

THE CITY OF FROSTBURG

ORDINANCE 2026-__

AN ORDINANCE OF THE CITY OF FROSTBURG, A BODY POLITIC AND CORPORATE AND A MUNICIPAL CORPORATION OF THE STATE OF MARYLAND (THE “CITY”), APPROVING THE FORM AND AUTHORIZING THE EXECUTION, ISSUANCE, SALE AND DELIVERY BY THE CITY OF ONE OR MORE GENERAL OBLIGATION INSTALLMENT BONDS IN AN AGGREGATE PRINCIPAL AMOUNT NOT EXCEEDING \$6,000,000 PURSUANT TO THE AUTHORITY OF SECTIONS 19-301 TO 19-309, INCLUSIVE, OF THE LOCAL GOVERNMENT ARTICLE OF THE ANNOTATED CODE OF MARYLAND, AS AMENDED, SECTION 718 OF THE CHARTER OF THE CITY OF FROSTBURG, AND THE MARYLAND WATER INFRASTRUCTURE FINANCING ADMINISTRATION ACT (CODIFIED AS SECTIONS 9-1601 TO 9-1622, INCLUSIVE, OF THE ENVIRONMENT ARTICLE OF THE ANNOTATED CODE OF MARYLAND, AS AMENDED), EACH SUCH BOND TO BE DESIGNATED “THE CITY OF FROSTBURG WATER QUALITY BOND,” AND BY SERIES OR BY SUCH OTHER DESIGNATION AS PROVIDED IN THIS ORDINANCE, THE NET PROCEEDS OF THE SALE THEREOF TO BE USED AND APPLIED FOR THE PUBLIC PURPOSE OF FINANCING ALL OR A PORTION OF THE COST OF ACQUIRING, CONSTRUCTING AND EQUIPPING CERTAIN FACILITIES, EACH OF WHICH CONSTITUTES A “WASTEWATER FACILITY” AS MORE PARTICULARLY DESCRIBED HEREIN, INCLUDING THE DEVELOPMENT OF PROPERTY, THE ACQUISITION AND INSTALLATION OF EQUIPMENT AND FURNISHINGS AND ANY RELATED ARCHITECTURAL, FINANCIAL, LEGAL, PLANNING AND ENGINEERING EXPENSES; TO AUTHORIZE THE EXECUTION OF FOUR LOAN AGREEMENTS BETWEEN THE CITY AND THE MARYLAND WATER INFRASTRUCTURE FINANCING ADMINISTRATION; TO PRESCRIBE THE FORM AND TENOR OF THE BONDS AND THE TERMS AND CONDITIONS FOR THE ISSUANCE AND SALE THEREOF AT PRIVATE SALE TO THE MARYLAND WATER INFRASTRUCTURE FINANCING ADMINISTRATION; TO PROVIDE FOR THE PROMPT PAYMENT OF THE MATURING PRINCIPAL OF AND INTEREST ON THE BONDS; TO PLEDGE THE FULL FAITH AND CREDIT OF THE CITY TO THE PAYMENT OF THE PRINCIPAL OF AND INTEREST ON THE BONDS; TO COVENANT TO LEVY AND COLLECT ALL TAXES NECESSARY TO PROVIDE FOR THE PAYMENT OF THE PRINCIPAL OF AND INTEREST ON SUCH BONDS; AND TO PROVIDE GENERALLY FOR THE ISSUANCE, SALE AND DELIVERY OF SUCH BONDS.

RECITALS

Title VI of the Federal Water Pollution Control Act, as amended by the Water Quality Act of 1987 (the “Clean Water Act”), authorizes the United States Environmental Protection Agency to award grants to qualifying states to establish and capitalize State water pollution control revolving funds (“SRFs”) for the purpose of providing loans and certain other forms of financial assistance to finance, among other things, the construction and improvement of publicly-owned wastewater treatment facilities and the implementation of estuary conservation management plans and nonpoint source management programs.

