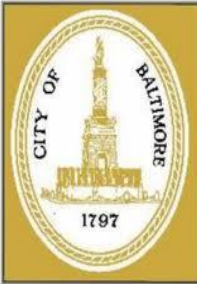


FROM	NAME & TITLE	Richard J. Luna, Interim Director	CITY of BALTIMORE <i>MEMO</i>	
	AGENCY NAME & ADDRESS	Department of Public Works 600 Abel Wolman Municipal Building		
	SUBJECT	City Council Bill 24-0481		

February 27, 2024

TO:

Ways and Means Committee

I am herein reporting on City Council Bill 24-0481 introduced by the Council President on behalf of the Administration (Bureau of Treasury Management).

The purpose of the Bill is to increase the City's authorization to issue revenue obligations within the maximum aggregate principal amount of revenue obligations that may be outstanding, authorized, and calculated, as of June 30 of every year to finance or refinance wastewater facilities; to amend and restate Ordinance 02-332, as amended by Ordinances 07-421, 11-430, and 14-293; authorize the Board of Finance to specify, prescribe, determine, provide for, approve, and amend the form, terms, provisions, manner, or method of issuing and selling, the time or times of issuance, and all other details of the revenue obligations and any other matters necessary or desirable in connection with the authorization, issuance, sale, and payment of these revenue obligations; provide for a special effective date; and generally relating to the issuance and payment of revenue obligations.

Ordinance 90-496 authorized the City to issue revenue obligations to finance wastewater facilities within the limits of the City's regional wastewater system. The most recent amendment, Ordinance 14-293, increased the maximum revenue obligations to \$2,363,000,000. Increases are sought from time to time, based on the projected borrowing needs of the Wastewater Utility, to finance wastewater system improvements necessary to meet the City's regulatory responsibilities and to continue modernizing and repairing facilities for reliability. The projects funded by these authorizations are included in the City's Capital Improvement Program and are incorporated into the annual Ordinance of Estimates. The debt incurred is a revenue obligation of the Wastewater Utility and is not a general obligation or pledge of the City's full faith and credit.

City Council Bill 24-0481 does not request an increase to the maximum revenue obligations but would amend how the Department of Finance calculates the maximum aggregated principal amount to include the repayment of prior obligations. Based on this calculation change, the

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Wastewater Utility would have sufficient authorization to satisfy anticipated borrowing needs through FY29. Additional amendments include recognizing the inter-fund support for the newer Stormwater Utility as is currently afforded to the Water and Wastewater Utilities, allowing issuance of bonds even if there is an existing default, aligning language regarding assessments and charges with the existing Stormwater Utility ordinance, and clarifying certain Board of Finance determinations.

The Department of Public Works supports passage of City Council Bill 24-0481.

A handwritten signature in blue ink, appearing to read 'RJL', with a stylized flourish at the end.

Richard J. Luna
Interim Director

RJL:MMC