

COUNTY COUNCIL OF PRINCE GEORGE'S COUNTY, MARYLAND
2017 Legislative Session

Resolution No. CR-35-2017

Proposed by The Chairman (by request – County Executive)

Introduced by Council Members Davis, Harrison, Turner, Taveras and Glaros

Co-Sponsors _____

Date of Introduction May 16, 2017

RESOLUTION

1 A RESOLUTION concerning

2 Contract Approvals

3 For the purpose of approving a multi-year financing agreement for the lease purchase financing
4 of essential Prince George’s County (“County”) equipment and vehicles and to refinance
5 outstanding certificates of participation.

6 WHEREAS, pursuant to Section 819 of the Charter for Prince George’s County, Maryland,
7 the County Council must approve, by resolution, all multi-year contracts exceeding an aggregate
8 of Five Hundred Thousand Dollars (\$500,000.00); and

9 WHEREAS, pursuant to Section 819 of the Charter for Prince George’s County, Maryland,
10 no agency of the County government shall, during any fiscal year, expend any money or incur
11 any liability in excess of the amounts appropriated and no such payment shall be made nor any
12 obligation or liability incurred, except for purchases in an amount to be fixed by legislative act;
13 and

14 WHEREAS, the County desires to acquire through a tax-exempt lease purchase financing
15 contract, equipment and vehicles essential to the operations of over fifteen (15) County agencies
16 and departments pursuant to the terms and conditions contained herein as Attachment A (the
17 “Financing Agreement”); and

18 WHEREAS, the County has identified vehicles and equipment to lease purchase as
19 identified and contained herein as Attachment B (the “Equipment”); and

20 WHEREAS, the County desires to declare its official intent to reimburse itself for certain
21 expenditures paid before receipt of the proceeds from the Financing Agreement (the “Advanced
22 Expenditures”) in accordance with applicable Treasury Regulations; and

1 WHEREAS, the County seeks to refinance a portion of the Public Safety Communications
2 Center \$19,775,000 Series 2011 Certificates of Participation financing (the “2011 COP”) which
3 is described in and made a part of Attachment C; and

4 WHEREAS, Attachment D describes the terms and conditions of the Financing Agreement
5 for the 2011 COP refinance (the “Refinance Agreement”).

6 NOW, THEREFORE, BE IT RESOLVED by the County Council of Prince George's
7 County, Maryland, that the Financing Agreement described in Attachment A be and the same is
8 hereby approved, pursuant to Section 819 of the Charter.

9 BE IT FURTHER RESOLVED by the County Council of Prince George's County,
10 Maryland, that the Refinancing Agreement described in Attachment D is hereby approved, for
11 the purpose of the County Executive refinancing the 2011 COP, pursuant to Section 819 of the
12 Charter.

13 BE IT FURTHER RESOLVED that the County Council hereby declares the County's
14 official intent to use the proceeds of the Financing Agreement to reimburse itself for the
15 Advanced Expenditures. This section of the Resolution is adopted by the County Council for the
16 purpose of establishing compliance with the requirements of Section 1.150-2 of Treasury
17 Regulations. This section of the Resolution does not bind the County to make any expenditure,
18 incur any indebtedness, or proceed with the purchase of the equipment.

19 BE IT FURTHER RESOLVED that the County Executive is hereby authorized to make
20 any modifications, adjustments, corrections or any other changes as may be necessary to finalize
21 the contract in any manner the County Executive may deem necessary or proper but not altering
22 its substance.

23 BE IT FURTHER RESOLVED that this Resolution shall become effective as of the date of
24 its adoption.

Adopted this 13th day of June , 2017.

COUNTY COUNCIL OF PRINCE
GEORGE'S COUNTY, MARYLAND

BY: _____
Derrick Leon Davis
Chairman

ATTEST:

Redis C. Floyd
Clerk of the Council

ATTACHMENT A

TERM SHEET

PRINCE GEORGE’S COUNTY LEASE FINANCING AGREEMENT

Lessor:	Banc of America Public Capital Corp
Lessee:	Prince George’s County, Maryland
Amount to Be Financed:	\$24.1 million (estimated)
Interest Rate:	2.40% (estimated)
Background:	Lease/purchase financing of essential County vehicles and equipment for the following County departments: <ul style="list-style-type: none">• Central Services• Community Relations• Corrections• Environment• Family Services• Fire• Health• Homeland Security• Housing and Community Development• Permitting, Inspections and Enforcement• Police• Public Works and Transportation• Sheriff• Social Services• State’s Attorney
Equipment:	See Attachment B
Lease Term:	7 years
Payment Frequency:	Bi-Annually in December (principal and interest) and June (principal and interest)
Amount of Payments:	Estimated first payment of \$1.9 million in December 2017. Estimated semi-annual payments thereafter of \$1.9 million through 2024.

