




**AGENDA CATEGORY:** Finance Office**ITEM NUMBER:****DATE:** July 21, 2021

SUBJECT	Vote – Resolutions to authorize the issuance of Consolidated Public Improvement Bonds and Consolidated Public Improvement Refunding Bonds
SUMMARY	The Commission plans to sell Consolidated Public Improvement Bonds and Consolidated Public Improvement Refunding Bonds. The following resolutions are presented for approval.
SPECIAL COMMENTS	<div>2022-2294 Resolution providing for the issuance, sale, and delivery of the Water Supply Bonds, the Sewage Disposal Bonds and General Construction Bonds; providing for the publication of the notice of sale; and providing for the consolidation of such bonds for issuance, sale and delivery as a single issue of bonds.</div> <div>2022-2295 Resolution providing for the issuance, sale and delivery of Sewage Disposal Refunding Bonds, Water Supply Refunding Bonds and General Construction Refunding Bonds to refund certain outstanding bonds of the Washington Suburban Sanitary District and providing for the payment of such outstanding bonds from an escrow account; providing for the payment of such refunding bonds; providing for the publication of the notice of sale; and providing for the consolidation of such bonds for issuance, sale and delivery as a single issue of bonds.</div>
CONTRACT NO./REFERENCE NO.	N/A
COSTS	The aggregate bond issuance costs are \$900,000 to \$1,200,000 if all the eligible issues are refunded, and costs will be funded through bond proceeds.
AMENDMENT/CHANGE ORDER NO. AMOUNT	N/A
MBE PARTICIPATION	N/A
PRIOR STAFF/COMMITTEE APPROVALS	Carla A. Reid, General Manager/CEO ^{DS}  Joseph F. Beach, Deputy General Manager for Administration ^{DS}  Patricia A. Colihan, Chief Financial Officer ^{DS} 
RECOMMENDATION TO COMMISSION	Approve each authorizing resolution separately.
COMMISSION ACTION	



Interoffice Memorandum

TO: COMMISSIONERS

THRU: CARLA A. REID ^{DS} CR
GENERAL MANAGER/CEO

THRU: JOSEPH F. BEACH ^{DS} JFB
DEPUTY GENERAL MANAGER OF ADMINISTRATION

FROM: PATRICIA A. COLIHAN ^{DS} PC
CHIEF FINANCIAL OFFICER

DATE: JUNE 21, 2021

SUBJECT: RESOLUTION AUTHORIZING THE ISSUANCE OF CONSOLIDATED
PUBLIC IMPROVEMENT BONDS

Background:

WSSC Water issues debt to fund capital improvement projects such as the construction of water supply facilities and large transmission mains, sewage disposal facilities and large collection mains, and WSSC Water built water/sewer pipes in subdivisions. A portion of this debt may be issued through the State of Maryland Revolving Loan Program and through WSSC Waters Multi-Modal Note Program. The balance of the debt will be issued through a competitive bid process, as authorized under State law.

Discussion:

Resolution No. 2022-2294 authorizes the issuance of Consolidated Public Improvement Bonds in an amount not to exceed \$430,000,000. This amount is consistent with our Adopted Capital Improvement Program and fits within our Adopted Operating Budget. We plan to issue the bonds in the Fall of this year.

The actual date for the sale will be set based on WSSC Water's funding needs and on market conditions. This sale will be facilitated by an electronic bidding method utilizing the Parity Competitive Bidding System.

Recommendation:

Approve Resolution No. 2022-2294 authorizing the issuance of the Consolidated Public Improvement Bonds.

RESOLUTION NO. 2022-2294

THIS RESOLUTION PROVIDING FOR THE ISSUANCE, SALE, AND DELIVERY OF WATER SUPPLY BONDS, SEWAGE DISPOSAL BONDS AND GENERAL CONSTRUCTION BONDS; PROVIDING FOR THE PUBLICATION OF THE NOTICE OF SALE; AND PROVIDING FOR THE CONSOLIDATION OF SUCH BONDS FOR ISSUANCE, SALE AND DELIVERY AS A SINGLE ISSUE OF BONDS

BE IT RESOLVED by the Washington Suburban Sanitary Commission:

