



# Prince George's County Council

## Agenda Item Summary

**Meeting Date:** 11/14/2017

**Effective Date:** 1/22/2018

**Reference No.:** CB-089-2017

**Chapter Number:** 82

**Draft No.:** 1

**Public Hearing Date:** 11/14/2017 @ 10:00 a.m.

**Proposer(s):** County Executive

**Sponsor(s):** Davis, Lehman, Turner, Glaros, Franklin, Taveras, Patterson and Harrison

**Item Title:** AN ACT CONCERNING THE ISSUANCE AND SALE OF GENERAL OBLIGATION BONDS for the purpose of authorizing and empowering Prince George's County, Maryland to issue and sell an amount not to exceed Three Hundred Thirty Six Million Sixty Five Thousand Dollars (\$336,065,000) in aggregate principal amount of general obligation bonds with serial maturities, including mandatory sinking fund installments in lieu of serial maturities, for the purpose of providing funds for financing in whole or in part costs of the planning, construction, reconstruction, establishment, extension, enlargement, demolition, improvement or acquisition of certain capital projects set forth in the capital budget of the County for the fiscal year ending June 30, 2018, or usable portions thereof, including describing the capital projects to be financed in whole or in part from the proceeds of the bonds hereby authorized and the estimated costs and probable useful lives thereof; prescribing or providing for the procedures for the issuance and sale of such bonds at public sale; declaring the County's official intent to reimburse itself for certain expenditures paid before the issuance of the bonds authorized hereby in accordance with applicable Income Tax Regulations; authorizing the consolidation of such bonds with other bonds for purposes of such sale; showing compliance with the power of the County to incur indebtedness; directing the application of the proceeds of such bonds and the proceeds of bonds previously issued by an act of the County; pledging the full faith and credit and taxing power of the County to the payment of such bonds and providing for the levy and collection of taxes necessary for the payment of the principal of and interest on such bonds when due; authorizing and empowering the County to issue and sell an amount not to exceed Three Hundred Thirty Six Million Sixty Five Thousand Dollars (\$336,065,000) in general obligation bond anticipation notes in anticipation of the issuance and sale of the bonds authorized hereby; providing for the issuance of such bond anticipation notes in the form of commercial paper or revolving loan notes; providing for the issuance of such bond anticipation notes and the bonds authorized hereby in the form of variable rate demand obligations; authorizing certain determinations to be made in connection with the sale of any such bond anticipation notes; authorizing the consolidation of such bond anticipation notes with other notes for purposes of such sale; pledging the full faith and credit and taxing power of the County to the payment of such bond anticipation notes and providing for the levy and collection of taxes necessary for the payment of the principal of and interest on such bond anticipation notes when due and covenanting to issue the bonds in

anticipation of which such notes are issued; authorizing and empowering the County to issue, sell and deliver general obligation refunding bonds for the purpose of refunding all or a part of the bonds authorized hereby in an aggregate principal amount not to exceed 150% of the outstanding principal amount of the bonds to be refunded thereby, the proceeds of such refunding bonds to be used for the public purpose of providing funds sufficient to pay principal of, redemption premium, if any, and interest on such refunded bonds at the respective maturity, redemption, and interest payment dates of such refunded bonds; prescribing or providing for the procedure for the issuance and sale of such refunding bonds; empowering the County Executive to determine the time and method for the sale of such refunding bonds and other details with respect to the sale of such refunding bonds; pledging the full faith and credit of the County to the payment of such refunding bonds and the interest on such refunding bonds, when due, and providing for the levy and collection of taxes necessary for the payment of the principal of and interest on such refunding bonds when due; showing compliance with the limitations on the power of the County to incur indebtedness; covenanting or providing for the making of certain covenants on matters relating to the tax-exempt status of interest on such bonds, bond anticipation notes and refunding bonds, as applicable; providing for compliance with Securities and Exchange Commission Rule 15c2-12; providing for the authorization of and entry into interest rate exchange agreements or contracts in connection with or incidental to any of the obligations authorized by this Act; authorizing the County Executive to delegate to appropriate officials the power to make certain determinations and sign certain documents, certificates or agreements authorized to be made or signed by the County Executive herein; and otherwise generally determining or providing for the determination of certain matters in connection with the issuance, sale and delivery of the general obligation bonds, bond anticipation notes and refunding bonds authorized by this Act.

**Drafter:** Kim M. Knight, Office of Management and Budget

**Resource Personnel:** Stanley Earley, Office of Management and Budget

**LEGISLATIVE HISTORY:**

<b>Date:</b>	<b>Acting Body:</b>	<b>Action:</b>	<b>Sent To:</b>
09/19/2017	County Council	presented and referred	PSFM
	<b>Action Text:</b> This Council Bill was presented by the Chairman, by request of the County Executive, and referred to the Public Safety and Fiscal Management Committee		
10/11/2017	PSFM	Favorably recommended	County Council

**Action Text:**  
A motion was made by Council Member Turner, seconded by Vice Chair Taveras, that this Council Bill be Favorably recommended to the County Council. The motion carried by the following vote:

Aye: 5 Glaros, Taveras, Harrison, Lehman and Turner

10/17/2017 County Council introduced

**Action Text:**

This Council Bill was introduced by Council Members by Council Members Davis, Glaros, Franklin, Harrison, Lehman, Patterson, Taveras, and Turner

11/14/2017 County Council public hearing held

**Action Text:**

The public hearing was held for this Council Bill.

11/14/2017 County Council enacted

**Action Text:**

A motion was made by Council Member Turner, seconded by Vice Chair Glaros, that this Council Bill be enacted. The motion carried by the following vote:

Aye: 9 Davis, Glaros, Franklin, Harrison, Lehman, Patterson, Taveras, Toles and Turner

12/07/2017 County Executive signed

**Action Text:**

This Council Bill was signed

**AFFECTED CODE SECTIONS:**

**BACKGROUND INFORMATION/FISCAL IMPACT:**

This bill provides the authority to issue and sell up to \$336,065,000 in general obligation bonds to finance County, School and Community College capital projects in the FY 2018 Capital Budget, general obligation bond anticipation notes in anticipation of any such bonds, and general obligation refunding bonds. The projects are listed in Attachment 1 of the legislation. The fiscal impact on the County for any bonds or bond anticipation notes will be negative to the extent of the debt service obligation incurred by the County when the bonds or notes are sold; the fiscal impact on the County for any refunding bonds should be positive when such refunding bonds are sold.

**Document(s):** B2017089, CB-89-2017 AIS, CB-89-2017 Report