

PRINCE GEORGE'S COUNTY COUNCIL

COMMITTEE REPORT

2018 Legislative Session

Reference No.: CR-071-2018

Draft No.: 1

Committee: TRANSPORTATION, HOUSING AND THE ENVIRONMENT

Date: 10/11/2018

Action: FAV

REPORT:

Committee Vote: Favorable, 3-0 (In favor: Council Members Turner, Lehman and Taveras)

CR-71-2018 pertains to the Washington Suburban Sanitary Commission's (WSSC's) Debt Refunding Plan. The Plan was approved by the WSSC's Commission on July 18, 2018 and signed off by the County Executive on August 27, 2018 in conformance with the provisions of the Public Utilities Article of the Annotated Code of Maryland.

The Legislative Officer provided an overview of CR-71-2018 indicating that WSSC's financial advisor has identified refunding opportunities set forth in the Debt Refunding Plan – attached to the resolution. State law requires the County Executives and County Councils of Prince George's County and Montgomery County to approve the refunding plan.

Mr. Joseph Beach, Deputy General Manager for Administration, WSSC, provided additional information and responses to the Committee questions.

WSSC proposes to issue General Construction Refunding Bonds, Water Supply Refunding Bonds and Sewage Disposal Refunding Bonds that will result in total savings of debt service costs. WSSC would like to conduct the refunding sale in October depending on the interest rate condition in the municipal market.

The CPI Refunding Bonds of 2009 found on Exhibit A attached to the resolution are estimated to have a gross savings of \$1,965,088 and the Build America Bonds, Series 2010B are estimated to have a gross savings of \$3,684,977.

The Office of the County Executive's liaison expressed support and the Office of Law Attorney indicated that the resolution as it was introduced is in proper legislative form and sees no legal impediments to its adoption.