Section 1. For the purpose of providing funds, together with other available funds, for funding the costs of (i) the design and construction or reconstruction of trunk sewers, sewage pumping stations and sewage disposal systems (the “Sewage Disposal Projects”) of the Washington Suburban Sanitary District (the “District”); (ii) enlarging, increasing and augmenting the water supply of the District, including the construction, reconstruction or enlargement of any impounding reservoir, filter plant, filtered water storage structure or pumping station and all the necessary pipelines and accessories appurtenant thereto and the construction or reconstruction of major water supply lines and reinforcing water mains (the “Water Supply Projects”); and (iii) the acquisition of land or equipment for, or construction, remodeling, enlargement, or replacement of any office or operating building necessary to administer or operate the water and sewer systems in the District (the “General Construction Projects”); there shall be issued, under the Constitution and laws of the State of Maryland, including Titles 16 through 25 of the Public Utilities Article of the Annotated Code of Maryland, as amended (herein sometimes called the “Act”), particularly Title 22 thereof, the fully registered bonds, without coupons, of the District in the aggregate principal amount not to exceed \$430,000,000 (the “Bonds”). The Washington Suburban Sanitary Commission (the “Commission”) hereby determines that said principal amount of Bonds is necessary for such purposes. The Chief Financial Officer of the Commission or any person acting in such capacity (the “Chief Financial Officer”) is hereby authorized to determine the amount of such Bonds to be applied to the Water Supply Projects, Sewage Disposal Projects and General Construction Projects, respectively.

Section 2. Each series of Bonds shall be issued in the denomination of \$5,000 each or any integral multiple thereof, and shall be numbered consecutively upward within each maturity of each series. The interest on the Bonds shall be payable semiannually and the Bonds shall mature no later than 40 years from the date of issue. CUSIP numbers will be printed on each of the Bonds of each series. The validity of the Bonds and any sale, delivery or contract for the sale of any of the Bonds will not be affected in any manner by any failure to print or any error in printing, the CUSIP numbers on any or all of the bonds. The CUSIP numbers are subject to being changed after the issuance of the Bonds as a result of various subsequent actions including, but not limited to, a refunding in whole or in part of the Bonds. The Commission does not take any responsibility for the accuracy thereof.

The Bonds may be issued in a series intended to identify the public purposes for which each series is issued. A portion of the Bonds issued pursuant to this Resolution may be designated as (i) the “Sewage Disposal Bonds” with respect to the Sewage Disposal Projects; (ii) the “Water Supply Bonds” with respect to the Water Supply Projects; and (iii) the “General Construction Bonds” with respect to the General Construction Projects. In each case, there shall be added to the title of the Bonds a designation corresponding to the year in which the Bonds are issued so that, if the Bonds are issued on or after January 1, 2021 and before January 1, 2022, the Bonds shall be designated as the “Sewage Disposal Bonds of 2021,” the “Water Supply Bonds of 2021” and the “General Construction Bonds of 2021,” respectively, or such other designation as the Chief Financial Officer shall determine to be in the best interest of the Commission.

The Chief Financial Officer is hereby authorized, pursuant to Section 19-101 of the Local Government Article of the Annotated Code of Maryland, to cause the Bonds of each series to be consolidated for sale and to be issued, sold and delivered as a single issue of bonds or consolidated series of bonds to be designated the “Consolidated Public Improvement Bonds,” or such other designation as the Chief Financial Officer shall determine to be in the best interest of the Commission without identifying by separate series each public purpose for which the Bonds are issued as elsewhere provided in this Resolution. There shall be added to the title of such Bonds a designation corresponding to the year in which the Bonds are issued so that, if the Bonds are issued on or after January 1, 2021 and before January 1, 2022, the Bonds shall be designated as the “Consolidated Public Improvement Bonds of 2021” or such other designation as the Chief Financial Officer shall determine to be in the best interest of the Commission. A designation may be added to each series of Bonds to distinguish multiple series issued within the same calendar year.

The Bonds shall be dated, and shall bear interest at a rate or rates and payable at such times, as are approved by the Chief Financial Officer that are determined to be advantageous to the District and the public interest, and to be appropriate or proper to minimize debt service costs to the Commission taking into account the strategic goals of the Commission.

