

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

County Council of Howard County, Maryland

2024 Legislative Session

Legislative Day No. 5

Bill No. 29 -2024

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

Short Title: Bond authorizing and empowering - County water and sewer capital projects – \$60,814,442

Title: AN ACT for the purpose of authorizing and empowering Howard County, Maryland to borrow money in the principal amount of up to \$60,814,442 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 water and sewer capital projects which are specified and described in the County's 2025 Capital Budget (including, without limitation, borrowings for certain water and sewer capital projects previously authorized in prior calendar years which such authorization has lapsed or will lapse), and to pay costs of issuance of such bonds or other obligations; 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 _____, 2024. Ordered posted and hearing scheduled.

By order _____
Michelle Harrod, 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 _____, 2024.

By order _____
Michelle Harrod, Administrator

This Bill was read the third time on _____, 2024 and Passed ____, Passed with amendments _____, Failed _____.

By order _____
Michelle Harrod, Administrator

Sealed with the County Seal and presented to the County Executive for approval this __day of _____, 2024 at ___ a.m./p.m.

By order _____
Michelle Harrod, Administrator

Approved by the County Executive _____, 2024.

Calvin Ball, 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 In accordance with the provisions of Section 603 of the Charter of Howard County, Maryland (the
3 “Charter”), the County Executive has submitted a proposed Capital Budget for fiscal year 2025 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, 2025 (the “Capital Budget”).

6 As a part of the Capital Budget, it is necessary that Howard County, Maryland borrow a sum not
7 exceeding \$60,814,442 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, \$22,964,442
11 appropriated for certain of such Projects was previously authorized to be borrowed by the County during
12 prior calendar years, 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 Projects
14 or the sale of general obligation bonds to provide permanent financing therefor. Accordingly, it is necessary
15 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 or other obligations therefor, at one time or from time to time, an
20 aggregate principal amount not exceeding \$60,814,442, the proceeds thereof to be used to finance and
21 refinance the Projects more particularly specified and described in Appendix A attached hereto and in the
22 Capital Budget; including for each Project, without limitation, the cost of planning, design, construction,
23 reconstruction, furnishing, equipping, improvements, rehabilitation, remodeling, enlargements,
24 engineering services, architects services, surveys, landscaping, site development, evaluation studies, land
25 acquisition and related items, appurtenances and incidental activities. The Projects and the amount to be

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

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

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

6 That, pursuant to and in accordance with Section 19-212 of the Local Government Article of the Annotated
7 Code of Maryland, as amended, the County is also authorized to issue bond anticipation notes in
8 anticipation of the issuance of the bonds or other obligations authorized by this Act and described in Section
9 1 hereof, and all references to “bonds” or “obligations” in this Act shall include such bond anticipation
10 notes, unless the context clearly requires a contrary meaning. It is intended that the aggregate principal
11 amount of issued and outstanding bond anticipation notes when added to the aggregate principal amount of
12 issued and outstanding bonds in anticipation of which such notes were issued, shall not exceed the aggregate
13 principal amount set forth in Section 1 of this Act at any time. The County will agree in each ordinance
14 described in Section 4 of this Act relating to any notes issued pursuant to this Act to pay such notes and the
15 interest and premium, if any, thereon from the proceeds of the bonds in anticipation of the sale of which
16 such notes are issued, and the County will agree to issue such bonds when, and as soon as, the reason for
17 deferring their issuance no 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 or other obligations for such
23 acquisition. The principal amount of any such installment purchase agreement shall not exceed the lesser
24 of (a) the maximum principal amount permitted by Section 4.201A or (b) the portion of the amount to be
25 borrowed for such Project (as set forth in Section 1 hereof) which relates to such acquisition. All references

1 to “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 and policies of the County,
6 shall provide for (a) the issuance and sale of, (b) the maximum principal amount, designation, form, tenor
7 and denomination or denominations of, (c) the dates of the first maturity and the last maturity (not more
8 than 30 years after the date of issue) of, and (d) the interest rate or rates per annum (or the method of
9 determining such rate or rates) payable on, any bonds or other obligations issued from time to time under
10 this Act; and may by any such ordinance, or by separate resolution, provide that the issue of bonds or other
11 obligations hereby 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 such
19 bonds, the County shall promptly levy upon all legally assessable property within the Metropolitan District
20 a tax or taxes in an amount or amounts sufficient to make up any such deficiency, and in the event the
21 proceeds of such tax or taxes so levied shall prove insufficient, then the County shall levy ad valorem taxes
22 upon all of the legally assessable property within the entire corporate limits of the County in rate and amount
23 sufficient to pay the principal of and interest on such bonds. The full faith and credit and unlimited taxing
24 power of the County are hereby irrevocably pledged to the payment of the principal of and interest on such
25 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 Sections 19-205 and 19-206 of the Local Government Article of the Annotated Code of
4 Maryland, as amended, and 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 the
12 issuance of the bonds or other obligations authorized hereby. The amount of such costs so paid will depend
13 on various factors, including, without limitation, the timing and speed of progress on the Projects, the
14 availability of other funds to pay such costs on an interim basis, bond and money market conditions and
15 compliance with federal and State laws and regulations.

