

INTRODUCED 5/1/17
 PUBLIC HEARING 5/15/17
 COUNCIL ACTION 5/24/17
 EXEC. ACTION 6/1/17
 EFFECTIVE DATE 8/1/17

County Council Of Howard County, Maryland

2017 Legislative Session

Legislative Day No. 7

Bill No. 44-2017

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 aggregate principal amount of up to \$2,000,000, on its full faith and credit, and issue and sell its bonds or other obligations therefor, to be used to pay costs of certain County education capital projects as more particularly described in the County's 2018 Capital Budget, and to pay costs of issuance of such bonds or other obligations; authorizing and empowering 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 school facility surcharges 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 May 1, 2017. Ordered posted and hearing scheduled.

By order Jessica Feldmark
 Jessica Feldmark, Administrator

Having been posted and notice of time & place of hearing & title of Bill having been published according to the Charter, the Bill was read for a second time at a public hearing on May 15, 2017.

By order Jessica Feldmark
 Jessica Feldmark, Administrator

This Bill was read the third time on May 24, 2017 and Passed , Passed with amendments , Failed .

By order Jessica Feldmark
 Jessica Feldmark, Administrator

Sealed with the County Seal and presented to the County Executive for approval this 26th day of May, 2017 at 4 a.m. (p.m.)

By order Jessica Feldmark
 Jessica Feldmark, Administrator

Approved by the County Executive June 1, 2017

Allan H. Kittleman
 Allan H. Kittleman, County Executive

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

1 **Recitals**

2

3 In accordance with the provisions of Section 603 of the Charter of Howard County, Maryland
4 (the “Charter”), the County Executive has submitted a proposed Capital Budget for fiscal year 2018 to the
5 County Council of Howard County, Maryland, and prior to the passage of this Act, the County Council
6 has adopted a Capital Budget for the fiscal year ending June 30, 2018 (the “Capital Budget”).

7 As a part of the Capital Budget for the fiscal year ending June 30, 2018, it is necessary that
8 Howard County, Maryland borrow a sum not exceeding \$2,000,000 to be used for payment of the costs of
9 certain educational capital projects specified in the Capital Budget (each a “Project”, collectively, the
10 “Projects”), which Projects are more particularly described in Appendix A attached hereto and
11 incorporated herein, and for payment of costs of issuance of any obligations issued to evidence such
12 borrowing.

13 **Now therefore, in accordance with the provisions of Article VI of the Charter of Howard**
14 **County, Maryland:**

15 **Section 1. Be it enacted by the County Council of Howard County, Maryland,** That Howard
16 County, Maryland (the “County”), is hereby authorized and empowered to borrow on its full faith and
17 credit, and issue and sell its bonds or other obligations therefor, at one time or from time to time, an
18 aggregate principal amount not exceeding \$2,000,000, the proceeds thereof to be used to finance and
19 refinance the Projects more particularly specified and described in Appendix A attached hereto and in the
20 Capital Budget; including for each Project, without limitation, the cost of planning, design, construction,
21 reconstruction, furnishing, equipping, improvements, renovations, remodeling, enlargements, engineering
22 services, architects services, surveys, landscaping, site development, evaluation studies, land acquisition
23 and related items, appurtenances and incidental activities.

24 Proceeds of any bonds or other obligations authorized by this Act may also be used to pay costs
25 of issuance of such bonds or other obligations.

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

2 That, pursuant to and in accordance with Section 19-212 of the Local Government Article of the
3 Annotated Code of Maryland, as amended, the County is also authorized to issue bond anticipation notes
4 in anticipation of the issuance of the bonds or other obligations authorized by this Act and described in
5 Section 1 hereof, and all references to “bonds” or “obligations” shall include such bond anticipation
6 notes, unless the context clearly requires a contrary meaning. It is intended that the aggregate principal
7 amount of issued and outstanding bond anticipation notes when added to the aggregate principal amount
8 of issued and outstanding bonds in anticipation of which such notes were issued, shall not exceed the
9 aggregate principal amount set forth in Section 1 of this Act at any time. The County will agree in each
10 ordinance described in Section 4 of this Act relating to any notes issued pursuant to this Act to pay such
11 notes and the interest and premium, if any, thereon from the proceeds of the bonds in anticipation of the
12 sale of which such notes are issued and other available funds, and the County will agree to issue such
13 bonds when, and as soon as, the reason for deferring their issuance no longer exists.

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

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

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

25 That the County Council of the County, by an ordinance or ordinances adopted from time to time in
26 accordance with Article VI of the Charter and other applicable provisions of law and the policies of the

1 County, shall provide for (a) the issuance and sale of, (b) the maximum principal amount, designation,
2 form, tenor and denomination or denominations of, (c) the dates of the first maturity (not more than two
3 years after the date of issue) and the last maturity (not more than 30 years after the date of issue) of, and
4 (d) the interest rate or rates per annum (or the method of determining such rate or rates) payable on, any
5 bonds or other obligations issued from time to time under this Act; and may by any such ordinance, or by
6 separate resolution, provide that the issue of bonds or other obligations hereby authorized be consolidated
7 with one or more other issues.

