

**PRINCE GEORGE'S COUNTY COUNCIL  
AGENDA ITEM SUMMARY**

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**Meeting Date:** 5/16/2000

**Reference No.:** CR-21-2000

**Proposer:** County Executive

**Draft No.:** 1

**Sponsors:** Bailey, Shapiro

**Item Title:** A Resolution concerning Recycling and Disposal System  
Revenue Bonds Maryland Water Quality Financing  
Administration Loan

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**Drafter:** Kathleen H. Canning  
Law

**Resource** Kathleen H. Canning  
**Personnel:** Law

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**LEGISLATIVE HISTORY:**

**Date Presented:** \_\_/\_\_/\_\_

**Executive Action:** \_\_/\_\_/\_\_

**Committee Referral:** 4/25/2000 THE

**Effective Date:** 5/16/2000

**Committee Action:** 5/1/2000 FAV

**Date Introduced:** 4/25/2000

**Public Hearing:** \_\_/\_\_/\_\_ :\_\_ \_\_

**Council Action:** 5/16/2000 ADOPTED

**Council Votes:** DB:A, JE:A, IG:A, TH:A, WM:A, RVR:A, AS:A, PS:A, MW:A

**Pass/Fail:** S

**Remarks:** See also CB-37, 38, 39-2000

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**TRANSPORTATION, HOUSING AND ENVIRONMENT COMMITTEE** DATE: 5/1/00

Committee Vote: Favorable, 5-0 (In favor: Council Members Shapiro, Gourdine, Hendershot, Maloney and Wilson).

Staff gave an overview of the legislation and informed the Committee of referral comments that were received. The Bond Counsel indicates that this legislation will provide the authority to borrow up to \$1,900,000 under a loan agreement from the Maryland Water Quality Financing Administration (the "MWQFA") to refund certain outstanding maturities of the Solid Waste Management System Revenue Bonds issued by the County in 1993. A portion of the proceeds of these revenue bonds were used to defray the cost of installation of leachate collection and conveyance system within the cell 4 at the Brown Station Road Landfill. The MWQFA has approved these costs to be eligible for refunding from the Maryland Water Quality Revolving Loan Fund. This refunding will effectuate economic savings to the County through a reduction

in the cost of debt service.

The County Executive transmittal indicates that the refunding of the County's outstanding bonds as described in CR-21-2000, CB-38-2000 and CB-39-2000 is expected to effect debt service savings of approximately \$4 million.

Currently, MWQFA is funding loans from the Maryland Water Quality Revolving Loan Fund at a low interest rate of 2.62%. If the County sells its general obligation bonds now, the net interest rate on borrowing amount is expected to be 5.40%.

**BACKGROUND INFORMATION/FISCAL IMPACT**

**(Includes reason for proposal, as well as any unique statutory requirements)**

This legislation authorizes the County to borrow \$1,900,000 from the Fund to refund certain selected maturities of the County's Solid Waste Management System Revenue Bonds, Series 1993.

**CODE INDEX TOPICS:**