The Bonds shall be stated to mature (subject to the right of prior redemption as hereinafter set forth) on such date as determined by the Chief Financial Officer in such years and in such principal amounts as are approved by the Chief Financial Officer to be necessary or proper to minimize debt service costs to the Commission or to achieve other benefits for the Commission as determined by the Chief Financial Officer consistent with this Resolution. The Bonds authorized herein shall be sold at a sale price at, above, or below par, plus accrued interest to the date of delivery, if any, and only after first soliciting competitive bids at a public sale in accordance with the provisions hereof.

The Chief Financial Officer is hereby authorized to issue all or a portion of the Bonds as a series to be designated as “Green Bonds,” if the Chief Financial Officer shall determine that doing so is in the best interest of the Commission. A designation shall be

added to each series of Bonds issued as Green Bonds to identify such series of Bonds as Green Bonds.

Section 3. Both the principal of and the interest on and any redemption premium on the Bonds shall be payable in currency of the United States of America, which, at the respective dates of payment thereof, is legal tender for the payment of public and private debts. Payment of the interest on each Bond shall be made by the Bond Registrar (hereinafter defined) on each interest payment date to the person appearing on the registration books of the District hereinafter provided for as the registered owner of such bond (or the previous bond or bonds evidencing the same debt as that evidenced by such bond) at the close of business on the record date for such interest, which shall be the 15th day of the calendar month next preceding such interest payment date, by check or draft mailed to such person at his or her address as it appears on such registration books. Payment of the principal of and any redemption premium on each Bond shall be made to the registered owner thereof or his or her registered assignee or legal representative, upon the presentation and surrender of such bond, as the same shall become due and payable, to the Bond Registrar.

The Bonds shall be registered as to both principal and interest on books of the District kept for the registration of bonds and the registration of the transfer or exchange of bonds by The Bank of New York Mellon Trust Company, N. A., hereby designated as Bond Registrar and Paying Agent (the "Bond Registrar"), or by such other Bond Registrar as may be legally appointed by the Commission, which shall make notation of such registration in said registration books of the District.

The transfer or the exchange of any bond may be registered upon said books upon surrender of the bond to the Bond Registrar with an assignment duly executed by the registered owner or his or her attorney or legal representative in such form as shall be satisfactory to the Bond Registrar. Upon any such transfer or exchange, the Bond Registrar shall authenticate and deliver in exchange for such bond a new bond or bonds, registered in the name of the transferee or owner exchanging the bond, of any denomination or denominations authorized by this Resolution, in an aggregate principal amount equal to the principal amount of such bond, of the same series, form and maturity and bearing interest at the same rate.

Section 4. The Bonds shall be offered at public sale to the bidder offering to purchase the Bonds at the lowest true interest cost to the Commission, as provided in the Notice of Sale (defined below) and, only after the solicitation of competitive bids on a sealed basis after the publication of a Notice of Sale (as defined herein). The Chief Financial Officer may conduct the sale using an electronic program such as PARITY or another program she deems appropriate and in compliance with this Resolution. The Chief Financial Officer is hereby authorized and directed to publish one or more summary notices of sale calling for bids for the Bonds, all dated as set forth in such notice, which shall be published at least once in a newspaper of general circulation in the

District, and may also be published in a newspaper which circulates primarily among bankers and investors, the first publication to be at least 10 days prior to the date for receipt of bids. The Chief Financial Officer may publish such notice, subject to applicable law, in any manner as in her judgment, serves the purpose hereof.

The summary notice(s) of sale shall be substantially in the form attached hereto as Exhibit A and incorporated herein, appropriately completed by the Chief Financial Officer, and subject to such changes, insertions, alterations, additions, deletions or amendments as the Chief Financial Officer deems necessary and approves upon the advice of Bond Counsel to the Commission (“Bond Counsel”) and the Financial Advisor to the Commission (the “Financial Advisor”), the Chief Financial Officer’s publication of such summary notice(s) of sale to constitute conclusive evidence of her approval of all completions of and changes from the form attached hereto as Exhibit A.

Section 5. The Chief Financial Officer is hereby authorized to determine the form of the full notice(s) of sale (the “Notice of Sale”) referred to in the summary notice(s) of sale set forth in Exhibit A on which all bids are required to be made in compliance thereof, provided that such form shall be substantially as set forth in the Preliminary Official Statement with respect to such Bonds, subject to such changes, insertions, alterations, additions, deletions or amendments as the Chief Financial Officer deems appropriate and approves upon the advice of Bond Counsel and the Financial Advisor, the printing of such Notice of Sale in the Preliminary Official Statement to constitute conclusive evidence of her approval of all changes from such form.

