

INTRODUCED \_\_\_\_\_  
PUBLIC HEARING \_\_\_\_\_  
COUNCIL ACTION \_\_\_\_\_  
EXEC. ACTION \_\_\_\_\_  
EFFECTIVE DATE \_\_\_\_\_

**County Council Of Howard County, Maryland**

2014 Legislative Session

Legislative Day No. 5

**Bill No. 28-2014**

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 \$4,000,000, 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 2015 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 \_\_\_\_\_, 2014. Ordered posted and hearing scheduled.

By order \_\_\_\_\_  
Sheila Tolliver, 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 \_\_\_\_\_, 2014.

By order \_\_\_\_\_  
Sheila Tolliver, Administrator

This Bill was read the third time on \_\_\_\_\_, 2014 and Passed \_\_\_\_, Passed with amendments \_\_\_\_\_, Failed \_\_\_\_\_.

By order \_\_\_\_\_  
Sheila Tolliver, Administrator

Sealed with the County Seal and presented to the County Executive for approval this \_\_day of \_\_\_\_\_, 2014 at \_\_ a.m./p.m.

By order \_\_\_\_\_  
Sheila Tolliver, Administrator

Approved by the County Executive \_\_\_\_\_, 2014

\_\_\_\_\_  
Ken Ulman, 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 2015 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, 2015 (the “Capital Budget”).

7 As a part of the Capital Budget for the fiscal year ending June 30, 2015, it is necessary that  
8 Howard County, Maryland borrow a sum not exceeding \$4,000,000 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 \$4,000,000, 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 \$4,000,000.

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

<b>Project Description</b>	<b>Amount to be Borrowed (Reauthorizations)</b>	<b>Amount to be Borrowed (New Authorizations)</b>
<b>E1031 FY2014 WILDE LAKE MIDDLE SCHOOL RENOVATION/ADDITION</b> A project to expand educational program spaces and renovate Wilde Lake Middle School.	_____	<u>4,000,000</u>
<b>School System Projects – Reauthorizations/New Authorizations</b>	<b><u>\$ 0</u></b>	<b><u>\$4,000,000</u></b>
<b>TOTAL AMOUNT TO BE BORROWED:</b>		<b><u>\$4,000,000</u></b>