

**COUNTY COUNCIL OF CECIL COUNTY, MARYLAND
LEGISLATIVE SESSION DAY 2024 – 07**

BILL NO. 2024-12

Title of Bill: Authorization of Lease Purchase 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 Four Million Dollars (\$4,000,000) for Fiscal Year 2025 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 on behalf of the County Executive

Introduced, read first time and ordered posted on: April 2, 2024

Public hearing scheduled on : May 23, 2024 at: 7:00 pm - Elk Room, County Administrative Building

Scheduled for Consideration: June 4, 2024

By: _____
Council Manager

Public Hearing

Notice of time and place of public hearing and title of Bill have been posted by April 2, 2024, at the County Administration Building, 200 Chesapeake Blvd., Elkton and having been published according to the Charter on May 8, 2024, and May 15, 2024 a public hearing was held on May 23, 2024, and concluded on May 23, 2024.

By: _____
Council Manager

Explanation: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.

Underlining indicates language added to a Bill by amendment.

~~Strike through~~ indicates language stricken out of a Bill by amendment.

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

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

7 **WHEREAS**, the Council wishes to authorize the financing of the acquisition of
8 certain necessary and essential vehicles and equipment for use in the County's
9 governmental programs pursuant to a lease purchase agreement or similar arrangement
10 in an aggregate principal amount not to exceed \$ 4,000,000, all as more particularly
11 described herein.

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

14 Section 1. Cecil County, Maryland (the "County") is hereby authorized for Fiscal
15 Year 2025 to enter into new financing under a lease purchase agreement or similar
16 arrangement (the "Lease") to finance the acquisition of certain necessary and essential
17 vehicles, machinery, and equipment included in the County's approved Operating
18 Budget for use in the County's governmental programs (the "Equipment") in an amount
19 not to exceed, in the aggregate, \$ 4,000,000.

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

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

31 and (iv) negotiate the terms of the Lease with one or more of the financial institutions
32 submitting proposals.

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

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

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

54 Section 7. The provisions of this Act are severable, and if any provision,
55 sentence, clause, section or part hereof is held to be illegal, invalid or unconstitutional
56 or inapplicable to any person or circumstances, such illegality, invalidity or
57 unconstitutionality, or inapplicability shall not affect or impair any of the remaining
58 provisions, sentences, clauses, sections, or parts of this Act or their application to other
59 persons or circumstances. It is hereby declared to be the legislative intent that this Act

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60 would have been passed if such illegal, invalid or unconstitutional provision, sentence,
61 clause, section or part had not been included herein, and if the person or circumstances
62 to which this Act or any part hereof are inapplicable had been specifically exempted
63 therefrom.

64 Section 8. This Act shall take effect on July 1, 2024 when it becomes law.

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 a copy was made available on the Cecil County website.

BY: Council Manager