

INTRODUCED _____
PUBLIC HEARING _____
COUNCIL ACTION _____
EXEC. ACTION _____
EFFECTIVE DATE _____

County Council Of Howard County, Maryland

2010 Legislative Session

Legislative Day No. 5

Bill No. 26 -2010

Introduced by: The Chairperson at the request of the County Executive

AN ACT for the purpose of authorizing and empowering Howard County, Maryland to borrow money in the principal amount of up to \$28,428,405 on its full faith and credit, and issue and sell its bonds therefor, to be used to pay costs of certain County water and sewer capital projects which are specified and described in the County's 2011 Capital Budget (including, without limitation, borrowings for certain water and sewer capital projects previously authorized in calendar year 2006), and to pay costs of issuance of such bonds; authorizing the County to issue bond anticipation notes or to enter into installment purchase agreements for payment of portions of such costs; and to levy taxes upon the assessable property within the County sufficient, together with benefit assessments, ad valorem taxes levied upon the assessable property in the Metropolitan District and other available funds, to pay the debt service on such obligations; and providing for and determining various matters in connection therewith.

Introduced and read first time _____, 2010. Ordered posted and hearing scheduled.

By order _____
Stephen LeGendre, Administrator

Having been posted and notice of time & place of hearing & title of Bill having been published according to Charter, the Bill was read for a second time at a public hearing on _____, 2010.

By order _____
Stephen LeGendre, Administrator

This Bill was read the third time on _____, 2010 and Passed ____, Passed with amendments _____, Failed _____.

By order _____
Stephen LeGendre, Administrator

Sealed with the County Seal and presented to the County Executive for approval this __day of _____, 2010 at ___ a.m./p.m.

By order _____
Stephen LeGendre, Administrator

Approved by the County Executive _____, 2010.

Ken Ulman, County Executive

NOTE: [[text in brackets]] indicates deletions from existing law; TEXT IN ALL CAPITALS indicates additions to existing law; ~~Strike-out~~ indicates material deleted by amendment; Underlining indicates material added by amendment

1 **Recitals**

2 In accordance with the provisions of Section 603 of the Charter of Howard County, Maryland
3 (the “Charter”), the County Executive has submitted a proposed Capital Budget for fiscal year 2011 to the
4 County Council of Howard County, Maryland, and, prior to the passage of this Act, the County Council
5 has adopted a Capital Budget for the fiscal year ending June 30, 2011 (the “Capital Budget”).

6 As a part of the Capital Budget, it is necessary that Howard County, Maryland borrow a sum not
7 exceeding \$28,428,405 to be used for (i) the financing and refinancing of certain water and sewer capital
8 projects, specified and described in the Capital Budget (each a “Project”, collectively, the “Projects”), and
9 more particularly described in Appendix A attached hereto and incorporated herein, and (ii) payment of
10 costs of issuance of any obligations issued to evidence such borrowing. Of such amount, \$28,428,405
11 appropriated for certain of such Projects was previously authorized to be borrowed by the County during
12 calendar year 2006, as indicated in Appendix A in the column captioned “Amount to be Borrowed
13 (Reauthorizations)”, but such authorizations are expected to expire prior to the completion of such
14 Projects or the sale of general obligation bonds to provide permanent financing therefor. Accordingly, it is
15 necessary that such borrowing be reauthorized (“Reauthorizations”).

16 **Now therefore, in accordance with the provisions of Article VI of the Charter:**

17 **Section 1. Be it enacted by the County Council of Howard County, Maryland,** That Howard
18 County, Maryland (the “County”), is hereby authorized and empowered to borrow on its full faith and
19 credit, and issue and sell its bonds therefor, at one time or from time to time, an amount not exceeding
20 \$27,428,405 the proceeds thereof to be used to finance and refinance the Projects more particularly
21 specified and described in Appendix A attached hereto and in the Capital Budget; including for each
22 Project, without limitation, the cost of planning, design, construction, reconstruction, furnishing,
23 equipping, improvements, rehabilitation, remodeling, enlargements, engineering services, architects
24 services, surveys, landscaping, site development, evaluation studies, land acquisition and related items,
25 appurtenances and incidental activities. The Projects and the amount to be borrowed for each (including,

1 without limitation, any Reauthorizations), are more specifically identified and described in Appendix A
2 attached hereto.

3 Proceeds of any bonds authorized by this Act may also be used to pay costs of issuance of such
4 bonds.

5 **Section 2. And be it further enacted by the County Council of Howard County, Maryland,**

6 That, pursuant to and in accordance with Article 31, Section 12 of the Annotated Code of Maryland, as
7 amended, the County is also authorized to issue bond anticipation notes in anticipation of the issuance of
8 the bonds authorized by this Act and described in Section 1 hereof, and all references to “bonds” or
9 “obligations” in this Act shall include such bond anticipation notes, unless the context clearly requires a
10 contrary meaning. It is intended that the aggregate principal amount of issued and outstanding bond
11 anticipation notes when added to the aggregate principal amount of issued and outstanding bonds in
12 anticipation of which such notes were issued, shall not exceed the aggregate principal amount set forth in
13 Section 1 of this Act at any time. The County will agree in each ordinance described in Section 4 of this
14 Act relating to any notes issued pursuant to this Act to pay such notes and the interest and premium, if
15 any, thereon from the proceeds of the bonds in anticipation of the sale of which such notes are issued, and
16 the County will agree to issue such bonds when, and as soon as, the reason for deferring their issuance no
17 longer exists.