Section 6. The Commission hereby authorizes the Chief Financial Officer to prepare or cause to be prepared a Preliminary Official Statement with respect to the Bonds, and to deem the Preliminary Official Statement final as of its date (subject to the omission of certain information comprising, related to or dependent upon the terms of sale of such Bonds) on behalf of the Commission.

Section 7. The Commission hereby authorizes the Chief Financial Officer to distribute the Preliminary Official Statement as described in Section 6 hereof to prospective bidders for said Bonds.

Section 8. The Commission hereby authorizes the preparation of the final Official Statement pertaining to said Bonds to be signed by the Chair or Vice Chair of the Commission and the General Manager/CEO of the Commission (the “General Manager/CEO”), or their designee, on behalf of the Commission.

Section 9. The Commission hereby finds and determines that receiving bids for the purchase of the Bonds and awarding the Bonds to the successful bidder(s) thereof without regard to the Commission’s meeting schedule is necessary and in the public interest in order to best ensure that the Commission will receive aggressive bids for the purchase of the Bonds.

Section 10. The Commission hereby authorizes the Chief Financial Officer or the General Manager/CEO to determine a date on which to receive bids for the Bonds and to execute and deliver one or more bond orders on the date of receipt of bids for the Bonds (“Bond Orders”). Such Bond Order(s) may include the following provisions (without limitation):

a. Allowing the Chief Financial Officer to cancel or postpone the sale of the Bonds prior to the established date of the sale. Notice of such postponement or cancellation shall be given in the manner determined by the Chief Financial Officer;

b. Award of the Bonds to underwriters providing the Commission the price, terms, and conditions that are in the best interest of the Commission if sold at a private (negotiated) sale;

c. Award of the Bonds to the bidder offering to purchase the Bonds at the lowest true interest cost to the Commission, as provided in the Notice of Sale respecting the Bonds; provided, however, that the Chief Financial Officer or the General Manager/CEO shall be authorized to reject all bids for the Bonds upon the advice of the Financial Advisor;

d. Determining such matters as are required to be determined by the Chief Financial Officer in connection with the issuance, sale and delivery of such Bonds;

e. An approval of the final Official Statement respecting the Bonds;
and

f. Such other matters as the Chief Financial Officer or the General Manager/CEO shall deem necessary or advisable.

Section 11. Copies of each of such Bond Orders shall promptly be filed with the official records of the Commission.

Section 12. The Bonds shall be subject to optional redemption prior to their respective maturities at such times, and with such redemption premiums (if any) as are approved by the Chief Financial Officer to be necessary or proper to minimize debt service costs to the Commission taking into account the strategic goals of the Commission. If less than all of the Bonds of any one maturity shall be called for redemption, the particular Bonds or portions of Bonds of such maturity to be redeemed shall be selected by lot, except that so long as The Depository Trust Company (“DTC”) or its nominee is the sole registered owner of the Bonds, the particular Bonds or portion to be redeemed shall be selected by DTC, in such manner as DTC shall determine; provided, further, that the portion of any bond to be redeemed shall be in the principal amount of \$5,000 or some multiple thereof and that, in selecting bonds for redemption, the Bond Registrar shall treat each bond as representing that number of Bonds which is obtained by dividing the principal amount of such bond by \$5,000.

A notice calling for redemption of any of the Bonds, approved by the District by the Chief Financial Officer or her designee and designating the maturities of the Bonds to be redeemed, the redemption date and the redemption price to be paid and, if less than all of the Bonds of any one maturity then outstanding shall be called for redemption, the numbers of such Bonds to be redeemed, and any conditions that the Chief Financial Officer determines is appropriate, shall be mailed, postage prepaid, to all registered owners of bonds to be redeemed at their addresses as they appear on the registration books hereinafter provided for; but failure to so file or mail or failure to receive by any such registered owner any such notice mailed shall not affect the validity of the proceedings for such redemption. On the same date as the foregoing notice of redemption is provided as described above, the Bond Registrar shall provide such notice of redemption to the Municipal Securities Rulemaking Board ("MSRB") through the Electronic Municipal Market Access system or such other electronic format as may be prescribed by the MSRB.