As contemplated by the Clean Water Act, the General Assembly of Maryland at its 1988 session enacted the Maryland Water Infrastructure Financing Administration Act, codified at Sections 9-1601 to 9-1622, inclusive, of the Environment Article of the Annotated Code of Maryland, as amended (the “Water Infrastructure Act”), establishing the Maryland Water Infrastructure Financing Administration (the “Administration”) and establishing a SRF designated the Maryland Water Quality Revolving Loan Fund (the “Fund”) to be maintained and administered by the Administration. The Water Infrastructure Act authorizes the Administration, among other things, to make a loan from the Fund to a “local government” (as defined in the Water Infrastructure Act) for the purpose of financing all or a portion of the cost of a “wastewater facility” (as defined in the Water Infrastructure Act). The City of Frostburg, a body politic and corporate and a municipal corporation of the State of Maryland (the “City”), is a “local government” within the meaning of the Water Infrastructure Act.

The City has applied to the Administration for loans from the Fund to assist in the financing of certain projects, each of which constitutes a “wastewater facility” within the meaning of the Water Infrastructure Act. As contemplated by the Water Infrastructure Act, the Administration and the City will enter into the Loan Agreements (hereinafter defined) to effect and evidence such respective loans.

The City has determined that it will issue its Bonds (hereinafter defined), each of which constitutes a “loan obligation” within the meaning of the Water Infrastructure Act, to evidence its payment obligations under the respective Loan Agreements.

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

Section 1. (a) Pursuant to the authority of the Water Infrastructure Act, Sections 19-301 to 19-309, inclusive, of the Local Government Article of the Annotated Code of Maryland, as amended, and Section 718 of the Charter of the City of Frostburg (collectively, the “Acts”), the City hereby determines to (i) borrow money and incur indebtedness in an aggregate principal amount not to exceed One Million Five Hundred Thousand Dollars (\$1,500,000) (the “2026A-1 Loan”) and (ii) borrow money and incur indebtedness in an aggregate principal amount not to exceed One Million Five Hundred Thousand Dollars (\$1,500,000) (the “2026A-2 Loan”), each for the public purpose of financing a portion of the cost of acquiring, constructing and equipping a certain project as described in Exhibit A-1 attached hereto as part hereof (the “2026A Project”), including the development of property, the acquisition and installation of equipment and furnishings and any related architectural, financial, legal, planning and engineering expenses. The

2026A Project constitutes a “wastewater facility” within the meaning of the Water Infrastructure Act.

(b) Pursuant to the authority of the Acts, the City hereby further determines to (i) borrow money and incur indebtedness in an aggregate principal amount not to exceed One Million Five Hundred Thousand Dollars (\$1,500,000) (the “2026B-1 Loan”) and (ii) borrow money and incur indebtedness in an aggregate principal amount not to exceed One Million Five Hundred Thousand Dollars (\$1,500,000) (the “2026B-2 Loan”), each for the public purpose of financing a portion of the cost of acquiring, constructing and equipping a certain project as described in Exhibit A-2 attached hereto as part hereof (the “2026B Project” and together with the 2026A Project, the “Projects”), including the development of property, the acquisition and installation of equipment and furnishings and any related architectural, financial, legal, planning and engineering expenses. The 2026B Project constitutes a “wastewater facility” within the meaning of the Water Infrastructure Act.

Section 2. (a) (i) As contemplated by the Water Infrastructure Act, the 2026A-1 Loan, in the maximum principal amount determined in accordance with the 2026A-1 Loan Agreement (hereinafter defined) not to exceed One Million Five Hundred Thousand Dollars (\$1,500,000), shall be advanced and incurred in accordance with the provisions of a loan agreement between the City and the Administration substantially in the form set forth in Exhibit B-1 attached hereto and made a part hereof (the “2026A-1 Loan Agreement”) in order to finance the 2026A Project. The City hereby approves and authorizes the execution and delivery of the 2026A-1 Loan Agreement substantially in the form set forth in Exhibit B-1 attached hereto and made a part hereof, with such insertions, omissions or variations as may be deemed necessary or appropriate and approved by the officers of the City executing the same (their execution of the 2026A-1 Loan Agreement to constitute conclusive evidence of such approval), and the 2026A-1 Loan Agreement and all of the covenants and conditions set forth therein, including, without limitation, payment to the Administration of the annual Administrative Fee described and defined therein, are hereby approved and adopted as the obligation of the City.

