
and are hereby approved:

<i>Member</i>	<i>Seat</i>	<i>Term</i>
Justin T. Paulman	2	January 18, 2022 - December 31, 2025
Nathan C. Williams	3	January 18, 2022 - December 31, 2025

Mayor Raymond M. Morriss

File Attachments for Item:

1. Letter from Lee Borrer, Senior Community Development Specialist, advising that amendments to the Community Development Block Grant 2019 and 2020 Annual Action Plans are now available for review and will be presented to the Mayor and City Council for approval at the February 15, 2022, regular public meeting at 6:15 p.m. in the City Hall Council Chambers. Written comments from the public regarding the proposed amendments will be accepted through Monday, February 7, 2022, and may be emailed to to lee.borrer@cumberlandmd.gov or mailed to the Department of Community Development, 57 N. Liberty Street, Cumberland, MD 21502.



CITY OF CUMBERLAND MARYLAND

DEPARTMENT OF COMMUNITY DEVELOPMENT

January 18, 2022

City of Cumberland Mayor and City Council,

The City of Cumberland's Community Development Block Grant Program's 2020 Citizen Participation Plan outlines the procedure for amending Community Development Block Grant Annual Action Plans. The following information has been published in the Cumberland Times/News and the City website to notify the public of the adoption of the amendments to the 2019 and 2020 Annual Action Plans and affords the public 30 days to comment on the proposed amendment. The Amendment will be up for adoption by Mayor and City Council on February 15, 2022. I will report all written comments received to Mayor and City Council by February 8, 2022. Two new activities resulted from this reallocation of unused funds allowing improvements to the Constitution Park Guard Shack and purchasing a very important piece of fire safety equipment.

In accordance with federal regulations governing the Consolidated Planning process, the City of Cumberland is notifying the public regarding a proposal to reprogram a total of \$43,969.59 in Community Development Block Grant (CDBG) funds from activities affecting the 2019 and 2020 Annual Action Plans. Reprogramming CDBG funds in a timely manner enables the City to comply with HUD "Timeliness" standards and allows the funds to be used on "shovel ready" activities.

The changes proposed for the FY 2019 Annual Action Plan involve reallocating \$5,659.63 in program income to partially fund the purchase of important equipment, a Transcend Stair Chair, for use by Cumberland Fire Department. Fire Department Chief requested \$8,286 total for the purchase which will increase safety for firefighters and community members to whom fire safety personnel respond.

The City of Cumberland Parks and Recreation Department is requesting \$35,617.19 to complete improvements to assets within the Constitution Park. Funds will be used to renovate the guard shack building and other projects named within the Constitution Park 5 Year Plan as funds allow.

Allegany County Human Resources Development Commission has returned 2020 CDBG grant funds of \$6,000 for the HRDC Transitional Homeless Shelter (SS20.015) because plans to hire additional staff were thwarted due to the COVID pandemic and other

MAYOR
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CITY ADMINISTRATOR
JEFFREY F. SILKA

**DIRECTOR OF
ADMIN SERVICES**
KEN TRESSLER

**CODE COMPLIANCE
MANAGER**
KEVIN R. THACKER



MEMBER MARYLAND
MUNICIPAL LEAGUE (MML)

57 N. LIBERTY STREET, CUMBERLAND, MD 21502 www.cumberlandmd.gov
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factors beyond agency control. Funds will be split to support the two identified projects: \$2,626.37 will be reallocated to the Fire Dept Stair Chair project and the remaining \$3,373.63 will be reallocated to the activity identified as Constitution Park Improvements and Guard Shack.

As a result of the aforementioned proposed changes to the 2019 Annual Action Plan, the FY 2019 program income \$5,659.63 and \$2,626.37 of surplus 2020 Administration (SS20.016) funds will be allocated to create a 2019 project totaling \$8,286 known as Fire Department Stair Chair. The remaining 2020 surplus Administration (SS20.016) funds (\$32,309.96) and the surplus \$3,373.63 from HRDC Transitional Homeless Shelter (SS20.015), totaling \$35,683.59, will be reallocated to the existing 2020 Constitution Park project (SS20.056) increasing that total project funding to \$100,683.59 for a new activity called Constitution Park Improvements and Guard Shack.

If you have any questions, please do not hesitate to contact me.

Sincerely,

A handwritten signature in black ink, appearing to read 'Lee Borrer', with a long horizontal flourish extending to the right.

Lee Borrer

Senior Community Development Specialist

Public Notice of Intent to Reprogram Community Development Block Grant Funds

Amendment #1 12212021

City of Cumberland

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Written comments concerning the proposed amendment may be provided effective Tuesday, January 4, 2022 through 4 PM, Monday, February 7, 2022. Provide written comments to the City of Cumberland, Department of Community Development by mail to 57 N. Liberty Street, Cumberland, Maryland or email to lee.borrer@cumberlandmd.gov. This Amendment to the Community Development Block Grant 2019 and 2020 Annual Action Plans will be presented to Mayor and City Council at the regular meeting on Tuesday, January 18, 2022 and up for approval on Tuesday, February 15, 2022 in Council Chambers at City Hall at 6:15 PM or by virtual livestream forum during the pandemic where public group assembly is discouraged.

ADV: Tuesday, January 4, 2022