


FROM	NAME & TITLE	Rudolph S. Chow, P.E., Director	CITY of BALTIMORE MEMO	
	AGENCY NAME & ADDRESS	Department of Public Works 600 Abel Wolman Municipal Building		
	SUBJECT	CITY COUNCIL BILL 14-0375		

TO DATE: May 19, 2014

The Honorable President and Members
of the Baltimore City Council
c/o Karen Randle
Room 400 – City Hall

I am herein reporting on City Council Bill 14-0375 introduced by the Council President on behalf of the Administration (Bureau of Treasury Management).

The purpose of the Bill is to increase the maximum aggregate principal amount of revenue obligations that may be issued by the City under Ordinance 02-331, as last amended by Ordinance 11-429; and providing for a special effective date.

Ordinance 90-495 authorized the City to issue revenue obligations to finance water facilities within the limits of the City’s water system. The most recent amendment, Ordinance 11-429, increased the maximum revenue obligations to \$1,017,000,000. Increases are sought from time to time, based on the projected borrowing needs of the Bureau of Water and Wastewater for the Water Utility, in order to finance water system improvements necessary to meet the City’s regulatory responsibilities and to continue modernizing and repairing facilities for reliability. City Council Bill 14-0375, if approved, would increase the maximum revenue obligations to \$2,152,000,000. The Water Utility is expected to reach its maximum authorized limit by next calendar year. The projects funded by these authorizations are included in the Capital Improvement Program (FY2014 – FY2019) and are incorporated into the annual Ordinance of Estimates. The debt incurred is a revenue obligation of the Water Utility and is not a general obligation or pledge of the City’s full faith and credit. This requested increase would provide necessary funding for continued rehabilitation of aging water infrastructure, covering of finished water reservoirs, water pumping station improvements, and normal capital improvement and expansion service needs planned for over the next six years.

The Department of Public Works supports passage of City Council Bill 14-0375.

Sincerely,


Rudolph S. Chow, P.E.
Director

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