18 **Section 3. And be it further enacted by the County Council of Howard County, Maryland,**

19 That, in connection with the acquisition of real property as part of a Project, the County may incur all or
20 any portion of the indebtedness authorized by this Act for such acquisition by entering into an installment
21 purchase agreement pursuant to and in accordance with Section 4.201A of the Howard County Code
22 (“Section 4.201A”) or any successor provisions of law in lieu of issuing bonds for such acquisition. The
23 principal amount of any such installment purchase agreement shall not exceed the lesser of (a) the
24 maximum principal amount permitted by Section 4.201A or (b) the portion of the amount to be borrowed
25 for such Project (as set forth in Section 1 hereof) which relates to such acquisition. All references to

1 “bonds” or “obligations” in this Act shall include such installment purchase agreements, unless the
2 context clearly requires a contrary meaning.

3 **Section 4. And be it further enacted by the County Council of Howard County, Maryland,**

4 That the County Council of Howard County, by an ordinance or ordinances adopted from time to time in
5 accordance with Article VI of the Charter and other applicable provisions of law, shall provide for (a) the
6 issuance and sale of, (b) the maximum principal amount, designation, form, tenor and denomination or
7 denominations of, (c) the dates of the first maturity and the last maturity (not more than 30 years after the
8 date of issue) of, and (d) the interest rate or rates per annum (or the method of determining such rate or
9 rates) payable on, any bonds or other obligations issued from time to time under this Act; and may by any
10 such ordinance, or by separate resolution, provide that the issue of bonds or other obligations hereby
11 authorized be consolidated with one or more other issues.

12 **Section 5. And be it further enacted by the County Council of Howard County, Maryland,**

13 That for the purpose of paying the principal of and interest on such bonds or other obligations as the same
14 shall become payable, the County Council of Howard County shall levy ad valorem taxes upon assessable
15 property in the Metropolitan District and other available funds, together with benefit assessments, to pay
16 the principal of and interest on such bonds or other obligations until all of such bonds or other obligations
17 shall mature and be redeemed. In the event of a deficiency of such funds at any time while any of such
18 Metropolitan District Bonds are outstanding, for the purpose of paying the principal of and interest on
19 such bonds, the County shall promptly levy upon all legally assessable property within the Metropolitan
20 District a tax or taxes in an amount or amounts sufficient to make up any such deficiency, and in the event
21 the proceeds of such tax or taxes so levied shall prove insufficient, then the County shall levy ad valorem
22 taxes upon all of the legally assessable property within the entire corporate limits of the County in rate
23 and amount sufficient to pay the principal of and interest on such bonds. The full faith and credit and
24 unlimited taxing power of the County are hereby irrevocably pledged to the payment of the principal of
25 and interest on such bonds.

1 **Section 6. And be it further enacted by the County Council of Howard County, Maryland,**

2 That any bonds or other obligations issued from time to time under this Act are specifically exempt from
3 the provisions of Article 31, Sections 9, 10 and 11 of the Annotated Code of Maryland, as amended, and
4 any successor provision of law.

5 **Section 7. And be it further enacted by the County Council of Howard County, Maryland,**

6 That all bonds or other obligations authorized hereby shall be issued within four years from the date this
7 Act becomes effective. Notwithstanding the foregoing, if bond anticipation notes are issued within such
8 period in accordance with Section 2 hereof, the bonds authorized hereby may be issued until the final
9 maturity date of such notes.

10 **Section 8. And be it further enacted by the County Council of Howard County, Maryland,**

11 That the County anticipates that a portion of the costs of some or all of the Projects may be paid prior to
12 the issuance of the bonds or other obligations authorized hereby. The amount of such costs so paid will
13 depend on various factors, including, without limitation, the timing and speed of progress on the Projects,
14 the availability of other funds to pay such costs on an interim basis, bond and money market conditions
15 and compliance with federal and State laws and regulations.

16 Accordingly, the County reasonably expects to reimburse costs of the Projects (as described
17 herein) with proceeds of the bonds or other obligations authorized hereby, such bonds or other obligations
18 to be issued by the County in the maximum principal amount of \$28,428,405.