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

9 That for the purpose of paying the principal of and interest on such bonds or other obligations as the same
10 shall become payable, the County Council of Howard County shall levy annually ad valorem taxes upon
11 the assessable property in the County sufficient, together with school facilities surcharges and other
12 available funds, to pay the principal of and interest on such bonds or other obligations until all of such
13 bonds or other obligations shall mature and be redeemed.

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

15 That any bonds or other obligations issued from time to time under this Act are specifically exempt from
16 the provisions of Sections 19-205 and 19-206 of the Local Government Article of the Annotated Code of
17 Maryland, as amended, and any successor provision of law.

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

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

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

24 That the County anticipates that a portion of the costs of some or all of the Projects may be paid prior to
25 the issuance of the bonds or other obligations authorized hereby. The amount of such costs so paid will
26 depend on various factors, including, without limitation, the timing and speed of progress on the Projects,

1 the availability of other funds to pay such costs on an interim basis, bond and money market conditions
2 and compliance with federal and State laws and regulations.

3 Accordingly, the County reasonably expects to reimburse costs of the Projects (as described
4 herein) with proceeds of the bonds or other obligations authorized hereby, such bonds or other obligations
5 to be issued by the County in the maximum principal amount of \$2,000,000.

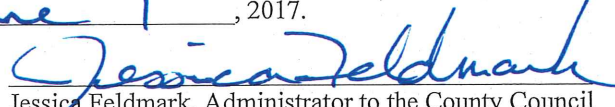
6 **Section 9. And be it further enacted by the County Council of Howard County, Maryland,**
7 That this Act shall take effect sixty-one (61) days after its enactment.

School System Projects

Project Description	Amount to be Borrowed (Reauthorizations)	Amount to be Borrowed (New Authorizations)
<p>E0973-FY2003 WAVERLY ELEM RENOVATION/PHASE II ADDITION This project will be completed in two phases at Waverly Elementary School. Phase I was a project to construct additional space for 125 students (5 classrooms) above previous capacity (Grades 1-5), additional space for 22 kindergarten students (1 classroom) and a cafeteria expansion and was completed in August 2007. Phase II will be a project to construct additional classroom and additional core infrastructure space and renovate the existing building. The complete scope of this project is defined by the BOE approved construction document (CD) brochures (see Policy 6020 for complete description of process) and any change orders approved subsequent to submittal of the CD brochures.</p>	_____	\$885,000
<p>E0980 FY2004 SYSTEMIC RENOVATIONS Improvements and installation of systemic renovations at various school sites, including projects of critical nature such as sprinkler repair, HVAC repair, window replacement, and other projects in support of the local CIP outlined in the HCPSS Comprehensive Maintenance Plan, as well as emergent projects on school properties.</p>	_____	<u>115,000</u>
<p>E1035-FY2018 NEW HIGH SCHOOL #13 A project to construct a new high school to provide the HCPSS with the opportunity to expand college and career readiness programs for high school students across the county. Given the significant cost to build new facilities, it is recommended that this new high school be built to a larger capacity, 1,600-1,800 students. The complete scope of this project will be defined by the BOE approved construction documents (CD) brochure (see Policy 6020 for complete description of process) and any change orders approved subsequent to submittal of the CD brochure.</p>	_____	4,000,000
<p><u>E1043 FY2019 TALBOTT SPRINGS ELEM SCHOOL RENOVATION</u> <u>A project to expand educational program spaces and renovate Talbott Springs Elementary School.</u></p>	_____	<u>1,000,000</u>
<p>School System Projects – Reauthorizations/New Authorizations</p>	<u>\$ 0</u>	<u>\$2,000,000</u>
<p>TOTAL AMOUNT TO BE BORROWED:</p>		<p><u>\$2,000,000</u></p>

BY THE COUNCIL

This Bill, having been approved by the Executive and returned to the Council, stands enacted on June 1, 2017.


Jessica Feldmark, Administrator to the County Council

BY THE COUNCIL

This Bill, having been passed by the yeas and nays of two-thirds of the members of the Council notwithstanding the objections of the Executive, stands enacted on _____, 2017.

Jessica Feldmark, Administrator to the County Council

BY THE COUNCIL

This Bill, having received neither the approval nor the disapproval of the Executive within ten days of its presentation, stands enacted on _____, 2017.

Jessica Feldmark, Administrator to the County Council

BY THE COUNCIL

This Bill, not having been considered on final reading within the time required by Charter, stands failed for want of consideration on _____, 2017.

Jessica Feldmark, Administrator to the County Council

BY THE COUNCIL

This Bill, having been disapproved by the Executive and having failed on passage upon consideration by the Council stands failed on _____, 2017.