(ii) To evidence the payment obligations of the City under the 2026A-1 Loan Agreement, the City shall issue and sell, upon its full faith and credit, a general obligation installment bond in a maximum principal amount determined in accordance with the 2026A-1 Loan Agreement not to exceed One Million Five Hundred Thousand Dollars (\$1,500,000), hereby designated as “The City of Frostburg Water Quality Bond, Series 2026A-1” (the “Series 2026A-1 Bond”).

(iii) The Mayor of the City is hereby authorized to determine and approve, on behalf of the City, by Executive Order, the final principal amount of such Series 2026A-1 Bond (up to the amount authorized by this Ordinance), the dates and amounts of principal payments of the Series 2026A-1 Bond, and the interest rate on the Series 2026A-1 Bond, and insert the same into the Series 2026A-1 Bond and 2026A-1 Loan Agreement, and to make such changes to the forms of Series 2026A-1 Bond and 2026A-1 Loan Agreement, including insertions therein or additions or deletions thereto, as may be necessary to conform the terms of the Series 2026A-1 Bond and the 2026A-1 Loan Agreement to the terms of the Loan and the program requirements of the Administration, such approval to be conclusively evidenced by such Mayor’s execution and delivery of such document.

(iv) The City hereby approves the form of the Series 2026A-1 Bond and authorizes the execution and delivery of the Series 2026A-1 Bond in substantially the form set forth in Exhibit F to the 2026A-1 Loan Agreement attached hereto and made a part hereof, in the maximum principal amount, maturing and bearing interest as determined in the foregoing paragraph of this Section, including all covenants and conditions set forth in such form, and with such insertions, omissions or variations as may be deemed necessary or appropriate and approved by the officers of the City executing the same (their execution of the Series 2026A-1 Bond to constitute conclusive evidence of such approval).

(b) (i) As contemplated by the Water Infrastructure Act, the 2026A-2 Loan, in the maximum principal amount determined in accordance with the 2026A-2 Loan Agreement (hereinafter defined) not to exceed One Million Five Hundred Thousand Dollars (\$1,500,000), shall be advanced and incurred in accordance with the provisions of a loan agreement between the City and the Administration substantially in the form set forth in Exhibit B-2 attached hereto and made a part hereof (the “2026A-2 Loan Agreement”) in order to finance the 2026A Project. The City hereby approves and authorizes the execution and delivery of the 2026A-2 Loan Agreement substantially in the form set forth in Exhibit B-2 attached hereto and made a part hereof, with such insertions, omissions or variations as may be deemed necessary or appropriate and approved by the officers of the City executing the same (their execution of the 2026A-2 Loan Agreement to constitute conclusive evidence of such approval), and the 2026A-2 Loan Agreement and all of the covenants and conditions set forth therein, including, without limitation, payment to the Administration of the annual Administrative Fee described and defined therein, are hereby approved and adopted as the obligation of the City.

(ii) To evidence the payment obligations of the City under the 2026A-2 Loan Agreement, the City shall issue and sell, upon its full faith and credit, a general obligation installment bond in a maximum principal amount determined in accordance with the 2026A-2 Loan Agreement not to exceed One Million Five Hundred Thousand Dollars (\$1,500,000), hereby designated as “The City of Frostburg Water Quality Bond, Series 2026A-2” (the “Series 2026A-2 Bond”). The principal advanced under the 2026A-2 Loan Agreement shall be payable upon demand by the Administration in accordance with the 2026A-2 Loan Agreement, together with interest at an annual rate of the monthly average of the Bond Buyer-11 Bond Index 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 issuance of the Series 2026A-2 Bond.