16 Accordingly, the County reasonably expects to reimburse costs of the Projects (as described herein)
17 with proceeds of the bonds or other obligations authorized hereby, such bonds or other obligations to be
18 issued by the County in the maximum principal amount of \$60,814,442.

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)
S	6264	FY2008 LPWRP CAPITAL REPAIRS A project to systematically repair, replace, or upgrade existing facilities at the Little Patuxent Water Reclamation Plant (LPWRP), and existing water distribution and wastewater collection system facilities	\$858,621	0
S	6280	FY2013 HAMMOND/PAX INTERCEPTOR IMPROVEMENTS A project for the design and construction of 20,000 feet of parallel sewer in the Hammond Branch and Patuxent sewer drainage areas.	8,024,000	0
S	6281	FY2013 DORSEY GUILFORD INTERCEPTOR IMPROVEMENTS A project for the study, design and construction of 14,600 feet of parallel sewer and existing sewer manhole rehabilitation in the Dorsey Run and Guilford Run sewer drainage areas.	5,336,821	0
S	6283	FY2013 TIBER/SUCKER BRANCH INTERCEPTOR IMPROVEMENTS A project for the design and construction of 18,250 feet of parallel sewer in the Tiber Branch and Sucker Branch sewer drainage areas.	986,000	0
S	6285	FY2017 MD108 PUMP STATION OUTFALL IMPROVEMENTS A project for the design and construction of 1,585 feet of parallel sewer in the Tiber Branch sewer drainage area to support flows from the MD108 Pumping Station	1,458,000	0
S	6287	FY2017 NORTH LAUREL PUMP STATION PARALLEL FORCE MAIN Design and construction of approximately 4,200 feet of parallel force main and 2,500 feet of gravity sewer to supplement the pumping capacity of the North Laurel Wastewater Pumping Station.	39,000	\$2,220,000
S	6297	FY2016 OLD FREDERICK ROAD PUMPING STATION UPGRADE A project for the design and construction of upgrades to increase the pumping capacity of the Old Frederick Road Pumping Station.	0	150,000
S	6300	FY2025 LPWRP ADDITION #9-FLOW EQUALIZATION A project to design and construct new flow equalization basins at the Little Patuxent Water	0	2,000,000

Project Description		Amount to be Borrowed (Reauthorizations)	Amount to be Borrowed (New Authorizations)
	Reclamation Plant (LPWRP) as necessary to replace the existing antiquated basins and increase the volume to meet future diurnal and high (wet weather) flow equalization needs.		
S	6600 FY2019 WATER AND WASTEWATER FACILITIES CAPITAL REPAIRS AND UPGRADES	1,285,000	4,530,000
	A project [program] to repair or upgrade existing water or sewer facilities.		
S	6602 FY2021 LPWRP CAPITAL REPAIRS and UPGRADES	0	16,120,000
	A project [program] to systematically repair, replace, or upgrade existing facilities at the Little Patuxent Water Reclamation Plant (LPWRP).		
Sewer Projects – Reauthorizations/New Authorizations		<u>\$ 17,987,442</u>	<u>\$ 25,020,000</u>
Sewer Projects Total			<u>\$ 43,007,442</u>

Water Projects

	Project Description	Amount to be Borrowed (Reauthorizations)	Amount to be Borrowed (New Authorizations)
W 8304	FY2015 COLUMBIA WATER PUMPING STATION IMPROVEMENTS A project to upgrade the Columbia Water Pumping Station	\$1,760,000	0
W 8309	FY2014 MISSION RD WATER MAIN A project for the design and construction of 4,500 LF of 12-inch water main along Mission Road to Columbia Gateway Drive.	245,000	0
W 8333	FY2021 NORTH LAUREL and SAVAGE AREA WATER SYSTEM IMPROVEMENTS A project for the design and construction of water system improvements within the North Laurel and Savage areas.	856,000	0
W 8335	FY2021 ELKRIDGE WPS SUCTION LINE REPLACEMENT A project to replace 6,500 LF of 36-inch water main in Elkridge, MD.	804,000	0
W 8336	FY2023 LONGFELLOW AREA WATER MAIN IMPROVEMENTS A project to design and construct water main replacement (33,100 LF of 3 thru 12-inch) within the Longfellow area.	-0-	\$ 4,030,000
W 8602	FY2016 SLEEVES RELOCATIONS AND 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.	1,000,000	0
W 8603	FY2020 WATER ASSET MANAGEMENT PROGRAM A project [program] to coordinate and centralize water utility management efforts in order to extend the useful life of our existing water system assets.	312,000	8,100,000
W 8698	ROUTINE WATER EXTENSION PROGRAM A project to design and construct routine water main extensions in the Metropolitan District requested by landowners.	0	700,000
Water Projects – Reauthorizations/New Authorizations		<u>\$ 4,977,000</u>	<u>\$ 12,830,000</u>
Water Projects Total			<u>\$ 17,807,000</u>
TOTAL REAUTHORIZATIONS/ NEW AUTHORIZATIONS		<u>\$ 22,964,442</u>	<u>\$ 37,850,000</u>
TOTAL AMOUNT TO BE BORROWED			<u>\$ 60,814,442</u>