Jessica Feldmark, Administrator to the County Council

BY THE COUNCIL

This Bill, the withdrawal of which received a vote of two-thirds (2/3) of the members of the Council, is withdrawn from further consideration on _____, 2017.

Jessica Feldmark, Administrator to the County Council

Amendment 1 to Council Bill No. 44-2017

BY: Chairperson at the request
of the County Executive

Legislative Day No. 8
Date: May 24-2017

Amendment No. 1

*(This amendment makes the following changes that are consistent with changes made in
the Capital Budget:*

- 1. E1035 New High School #13 *Subtracts \$1,000,000 in Bond funding.)*
- 2. E1043 Talbott Springs Elem School Renovation *Adds \$1,000,000 in Bond funding.)*

1 On the page A-1 of the Appendix A:

2 1. Strike E1035 FY2018 New High School #13 in its entirety; and substitute:

3 "E1043 FY2019 TALBOTT SPRINGS ELEM SCHOOL

4 RENOVATION

5 A project to expand educational program spaces and

6 renovate Talbott Springs Elementary School. ----- 1,000,000"

7

ADOPTED 5/24/17
 FAILED _____
 SIGNATURE Jessica Feldman

1 the availability of other funds to pay such costs on an interim basis, bond and money market conditions
2 and compliance with federal and State laws and regulations.

3 Accordingly, the County reasonably expects to reimburse costs of the Projects (as described
4 herein) with proceeds of the bonds or other obligations authorized hereby, such bonds or other obligations
5 to be issued by the County in the maximum principal amount of \$2,000,000.

6 **Section 9. And be it further enacted by the County Council of Howard County, Maryland,**
7 That this Act shall take effect sixty-one (61) days after its enactment.

School System Projects

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<p>E1035-FY2018 NEW HIGH SCHOOL #13 A project to construct a new high school to provide the HCPSS with the opportunity to expand college and career readiness programs for high school students across the county. Given the significant cost to build new facilities, it is recommended that this new high school be built to a larger capacity, 1,600 -1,800 students. The complete scope of this project will be defined by the BOE approved construction documents (CD) brochure (see Policy 6020 for complete description of process) and any change orders approved subsequent to submittal of the CD brochure.</p>	_____	1,000,000
<p>School System Projects – Reauthorizations/New Authorizations</p>	<u>\$ 0</u>	<u>\$2,000,000</u>
<p>TOTAL AMOUNT TO BE BORROWED:</p>		<u>\$2,000,000</u>

Amendment 1 to Council Bill No. 44-2017

BY: Chairperson at the request
of the County Executive

Legislative Day No. 8
Date: May 24-2017

Amendment No. 1

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4 RENOVATION

5 A project to expand educational program spaces and

6 renovate Talbott Springs Elementary School. ----- 1,000,000”

7



HOWARD COUNTY DEPARTMENT OF FINANCE

3430 Courthouse Drive ■ Ellicott City, Maryland 21043 ■ 410-313-2195

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smilesky@howardcountymd.gov

FAX 410-313-4433
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SUBJECT—Testimony for CB 41-2017, CB 42-2017, CB 43-2017, CB 44-2017, CB 45-2017, CB 46-2017 and CB 48-2017

To: Lonnie Robbins
Chief Administrative Office

Through: Stanley J. Milesky *Stanley Milesky*
Director of Finance

From: Nikki Griffith *Nikki Griffith*
Bureau Chief, Cash and Debt Management

The proposed legislation will authorize the County to issue bonds to finance certain capital projects as well as re-authorize \$110,734,108 in lapsing bond authorizations (\$69,832,411 in Metropolitan District Bonds and \$40,901,696 in Consolidated Public Improvement Bonds).

Council Bill 41-2017 will authorize the issuance of \$220,683,871 of General Obligation bonds including re-authorizing \$16,472,871 of General Obligation bonds. Council Bill 42-2017 will authorize the issuance of \$125,072,412 of Metropolitan District (water and sewer) bonds including re-authorizing \$69,832,411 in bonds. Council Bill 43-2017 will authorize the issuance of \$21,553,521 of Road Excise tax supported bonds including re-authorizing \$19,803,521 of bonds. Council Bill 44-2017 will authorize the issuance of \$2,000,000 of School Surcharge supported bonds. Council Bill 45-2017 will re-authorize the issuance of \$4,625,304 of Environmental Service fee supported bonds. Council Bill 46-2017 will authorize the issuance of \$8,800,000 of Watershed Protection and Restoration fee supported bonds. Council Bill 48-2017 will authorize a capital lease of \$3,000,000 to finance the acquisition of water and sewer equipment.

Each of the projects included in the proposed legislation are part of the FY 2018 Executive Proposed Capital Budget.

CC: Jennifer Sager
Rafiu Ighile
Holly Sun
Rebecca Kidwell