(iii) The Mayor of the City is hereby authorized to determine and approve, on behalf of the City, by Executive Order, the final principal amount of such Series 2026A-2 Bond (up to the amount authorized by this Ordinance), the dates and amounts of principal payments of the Series 2026A-2 Bond, and the interest rate on the Series 2026A-2 Bond, and insert the same into the Series 2026A-2 Bond and 2026A-2 Loan Agreement, and to make such changes to the forms of Series 2026A-2 Bond and 2026A-2 Loan Agreement, including insertions therein or additions or deletions thereto, as may be necessary to conform the terms of the Series 2026A-2 Bond and the 2026A-2 Loan Agreement to the terms of the Loan and the program requirements of the Administration, such approval to be conclusively evidenced by such Mayor’s execution and delivery of such document.

(iv) The City hereby approves the form of the Series 2026A-2 Bond and authorizes the execution and delivery of the Series 2026A-2 Bond in substantially the form set forth in Exhibit F to the 2026A-2 Loan Agreement attached hereto and made a part hereof, in the maximum principal amount, maturing and bearing interest as determined in the foregoing paragraph of this Section, including all covenants and conditions set forth in such form, and with such insertions, omissions or variations as may be deemed necessary or appropriate and approved by the officers of the City executing the same (their execution of the Series 2026A-2 Bond to constitute conclusive evidence of such approval).

(v) Pursuant to the Clean Water Act, as amended by federal Appropriation or Authorization Acts, and Section 9-1605(d)(14) of the Environment Article of the Annotated Code of Maryland, as amended, the Administration shall forgive repayment of the principal amount of the portion of the loan evidenced by the Series 2026A-2 Bond and the interest payable thereon under Article III of the 2026A-2 Loan Agreement and the Series 2026A-2 Bond so long as the City performs all of its other obligations under the 2026A-2 Loan Agreement. Upon determination by the Administration that any such other obligations under the 2026A-2 Loan Agreement have not been performed by the City, payment of the principal of the portion of the loan evidenced by the Series 2026A-2 Bond and the interest thereon from the date of demand at the rate set forth in the foregoing paragraph above will be due and payable upon demand. If the Administration has not demanded payment of the principal of and interest on the Series 2026A-2 Bond by that date which is the ten (10) year anniversary of the date of issuance thereof, then the Administration shall be deemed to have forgiven repayment of the portion of the loan evidenced by the Series 2026A-2 Bond and interest thereon, the Series 2026A-2 Bond shall be deemed cancelled and the portion of the loan evidenced by the Series 2026A-2 Bond and the 2026A-2 Loan Agreement shall be deemed terminated and of no further force and effect.

Section 3. (a) (i) As contemplated by the Water Infrastructure Act, the 2026B-1 Loan, in the maximum principal amount determined in accordance with the 2026B-1 Loan Agreement (hereinafter defined) not to exceed One Million Five Hundred Thousand Dollars (\$1,500,000), shall be advanced and incurred in accordance with the provisions of a loan agreement between the City and the Administration substantially in the form set forth in Exhibit B-3 attached hereto and made a part hereof (the “2026B-1 Loan Agreement”) in order to finance the 2026B Project. The City hereby approves and authorizes the execution and delivery of the 2026B-1 Loan Agreement substantially in the form set forth in Exhibit B-3 attached hereto and made a part hereof, with such insertions, omissions or variations as may be deemed necessary or appropriate and approved by the officers of the City executing the same (their execution of the 2026B-1 Loan Agreement to constitute conclusive evidence of such approval), and the 2026B-1 Loan Agreement and all of the covenants and conditions set forth therein, including, without limitation, payment to the Administration of the annual Administrative Fee described therein, are hereby approved and adopted as the obligation of the City.

(ii) To evidence the payment obligations of the City under the 2026B-1 Loan Agreement, the City shall issue and sell, upon its full faith and credit, a general obligation bond in a maximum principal amount determined in accordance with the 2026B-1 Loan Agreement not to exceed One Million Five Hundred Thousand Dollars (\$1,500,000),

hereby designated as “The City of Frostburg Water Infrastructure Bond, Series 2026B-1” (the “Series 2026B-1 Bond”).