19 **Section 9. And be it further enacted by the County Council of Howard County, Maryland,**

20 That this Act shall take effect sixty-one (61) days after its enactment.

Sewer Projects

Project Description	Amount to be Borrowed (Reauthorizations)	Amount to be Borrowed (New Authorizations)
S6189 FY2001 N LAUREL PUMP STATION A project for the design, renovation and replacement of the North Laurel Wastewater Pump Station to increase the pumping capacity of the station to meet projected wastewater flows.	\$3,708,000	
S6253 FY2006 CARLEE RUN COURT SEWER EXTENSION A project for the design and construction of 1,900 LF of sewer to serve properties located on Baltimore National Pike (US40).	240,000	
S6257 FY2006 MD ROUTE 99 SEWER EXTENSION A project for the design and construction of 1,400 LF of sewer to serve eleven properties on Old Frederick Road (MD99) in the vicinity of Marriottsville Road.	180,000	
S6260 FY2007 ROCKBURN HILL ROAD SEWER A project to provide sewer service to properties along Rockburn Hill Road.	50,000	
S6698 ROUTINE SEWER EXTENSION PROGRAM A project to design and construct routine sewer main extensions in the Metropolitan District requested by landowners.	<u>188,000</u>	_____
Sewer Projects – Reauthorizations/New Authorizations	<u>\$4,366,000</u>	<u>\$ 0</u>
Sewer Projects Total		<u>\$4,366,000</u>

Water Projects

Project Description	Amount to be Borrowed (Reauthorizations)	Amount to be Borrowed (New Authorizations)
<p>W8195 FY1994 ALBETH HEIGHTS WATER and SEWER A project for the design and construction of approximately 8,100 LF of sewer main to serve the properties in Albeth Heights, and 5,700 LF of water main to loop the County water system to the Waverly Woods Development.</p>	\$936,425	
<p>W8199 FY2000 US29 WATER MAIN A project for the design and construction of approximately 6,000 LF of 48-inch water main along US29 between MD100 and MD108.</p>	1,500,000	
<p>W8220 FY1998 SHARED WATER FACILITY IMPROVEMENTS A project for the planning, design and construction of major water facilities, mains, pumping stations, reservoirs and treatment plants in the Baltimore City Central Water System.</p>	839,981	
<p>W8248 FY2002 SLEEVES RELOCATIONS & APPURTENANCES A project for funding design and construction of sewer and water lines in conjunction with Maryland State Highway Administration (SHA) and Howard County projects prior to construction.</p>	3,000,000	
<p>W8249 FY2003 MEADOWRIDGE RD MAIN REHABILITATION A project for the replacement of approximately 9,000 LF of 16-inch water main in Meadowridge Road between US1 and MD100.</p>	1,530,000	
<p>W8255 FY2003 HARWOOD PARK WATER REHABILITATION A project for the rehabilitation or replacement of 17,000 LF of water main in the Harwood Park area.</p>	2,270,000	
<p>W8263 FY2004 MARRIOTTSVILLE RD ELEVATED TANK A project for the design and construction of a 1 million gallon elevated water storage tank, a pumping station and 6,000 feet of 12-inch water main to serve the elevation 630 and 730 water service zones.</p>	530,000	
<p>W8269 FY2005 PARTICIPATION 3RD ZONE WATER SUPPLY A project for the construction of major water transmission and distribution mains to convey water from Baltimore City to Howard County.</p>	1,885,999	
<p>W8276 FY2007 SOUTHWEST TRANSMISSION MAIN REPLACEMENT A project to assess the condition of 38,000 LF of 54-inch and 36-inch diameter water mains in Baltimore City, Baltimore County and Howard County and to relocate and/or replace defective or inadequate portions of pipeline.</p>	4,520,000	
<p>W8280 FY2007 FULTON ELEVATED TANK and PUMPING STATION A project for the design and construction of a 500,000 gallon elevated water tank, a 500,000 gallon per day water pumping station and upgrades to an existing 500,000 gallon per day pumping station to serve the Fulton Elevation 630 water Zone.</p>	955,000	

Water Projects

Project Description	Amount to be Borrowed (Reauthorizations)	Amount to be Borrowed (New Authorizations)
<p>W8600 UTILITY SYSTEMIC ADDITIONS / IMPROVEMENTS A project for the design and construction of various additions and improvements to the water and sewer system or its associated infrastructure.</p>	\$3,781,000	
<p>W8698 ROUTINE WATER EXTENSION PROGRAM A project to design and construct routine water main extensions in the Metropolitan District requested by landowners.</p>	434,000	
<p>W8895 FY2007 DEVELOPER REBATES WATER & SEWER Land developers in Howard County desiring to provide public water and/or sewer services to a proposed development, request the County to permit them to extend the existing systems to serve their proposed developments through pre-financing of these extensions under terms of a developer's agreement.</p>	<u>1,880,000</u>	_____
Water Projects – Reauthorizations/New Authorizations	<u>\$24,062,405</u>	<u>\$ 0</u>
Water Projects Total		<u>\$24,062,405</u>
 TOTAL REAUTHORIZATIONS/ NEW AUTHORIZATIONS	 <u>\$28,428,405</u>	 <u>\$ 0</u>
 TOTAL AMOUNT TO BE BORROWED:		 <u>\$28,428,405</u>