The Bonds so called for redemption shall, on the redemption date designated in such notice, provided sufficient funds are on deposit with the Paying Agent or otherwise set aside to pay for the redemption of all or a portion of the Bonds called for redemption, become and be due and payable at the redemption price provided for the redemption of such bonds on such date, and from and after the date of redemption so designated (unless default shall be made in the payment of the Bonds called for redemption) interest on the Bonds so called for redemption shall cease to accrue. Bonds so redeemed shall be cancelled upon surrender thereof.

Section 13. In the interest of facilitating the registration of the transfer of bonds, the Bonds shall be signed by the Chair or Vice Chair, the Corporate Secretary and the Treasurer of the Commission by their manual or facsimile signatures, provided that the Bonds may be manually signed by a least one of such officials and shall be authenticated by the Bond Registrar by causing the Bonds to be signed by the manual signature of its authorized officer. An original or facsimile of the official seal of the Commission shall be imprinted on the Bonds. The Bonds shall be substantially in the form attached hereto as Exhibit B and incorporated herein.

Notwithstanding the foregoing provisions of this Section 13, the Chief Financial Officer is authorized and directed to cause the Bonds to be issued in book-entry form through the facilities of DTC if it is determined that such form of issuance to be in the best interests of the Commission. The Chief Financial Officer is further authorized and directed to determine to discontinue use of the system of book-entry through the facilities of DTC if it is determined that such discontinuance to be in the best interests of the Commission. In the event that the book-entry system is discontinued, the Bonds will be delivered by DTC to the Bond Registrar and such bonds will be exchanged for bonds registered in the names of DTC participants or beneficial owners identified to the Bond Registrar. In such event, the Commission shall cause bond certificates to be printed and delivered to the Bond Registrar.

The Chief Financial Officer is further authorized and directed to make such changes to the form of bond specified in this Section 13 as she shall deem necessary or advisable, the Chief Financial Officer's execution of such bonds to constitute conclusive evidence of approval of such form.

Section 14. The Bonds shall have all the qualities and incidents of investment securities within the meaning and for all the purposes of the Maryland Uniform Commercial Code.

Section 15. No charge shall be made to any bond owner for the privilege of registration, exchange or transfer hereinabove granted, but any bond owner requesting any such registration, exchange or transfer shall pay any tax or other governmental charge required to be paid with respect thereto. The Bond Registrar shall not be required to exchange or register the transfer of any bond during the period beginning at the opening of business 15 days before the day of the mailing of a notice of redemption of bonds or any portion thereof and ending at the close of business on the day of such mailing or of any bond called for redemption in whole or in part pursuant to this Resolution.

The owner in whose name any bond shall be registered shall be deemed and regarded as the absolute owner thereof for all purposes and payment, or on account, of any such bond shall be made only to or upon the order of the registered owner thereof or his or her legal representative. All such payments shall be valid and effectual to satisfy and discharge the liability upon such bond to the extent of the amount of such payments.

Section 16. In the opinion of the Commission, market conditions seem to justify the sale of the Bonds herein authorized without the guarantee as to payment of principal and interest thereof by the County Council of Montgomery County and the County Council of Prince George's County, and the sale of the Bonds herein authorized will not be affected by the waiver of said guarantee. The Commission, therefore, waives the guarantee by said county councils as authorized by the Act.

Section 17. The Bonds shall be general obligations of the District and, for the prompt payment of the principal of and the interest on the Bonds as the same shall fall due, the full faith and credit of the District are hereby irrevocably pledged. In each year while any of the Bonds shall be outstanding there shall be levied upon all of the assessable property within the District a tax sufficient with other available funds to pay the interest on and the principal of the Bonds as the same respectively become due and payable.

Section 18. In case any bond issued under the provisions of this Resolution shall be destroyed or lost or become mutilated, the Commission may cause to be executed and delivered a new bond of like date and tenor in lieu of and in substitution for such bond destroyed or lost, or in exchange and substitution for and subject to the cancellation of such mutilated bond, upon the holder's (a) paying the reasonable expenses and charges of

the Commission and the Bond Registrar in connection therewith; (b) filing with the Commission evidence satisfactory to the Commission (i) that such bond was actually destroyed or lost and (ii) of the ownership thereof; and (c) furnishing to the Commission indemnity fully protecting them and their agents and representatives in the issuance of any such new bond.