Attachment B

2017 Equipment List

Agency	Description	Useful Life (Yrs)	Qty	Budget Cost	Project Total	Totals by Agency		
						Quantity	Agency Total	Agency
Central Services	Green Fleet Project*	5	1	\$250,000	\$250,000			
Central Services	Cargo Van	5	2	\$42,000	\$84,000	3	\$334,000	Central Services
Community Relations	Mid Size Sedan	5	1	\$24,500	\$24,500	1	\$24,500	Community Relations
Corrections	Compact Sedan	5	4	\$21,000	\$84,000			
Corrections	Mid Size Sedan	5	2	\$24,500	\$49,000	6	\$133,000	Corrections
Environment	Animal Control Truck	7	1	\$60,000	\$60,000			
Environment	Animal Control Van	5	2	\$60,000	\$120,000			
Environment	Compact Sedan	5	2	\$21,000	\$42,000			
Environment	Toters	12	3,000	\$50	\$150,000			
Environment	Compact SUV	5	2	\$26,000	\$52,000	3,007	\$424,000	Environment
Family Services	Compact Sedan	5	1	\$21,000	\$21,000	1	\$21,000	Family Services
Fire	Small SUV (Fire)	5	10	\$24,500	\$245,000			
Fire	Small SUV (Admin)	5	2	\$27,750	\$55,500			
Fire	Mid Size SUV (Fire)	5	2	\$37,000	\$74,000			
Fire	Ambulance	7	13	\$300,000	\$3,900,000			
Fire	Pickup Trucks	5	3	\$36,500	\$109,500			
Fire	Full Size Fire SUV	5	3	\$53,000	\$159,000			
Fire - Kentland VFC	Full Size SUV	5	1	\$49,300	\$49,300			
Fire	Mid Size SUV	5	4	\$37,000	\$148,000	38	\$4,740,300	Fire
Health	Passenger Van	5	3	\$30,000	\$90,000			
Health	Compact SUV	5	2	\$26,000	\$52,000	5	\$142,000	Health
Homeland Security	Full Size SUV	5	1	\$60,000	\$60,000	1	\$60,000	Homeland Security
Housing	Compact Sedan	5	3	\$21,000	\$63,000	3	\$63,000	Housing
Permitting Inspections & Enforcement	Compact Sedan	5	8	\$21,000	\$168,000	8	\$168,000	Permitting Inspections
Police	Marked SUV	5	4	\$48,000	\$192,000			
Police	Cargo Van	5	7	\$30,000	\$210,000			
Police	Unmarked Car	5	35	\$28,500	\$997,500			
Police	MD-520N Helicopter	10	1	\$2,329,060	\$2,329,060			
Police	Marked Cruiser	5	157	\$44,000	\$6,908,000	204	\$10,636,560	Police
Public Works & Transportation	Paratransit Bus	7	3	\$85,000	\$255,000			
Public Works & Transportation	6 Wheel Dump Truck	7	17	\$150,000	\$2,550,000			
Public Works & Transportation	Crew 6 Wheel Dump	7	2	\$175,000	\$350,000			
Public Works & Transportation	Medium Dump Truck	7	5	\$72,000	\$360,000			
Public Works & Transportation	Crew Med Dump Trk	7	4	\$74,000	\$296,000			
Public Works & Transportation	Crew Utility Body	7	5	\$60,000	\$300,000			
Public Works & Transportation	6 Wheel Dump Truck	7	7	\$150,000	\$1,050,000			
Public Works & Transportation	Crew 6 Wheel Dump	7	3	\$175,000	\$525,000			
Public Works & Transportation	Mowing Tractor	7	2	\$100,000	\$200,000			
Public Works & Transportation	Boom Axe Tractor	7	1	\$125,000	\$125,000	49	\$6,011,000	Public Works & Transp
Sheriff	Unmarked Car	5	7	\$28,500	\$199,500			
Sheriff	Marked Cruiser	5	18	\$44,000	\$792,000			
Sheriff	Prisoner Transport	5	2	\$52,000	\$104,000			
Sheriff	Cargo Van	5	1	\$30,000	\$30,000			
Sheriff	Mid Size SUV	5	2	\$33,000	\$66,000	30	\$1,191,500	Sheriff
Social Services	Compact Sedan	5	1	\$21,000	\$21,000			
Social Services	Passenger Van	5	1	\$28,000	\$28,000	2	\$49,000	Social Services
State's Attorney	Mid Size Sedan	5	2	\$24,500	\$49,000	2	\$49,000	State's Attorney
Costs of Issuance	Bank Aviation Counsel		1	\$10,000	\$10,000		\$10,000	Costs of Issuance
	Totals		3,360		\$24,056,860	3,360	\$24,056,860	

* The "Green Fleet" project consists of (2) Plug-In Hybrid Electric Vehicles, (3) dual head vehicle charging stations and miscellaneous construction costs.

Attachment C
Refunding Candidates
\$11,245,000
Prince George’s County
Series 2011 Certificates of Participation

Serial Certificates

Due	Principal	Interest	CUSIP
October 1	Amount	Rate	Number
2022	\$1,015,000	5.00%	741705ED5
2023	1,070,000	5.00	741705EE3
2024	1,120,000	5.00	741705EF0
2025	1,180,000	5.00	741705EG8
2026	1,240,000	4.75	741705EH6

Term Certificate

\$5,620,000 5.00% Term Certificate due October 1, 2030—Price 100.00%—CUSIP 741705EJ2

ATTACHMENT D

TERM SHEET

PRINCE GEORGE'S COUNTY FINANCING AGREEMENT

Vendor:	Banc of America Public Capital Corp or such other vendor selected by the County Executive
Amount to Be Financed:	\$13.5 million (estimated). Funds defeasance escrow for refunded Series 2011 COPs plus estimated financing expenses including costs of issuance and original issue discount, less premium.
Interest Rate:	3.00% (estimated)
Background:	Refinancing of Certificates of Participation, Series 2011 identified in Attachment C
Term:	13 years
Payment Frequency:	Bi-Annually in October (principal and interest) and April (interest)
Amount of Savings:	Estimated at \$66,000.00 per fiscal year through 2031
Debt Service Savings:	Estimated to exceed 5% net present value