

## AGENDA ITEM

**DATE:** July 6, 2012

**TO:** Commissioners Court

**ITEM:** Adoption of an Order With Respect to Republic Services, Inc. Project Approving the Refunding of the Mission Economic Development Corporation Solid Waste Disposal Revenue Bonds (Allied Waste North America, Inc. Project) Series 2007A Bonds, and Authorizing the County Judge to Execute Certificates Approving the Order and Public Hearing, and Related Items

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### **Background**

In 2007, Allied Waste North America, Inc. or Affiliates issued \$56.8 million in tax-exempt bonds through the Mission Economic Development Corporation (“MEDC”) to finance capital improvements for a number of facilities throughout Texas, including one located in Hidalgo County (“County”). The 2007 financing totaled \$56.8 million of which approximately \$2.4 million was for operations in the County.

Republic Services, Inc. (“RSI”), as successor to Allied Waste North America, Inc. by merger, has the ability to refund these prior bonds and extend the bond maturity date in the current interest rate environment. As part of the refunding process, a local public hearing (“TEFRA Hearing”) must be held to provide the members of the community an opportunity to speak in favor of or against the use of tax-exempt bonds for the financing or refinancing of the Project. While the County must approve the public hearing, it does not need to be held by the County.

In addition, the County must approve of the refunding through the MEDC. This approval process and TEFRA Hearing are identical to the steps that were undertaken in 2007 for the original financing.

### **Fiscal Impact**

Approval of this Order and public hearing (“TEFRA hearing”) in no way imposes any payment or obligation on Hidalgo County in connection with the financing.

### **Recommendations**

- 1) Authorize the County Judge to execute a certificate approving the “Ordinance with Respect to Republic Services, Inc. Project” and;
- 2) Authorize the County Judge to execute a certificate approving the public hearing (“TEFRA Hearing”).