(iii) The Mayor of the City is hereby authorized to determine and approve, on behalf of the City, by Executive Order, the final principal amount of such Series 2026B-1 Bond (up to the amount authorized by this Ordinance), the dates and amounts of principal payments of the Series 2026B-1 Bond, and the interest rate on the Series 2026B-1 Bond, and insert the same into the Series 2026B-1 Bond and 2026B-1 Loan Agreement, and to make such changes to the forms of Series 2026B-1 Bond and 2026B-1 Loan Agreement, including insertions therein or additions or deletions thereto, as may be necessary to conform the terms of the Series 2026B-1 Bond and the 2026B-1 Loan Agreement to the terms of the Loan and the program requirements of the Administration, such approval to be conclusively evidenced by such Mayor’s execution and delivery of such document.

(iv) The City hereby approves the form of the Series 2026B-1 Bond and authorizes the execution and delivery of the Series 2026B-1 Bond in substantially the form set forth in Exhibit F to the 2026B-1 Loan Agreement attached hereto and made a part hereof, in the maximum principal amount, maturing and bearing interest as determined in the foregoing paragraph of this Section, including all covenants and conditions set forth in such form, and with such insertions, omissions or variations as may be deemed necessary or appropriate and approved by the officers of the City executing the same (their execution of the Series 2026B-1 Bond to constitute conclusive evidence of such approval).

(b) (i) As contemplated by the Water Infrastructure Act, the 2026B-2 Loan, in the maximum principal amount determined in accordance with the 2026B-2 Loan Agreement (hereinafter defined) not to exceed One Million Five Hundred Thousand Dollars (\$1,500,000), shall be advanced and incurred in accordance with the provisions of a loan agreement between the City and the Administration substantially in the form set forth in Exhibit B-4 attached hereto and made a part hereof (the “2026B-2 Loan Agreement” and, together with the 2026A-1 Loan Agreement, 2026A-2 Loan Agreement and the 2026B-1 Loan Agreement, the “Loan Agreements”) in order to finance the 2026B Project. The City hereby approves and authorizes the execution and delivery of the 2026B-2 Loan Agreement substantially in the form set forth in Exhibit B-4 attached hereto and made a part hereof, with such insertions, omissions or variations as may be deemed necessary or appropriate and approved by the officers of the City executing the same (their execution of the 2026B-2 Loan Agreement to constitute conclusive evidence of such approval), and the 2026B-2 Loan Agreement and all of the covenants and conditions set forth therein, including, without limitation, payment to the Administration of the annual Administrative Fee described therein, are hereby approved and adopted as the obligation of the City.

(ii) To evidence the payment obligations of the City under the 2026B-2 Loan Agreement, the City shall issue and sell, upon its full faith and credit, a general obligation bond in a maximum principal amount determined in accordance with the 2026B-2 Loan Agreement not to exceed One Million Five Hundred Thousand Dollars (\$1,500,000), hereby designated as “The City of Frostburg Water Infrastructure Bond, Series 2026B-2” (the “Series 2026B-2 Bond” and, collectively with the Series 2026A-1 Bond, the Series 2026A-2 Bond and the Series 2026B-1 Bond, the “Bonds”). The principal advanced under the 2026B-2 Loan Agreement shall be payable upon demand by the Administration in

accordance with the 2026B-2 Loan Agreement, together with interest at an annual rate of the monthly average of the Bond Buyer-11 Bond Index 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 issuance of the Series 2026B-2 Bond.

