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County to sell $260 Million in Warrants

County Commissioners will go to market next month to sell approximately $260 million of sewer revenue capital improvement warrants, the latest in a series of transactions over the past four years to help pay for fixing the County's aging sewer system. A lot of the work is refurbishing existing sewer lines, some of which are 75 to 100 years old. The negotiated sale is scheduled for the second week of March.

Hundreds of rehabilitation and expansion projects that are part of the county's sewer program negotiated with the Environmental Protection Agency to avoid fines over violations of the Clean Water Act in 1996.

Through consolidation of the county's sewer system and the sewer lines previously maintained by 21 municipalities, the county developed a program to repair and expand sewer lines and treatment plants for an estimated $2.5 billion by 2007.

The county sold $556 million of warrants in 1997 and another $952.7 million in 1999. This year, the estimated $260 million deal is expected to be the only issue for sewer improvements. After this year's sale, the current estimate left for issuance is approximately $1.3 billion.

At the present rate, meeting the terms of the EPA agreement the total program will cost about $3 billion.

Several factors were considered in preparation of the debt issuance - one is a low interest rate and another is the need to renew construction funds to ensure that work is uninterrupted without forcing the county to market under unfavorable conditions.

Representatives of the County will visit rating agencies next week.