

**COUNTY COUNCIL OF CECIL COUNTY, MARYLAND
LEGISLATIVE SESSION 2019-07**

BILL NO. 2019-04

Title of Bill: Lease and Purchase – Vehicle and Equipment Financing

Synopsis A Bill authorizing and empowering Cecil County, Maryland to enter into new financing under a lease purchase agreement or similar arrangement in an aggregate principal amount not to exceed Two Million Dollars (\$2,000,000) for Fiscal Year 2020 for the purpose of financing the acquisition of certain necessary and essential vehicles and equipment for use in the County’s governmental programs; providing that the obligations of the County under the agreement shall not be a general obligation of the County, shall not constitute a pledge of the full faith and credit or the taxing power of the County and shall not constitute a debt of the County within the meaning of any statutory or constitutional provision, but shall be subject to appropriation in each and every fiscal year during the term of the agreement; empowering the County Executive to execute and deliver an executive order prior to the execution and delivery of the agreement in order to award the agreement to the successful bidder and to fix, prescribe and determine the details of such financing; and relating generally to such financing.

Introduced by: Council President at the request of the County Executive

Introduced and order posted on: April 2, 2019

Public hearing scheduled on: May 23, 2019 at 7:00pm
at Elkton High School Auditorium, 110 James St, Elkton MD

Consideration scheduled on: June 4, 2019

By: _____
Council Manager

PUBLIC HEARING

Notice of time and place of public hearing and title of Bill having been posted by (date) at the County Administration Building, 200 Chesapeake Blvd., Elkton, and having been published according to the Charter on (date), a public hearing was held on (date) and concluded on (date).

By: _____
Council Manager

Explanation: CAPITAL LETTERS INDICATE LANGUAGE ADDED TO EXISTING DOCUMENT
~~Strike through~~ indicates language deleted from existing document
Underlining indicates language added to document by amendment.
~~Double Strike through~~ indicates language stricken from document by amendment.

Lease and Purchase – Vehicle and Equipment Financing

1 **WHEREAS**, the County is authorized by the laws of the State of Maryland to purchase, acquire and
2 lease personal property required for public purposes in the County; and

3 **WHEREAS**, Section 515(d) of the Cecil County Charter provides that the Council shall authorize by
4 law any contract, lease or other obligation in excess of \$20,000 that requires the payment of funds from the
5 appropriation of a later fiscal year; and

6 **WHEREAS**, the Council wishes to authorize the financing of the acquisition of certain necessary and
7 essential vehicles and equipment for use in the County’s governmental programs pursuant to a lease
8 purchase agreement or similar arrangement in an aggregate principal amount not to exceed \$ 2,000,000, all
9 as more particularly described herein.

10 **NOW, THEREFORE, BE IT HEREBY ENACTED BY THE COUNTY COUNCIL OF CECIL COUNTY,**
11 **MARYLAND**, as follows:

12 Section 1. Cecil County, Maryland (the “County”) is hereby authorized for Fiscal Year 2020 to enter
13 into new financing under a lease purchase agreement or similar arrangement (the “Lease”) to finance the
14 acquisition of certain necessary and essential vehicles, machinery, and equipment included in the County’s
15 approved Operating Budget for use in the County’s governmental programs (the “Equipment”) in an
16 amount not to exceed, in the aggregate, Two Million Dollars (\$ 2,000,000).

17 Section 2. The Lease (i) is not a general obligation of the County, (ii) does not constitute a pledge of
18 the full faith and credit or the taxing power of the County, and (iii) does not constitute a debt of the County
19 within the meaning of any statutory or constitutional provision. The County’s obligations under the Lease
20 shall be subject to appropriation in each and every fiscal year during the term of the Lease.

21 Section 3. The County Executive is authorized to solicit proposals for the Lease from one or more
22 financial institutions. In connection therewith, the County Executive, the Director of Administration and the
23 Director of Finance are authorized to: (i) prepare a request for proposals or similar document with the
24 assistance of the County’s financial advisor, (ii) solicit proposals from banks or other financial institutions,
25 (iii) make all necessary arrangements for the tabulation and comparison of the proposals received, and (iv)
26 negotiate the terms of the Lease with one or more of the financial institutions submitting proposals.

27 Section 4. Prior to the execution and delivery of the Lease, the County Executive shall
28 execute and deliver an executive order to (i) award the Lease to the financial institution submitting
29 the proposal that is in the best interests of the County, as determined by the County Executive
30 with the assistance of the County’s financial advisor and (ii) fix, prescribe, determine, and approve
31 all matters, details, forms, and documents pertaining to the Lease and the consummation of the
32 transaction contemplated hereby and thereby, subject in all respects to the provisions hereof.

Lease and Purchase – Vehicle and Equipment Financing

33 Section 5. The Lease shall be executed in the name of the County and on its behalf by the County
34 Executive. The County Executive, the Director of Administration and the Director of Finance are each
35 hereby authorized to execute and deliver in connection with the Lease, such additional certificates and
36 documents relating to the Lease as are deemed necessary or desirable by any of them for the acquisition
37 and financing of the Equipment and to effect the execution and delivery of the Lease.

38 Section 6. The authority to conferred by this Act shall be deemed to provide additional, alternative
39 and supplemental authority and shall be regarded as supplemental and additional to powers conferred
40 upon the County by other laws and shall not be regarded as in derogation of any power now existing; and
41 all previously enacted laws are hereby continued to the extent that the power contained in them is
42 continuing or has not been exercised, unless any law is expressly repealed by this Act. This Act, being
43 necessary for the welfare of the inhabitants of Cecil County, shall be liberally construed to affect its
44 purposes.

45 Section 7. The provisions of this Act are severable, and if any provision, sentence, clause, section or
46 part hereof is held to be illegal, invalid or unconstitutional or inapplicable to any person or circumstances,
47 such illegality, invalidity or unconstitutionality, or inapplicability shall not affect or impair any of the
48 remaining provisions, sentences, clauses, sections, or parts of this Act or their application to other persons
49 or circumstances. It is hereby declared to be the legislative intent that this Act would have been passed if
50 such illegal, invalid or unconstitutional provision, sentence, clause, section or part had not been included
51 herein, and if the person or circumstances to which this Act or any part hereof are inapplicable had been
52 specifically exempted therefrom.

53 **AND BE IT FURTHER ENACTED BY THE COUNTY COUNCIL OF CECIL COUNTY, MARYLAND,**
54 that this Act shall take effect on July 1, 2019.

CERTIFICATION

I, HEREBY CERTIFY that the above Bill was posted for the public on the public bulletin board with the date, time and location of the public hearing meeting, copies were made available for the public, a copy was distributed to the press, and copy was made available on the Cecil County website.

BY Council Manager