Section 19. In case any officer whose signature or a facsimile of whose signature shall appear on any bonds shall cease to be such officer before the delivery of such bonds, such signature or facsimile shall nevertheless be valid and sufficient for all purposes the same as if he/she had remained in office until such delivery, and also any bond may bear the signature or signatures or the facsimile signature or signatures of such persons as at the actual time of the execution of such bond shall be the proper officers to sign such bond although at the date of such bond such persons may not have been such officers.

Section 20. Only such of the Bonds as shall have endorsed thereon a certificate of authentication substantially in the form included in the form of bond attached as Exhibit B, duly executed by the Bond Registrar, shall be entitled to any benefit or security under this Resolution. No bond shall be valid or obligatory for any purpose unless and until such certificate of authentication shall have been duly executed by the Bond Registrar. The certificate of authentication on any bond shall be deemed to have been duly executed if signed by an authorized officer of the Bond Registrar, but it shall not be necessary that the same officer sign the certificate of authentication on all of the bonds that may be issued hereunder at any one time.

Section 21. Until the Bonds in definitive form are ready for delivery, the Commission may execute, and upon its request in writing, the Bond Registrar shall authenticate and deliver in lieu of any of the Bonds and subject to the same provisions, limitations and conditions, one or more printed, lithographed or typewritten bonds in temporary form, substantially of the tenor of the Bonds herein described, and registered as to principal and interest as herein provided, and with appropriate omissions, variations and insertions. Such bond or bonds in temporary form shall be delivered in denominations authorized by this Resolution and, until exchanged for bonds in definitive form, such bonds in temporary form shall be entitled to the benefit of this Resolution.

The Commission shall, without unreasonable delay, prepare or cause to be prepared, execute and deliver to the Bond Registrar, and upon the presentation and surrender of the bond or bonds in temporary form, the Bond Registrar shall authenticate and deliver, in exchange therefor, a bond or bonds in definitive form in authorized denominations, of the same maturity or maturities, bearing the same interest rate and for the same aggregate principal amount as the bond or bonds in temporary form surrendered.

Section 22. The Chair, Vice Chair, Commissioners, General Manager/CEO, Corporate Secretary, Treasurer/Chief Financial Officer, General Counsel, any person acting in any such capacity and their respective designees and all other officers and employees of the Commission are hereby authorized and directed to take such further

action and to prepare, execute, deliver and file such documents as the Chief Financial Officer, upon the advice of Bond Counsel or the Financial Advisor, shall deem necessary to be taken, prepared, executed, delivered and filed in consummation of the transactions contemplated by this Resolution.

Section 23. The Commission hereby authorizes the Chief Financial Officer or the General Manager/CEO to obtain and approve payment for services associated with the Bonds issuance, including, but not limited to rating agencies, paying agents, electronic bid sites, publication notices, and printing.

Section 24. The Commission hereby covenants that it will take all actions necessary to comply with those requirements of the Internal Revenue Code of 1986, as amended, and those requirements of the Income Tax Regulations promulgated thereunder which are applicable to the Bonds, in order to maintain the exemption of interest on the Bonds from federal income taxation. This covenant is for the benefit of the holders from time to time of the Bonds and is in addition to and shall be deemed a part of the provisions with respect to the Bonds set forth in each Bond. The Chief Financial Officer is authorized and directed to make such covenants, and representations related to the Commission's compliance with the Income Tax Regulations applicable to the Bonds, and to sign such certificates and documents as she deems appropriate.

Section 25. The Commission hereby covenants to assist the initial underwriters of the Bonds in complying with Rule 15c2-12(b)(5) of the Securities and Exchange Commission by entering into a Continuing Disclosure Agreement. The Treasurer of the Commission is hereby authorized and directed to execute and deliver a Continuing Disclosure Agreement upon such terms and conditions as she shall deem advisable and in the best interests of the Commission.

Section 26. This Resolution shall be effective immediately upon its adoption.