(iii) The Mayor of the City is hereby authorized to determine and approve, on behalf of the City, by Executive Order, the final principal amount of such Series 2026B-2 Bond (up to the amount authorized by this Ordinance), the dates and amounts of principal payments of the Series 2026B-2 Bond, and the interest rate on the Series 2026B-2 Bond, and insert the same into the Series 2026B-2 Bond and 2026B-2 Loan Agreement, and to make such changes to the forms of Series 2026B-2 Bond and 2026B-2 Loan Agreement, including insertions therein or additions or deletions thereto, as may be necessary to conform the terms of the Series 2026B-2 Bond and the 2026B-2 Loan Agreement to the terms of the Loan and the program requirements of the Administration, such approval to be conclusively evidenced by such Mayor's execution and delivery of such document.

(iv) The City hereby approves the form of the Series 2026B-2 Bond and authorizes the execution and delivery of the Series 2026B-2 Bond in substantially the form set forth in Exhibit F to the 2026B-2 Loan Agreement attached hereto and made a part hereof, in the maximum principal amount, maturing and bearing interest as determined in the foregoing paragraph of this Section, including all covenants and conditions set forth in such form, and with such insertions, omissions or variations as may be deemed necessary or appropriate and approved by the officers of the City executing the same (their execution of the Series 2026B-2 Bond to constitute conclusive evidence of such approval).

(v) Pursuant to the Clean Water Act, as amended by federal Appropriation or Authorization Acts, and Section 9-1605(d)(14) of the Environment Article of the Annotated Code of Maryland, as amended, the Administration shall forgive repayment of the principal amount of the portion of the loan evidenced by the Series 2026B-2 Bond and the interest payable thereon under Article III of the 2026B-2 Loan Agreement and the Series 2026B-2 Bond so long as the City performs all of its other obligations under the 2026B-2 Loan Agreement. Upon determination by the Administration that any such other obligations under the 2026B-2 Loan Agreement have not been performed by the City, payment of the principal of the portion of the loan evidenced by the Series 2026B-2 Bond and the interest thereon from the date of demand at the rate set forth in the foregoing paragraph above will be due and payable upon demand. If the Administration has not demanded payment of the principal of and interest on the Series 2026B-2 Bond by that date which is the ten (10) year anniversary of the date of issuance thereof, then the Administration shall be deemed to have forgiven repayment of the portion of the loan evidenced by the Series 2026B-2 Bond and interest thereon, the Series 2026B-2 Bond shall be deemed cancelled and the portion of the loan evidenced by the Series 2026B-2 Bond and the 2026B-2 Loan Agreement shall be deemed terminated and of no further force and effect.

Section 4. The Loan Agreements and the Bonds shall be executed on behalf of and in the name of the City by the Mayor of the City (the "Mayor"). The corporate seal of the City shall be

affixed to the Loan Agreements and the Bonds, and authenticated and attested by the signature of the City Administrator of the City. The principal of and interest on the Bonds shall be paid in accordance with the terms and conditions of the Loan Agreements and the Bonds. The Loan Agreements and the Bonds shall be valid and legally binding obligations of the City enforceable in accordance with their respective terms.

The officers of the City authorized to execute the Loan Agreements and the Bonds are expressly authorized to execute and deliver from time to time (a) such amendments to the Loan Agreements as shall be deemed necessary or appropriate by such officers to cure any defect or ambiguity in the Loan Agreements, to add any provision thereto beneficial to the City or to comply with Administration practices and policy from time to time and (b) such amendments to the Bonds (or a new Bond or Bonds in replacement thereof) in accordance with the Loan Agreements and the Bonds as shall be necessary to provide for the reamortization of the principal installments due thereunder in the event that the total amount advanced thereunder shall be less than the maximum principal amount of the applicable Bond, so long as neither the aggregate principal amount of such Bond, the amount of any principal installment thereunder in any year, nor the interest rate thereon shall be increased.

Section 5. As authorized and contemplated by the Loan Agreements and Section 9-1606 of the Water Infrastructure Act, the Bonds shall be sold at private sale to the Administration, public advertisement and sale of the Bonds not being required by the terms of the Acts and the best interests of the City being hereby declared to be served by such private sale. The Mayor is expressly authorized and empowered to take any and all action necessary to complete and close the award, sale and delivery of the Bonds to the Administration, including, without limitation, making such changes or modifications in the forms of the Bonds approved hereby as may be necessary or appropriate to comply with Administration practices and policies applicable from time to time.