Attest:

Julianne Montes De Oca
Corporate Secretary

EXHIBIT ASUMMARY NOTICE OF BOND SALE

WASHINGTON SUBURBAN SANITARY COMMISSION
 \$_____ CONSOLIDATED PUBLIC IMPROVEMENT BONDS OF 20__

NOTICE IS HEREBY GIVEN that the Washington Suburban Sanitary Commission (the "Commission") will receive electronic bids only for the above-captioned bonds (the "Bonds") of the Washington Suburban Sanitary District (the "District") at _____ A.M. prevailing Eastern time on _____, 20__, via I-Deal **PARITY**. [No bids of less than 100% of par plus accrued interest], no oral bid and no bid for less than all of the Bonds will be considered. The Bonds will be awarded based on the lowest true interest cost to the Commission, determined in accordance with the true interest cost method. The winning bidder shall submit a good faith deposit to the Commission by a federal funds wire transfer in the amount of _____ Dollars (\$_____). THE WINNING BIDDER MUST PURCHASE ALL OF THE BONDS.

The Bonds are authorized by Titles 16 through 25 of the Public Utilities Article of the Annotated Code of Maryland, as amended. The Bonds are consolidated for sale pursuant to the provisions of Section 19-101 of the Local Government Article of the Annotated Code of Maryland, as amended. The Bonds are expected to be issued on _____, 20__, and will be dated as of _____, 20_. The Bonds will mature on _____ in the following respective years and principal amounts:

<u>Year of</u> <u>Maturity</u>	<u>Principal</u> <u>Amount</u>	<u>Year of</u> <u>Maturity</u>	<u>Principal</u> <u>Amount</u>
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The Bonds are being issued for the purposes of [INSERT PURPOSES].

The Bonds will bear interest at such fixed rates of interest as are specified by the successful bidder. The successful bidder will be determined based on the lowest true interest cost to the Commission. The Bonds will be issued in fully registered form, without coupons. The Bonds which mature on or after _____ may be redeemed prior to their respective maturities at the option of the District from any money that may be

made available for such purpose, either in whole or in part on any date not earlier than _____, at the principal amount of the bonds to be redeemed, together with the interest accrued thereon to the date fixed for redemption, without premium. The Commission reserves the right to cancel or postpone the sale and to reject any or all bids.

Copies of the Official Statement relating to the Bonds and the full Notice of Sale may be obtained from the undersigned at Washington Suburban Sanitary Commission, 14501 Sweitzer Lane, Laurel, Maryland 20707 (tel. 301-206-7069) or from WYE River Capital, Inc., 522 Chesapeake Ave, Annapolis, Maryland 21403 (410-267-8811).

WASHINGTON SUBURBAN SANITARY
COMMISSION

By: _____
Chief Financial Officer

EXHIBIT B**FORM OF BOND**

REGISTERED

REGISTERED

R-__

\$

United States of America
 State of Maryland
 Montgomery and Prince George's Counties
WASHINGTON SUBURBAN SANITARY DISTRICT
 [Sewage Disposal Bond of 20__/Water Supply Bond of 20__/_General Construction Bond of 20__/
 Consolidated Public Improvement Bond of 20____]

Interest Rate Maturity Date Original Issue Date CUSIP

REGISTERED OWNER:

PRINCIPAL SUM:

DOLLARS

WASHINGTON SUBURBAN SANITARY DISTRICT (the "District"), a sanitary district within Montgomery and Prince George's Counties, Maryland, duly incorporated by an act of the General Assembly of Maryland, is justly indebted and for value received hereby promises to pay to the Registered Owner (named above) or to the registered assignee or legal representative thereof, on the Maturity Date (stated above) or earlier as hereinafter referred to, upon the presentation and surrender hereof at the Principal Corporate Trust Office of The Bank of New York Mellon Trust Company, N. A., New York, New York, the Bond Registrar, as paying agent, the Principal Sum (stated above) and to pay interest on said Principal Sum from the date of this bond or from the most recent interest payment date to which interest shall have been paid, such interest to the maturity hereof being payable semiannually on ____ and ____ in each year, first interest being payable on _____ (_____ months), at the Interest Rate (stated above) per annum until payment of said Principal Sum. The interest so payable on any such interest payment date will be paid to the person in whose name this bond (or the previous bond or bonds evidencing the same debt as that evidenced by this bond) is registered at the close of business on the record date for such interest, which shall be the 15th day of the calendar month next preceding such interest payment date, by check or draft mailed to such person at his or her address as it appears on the bond registration books of the District. The principal of and the interest and any premium on this bond are payable in any coin or currency of the United States of America which on the date of payment thereof is legal tender for the payment of public and private debts.

This bond is one of a series of ____ Dollars (\$____) in bonds of the District authorized to be issued by the District pursuant to a resolution adopted by the Washington Suburban Sanitary Commission (the "Resolution") and under the authority of and in full compliance with the Constitution and laws of the State of Maryland, including Titles 16 through 25 of the Public Utilities Article of the Annotated Code of Maryland, as amended (the "Act"), particularly Title 22 thereof, for the purpose of providing funds, together with other available funds, for funding the costs of the District.

This bond shall not be valid or become obligatory for any purpose or be entitled to any benefit or security under the Resolution until it shall have been authenticated by the execution by the Bond Registrar of the certificate of authentication endorsed hereon.

This bond may be transferred or exchanged, subject to the requirements prescribed by the Resolution, including the provision that the Bond Registrar shall not be required to exchange or register the transfer of this bond during a period beginning at the opening of business 15 days before the day of the mailing of a notice of redemption of bonds or any portion thereof and ending at the close of business on the day of such mailing or of any bond called for redemption in whole or in part pursuant to the Resolution.

[Insert redemption provisions here]

Such redemption may be made upon at least 20 days' prior notice by mail to the registered owners and otherwise as provided in the Resolution, at a redemption price equal to the principal amount of the bonds to be redeemed, together with the interest accrued thereon to the date fixed for redemption, without premium. If less than all of the bonds of any one maturity shall be called for redemption, the particular bonds or portions of bonds of such maturity to be redeemed shall be selected by lot; provided, however, that the portion of any bond to be redeemed shall be in the principal amount of \$5,000 or some multiple thereof and that, in selecting bonds for redemption, the Bond Registrar shall treat each bond as representing that number of bonds which is obtained by dividing the principal amount of such bond by \$5,000. Such redemption shall be made in the manner and under the terms and conditions provided in the Resolution. On the date designated for redemption, notice having been given and money for payment of the redemption price being held by the paying agents, all as provided in the Resolution, interest on the bonds so called for redemption shall cease to accrue.

It is hereby certified and recited that all acts, conditions and things required by the Constitution and laws of the State of Maryland to happen, exist and be performed precedent to and in the issuance of this bond have happened, exist and have been performed in regular and due form and time as so required; that the total indebtedness of the District, including this bond, does not exceed any constitutional or statutory limitation thereon; that provision has been made for the levy and collection of a direct annual tax upon all of the assessable property within the District sufficient, with other available funds, to pay the principal of and the interest on this bond as the same shall fall due; and that for the prompt payment hereof, both the principal and interest as the same shall become due, the full faith and credit of the District are hereby irrevocably pledged.

As provided by the Act, the bonds of the series of which this is one shall be forever exempt from taxation by the State of Maryland and by the counties and municipalities in said State.

IN WITNESS WHEREOF, the Washington Suburban Sanitary District has caused this bond to be issued under the hand and seal of the Washington Suburban Sanitary Commission, the governing authority of the District, and this bond to be signed by the Chair, the Corporate Secretary and the Treasurer of said Commission and its official seal to be imprinted hereon, all as of _____, 20__.

WASHINGTON SUBURBAN SANITARY DISTRICT

By: _____
Chair

By: _____
Corporate Secretary

By: _____
Treasurer

[Seal]

CERTIFICATE OF AUTHENTICATION

This bond is one of the bonds of the issue designated herein and issued under the provisions of the within-mentioned Resolution.

Date of authentication: THE BANK OF NEW YORK MELLON TRUST COMPANY, N. A.

Bond Registrar

By: _____
Authorized Signatory

ASSIGNMENT

For value received, the undersigned do(es) hereby sell, assign and transfer unto _____ the within-mentioned Bond and hereby irrevocably constitute(s) and appoint(s) _____, attorney, to transfer the same on the books of the within-named Bond Registrar, with full power of substitution in the premises.

Dated: _____

By: _____

Signature Guaranteed By:

NOTICE: Signature must be guaranteed by an eligible guarantor institution participating in a Securities Transfer Association recognized guarantee program.