Section 6. The proceeds of the sale of the Bonds shall be applied from time to time as and when received by the City to finance costs of the respective Projects in strict compliance with the provisions of the Loan Agreements and the Acts.

Section 7. For the purpose of paying the maturing principal of and interest on the Bonds when due, the City has established or shall establish a dedicated source of revenues as described in the Loan Agreements. In the event such revenues are insufficient to meet the debt service requirements of the Bonds in any fiscal year in which the Bonds are outstanding, the City shall levy or cause to be levied ad valorem taxes in such fiscal year upon all the legally assessable property within its corporate limits in rate and amount sufficient to provide for the prompt payment of such principal and interest on the Bonds in such fiscal year, and, if the proceeds from the collection of taxes so levied in any such fiscal year are inadequate for such payment, additional taxes shall be levied in the succeeding fiscal year to make up such deficiency. The full faith and credit and unlimited taxing power of the City are hereby irrevocably pledged to the payment of the principal of and interest on the Bonds as and when they become due and payable and to the levy and collection of the taxes hereinbefore 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 hereby covenants and agrees with the registered owner of the Bonds to levy and collect the taxes hereinbefore described and to take any action that may be appropriate from time to time during the

period that the Bonds remains outstanding and unpaid to provide the funds necessary to pay promptly the principal and interest due thereon. The City hereby pledges any moneys that the City is entitled to receive from the State of Maryland to secure its obligations under any Loan Agreement to the extent provided in any Loan Agreement.

Section 8. The City covenants that the execution of the Loan Agreements and the issuance of the Bonds, together with all other indebtedness of the City, is within every debt and other limit prescribed by the Constitution or statutes of the State of Maryland and the Charter of the City.

Section 9. This Ordinance shall become effective twenty (20) days after its enactment.

Introduced: _____, 2026

Public Hearing: _____, 2026

Adopted: _____, 2026

Effective: _____, 2026

ATTEST:

THE CITY OF FROSTBURG

City Administrator

By: _____
Mayor

2026A PROJECT DESCRIPTION

The 2026A Project will consist of the construction of improvements to the existing Frostburg combined sewer infrastructure. It involves the separation of the combined sewer system and related ancillary improvements to the City's wastewater collection system. Specifically, the 2026A Project is Project Phase X-B and will involve the removal of combined sewer and stormwater infrastructure in the areas of East Mechanic Street, Washington Street, and McCulloh Street in Frostburg, with connection to the existing, separated systems. The objectives of the 2026A include eliminating stormwater infiltration from the City's sewer lines, reducing the frequency and severity of combined sewer overflows, and minimizing backups into surrounding streams and buildings. Additionally, the 2026A Project will improve infrastructure, including roads and sidewalks, stabilize and lower treatment costs, reduce user rates, and ensure compliance with the State of Maryland's separation mandates.

2026B PROJECT DESCRIPTION

The 2026B Project will consist of the construction of improvements to the existing Frostburg combined sewer infrastructure. It involves the separation of the combined sewer system and related ancillary improvements to the City's wastewater collection system. Specifically, the 2026B Project is Project Phase X-C and will involve the removal of combined sewer and stormwater infrastructure in the areas of East Main Street, East Mechanic Street, Washington Street, and McCulloh Street in Frostburg, with connection to the existing, separated systems. The objectives of the 2026B Project include eliminating stormwater infiltration from the City's sewer lines, reducing the frequency and severity of combined sewer overflows, and minimizing backups into surrounding streams and buildings. Additionally, the 2026B Project will improve infrastructure, including roads and sidewalks, stabilize and lower treatment costs, reduce user rates, and ensure compliance with the State of Maryland's separation mandates.

FORM OF 2026A-1 LOAN AGREEMENT

FORM OF 2026A-2 LOAN AGREEMENT

FORM OF 2026B-1 LOAN AGREEMENT

FORM OF 2026B-2 LOAN AGREEMENT