

## AGENDA ITEM

**DATE:** April 28, 2025

**TO:** City of Mission

RESOLUTION APPROVING THE RESOLUTION OF MISSION ECONOMIC DEVELOPMENT CORPORATION AUTHORIZING THE ISSUANCE OF BONDS ON BEHALF OF WASTE MANAGEMENT, INC.; AND MATTERS RELATED THERETO

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### Background:

Waste Management, Inc., a Delaware corporation (“WM”), is North America’s leading provider of comprehensive waste management environmental services. Based in Houston, Texas, WM, through its subsidiaries, provides collection, transfer, recycling and resource recovery, and disposal services and is a leading developer, operator, and owner of landfill gas-to-energy facilities in the United States. WM’s subsidiaries partner with the residential, commercial, industrial, and municipal customers and the communities they serve to manage and reduce waste at each stage from collection to disposal while recovering valuable resources and creating clean, renewable energy.

### The Project:

The Company is seeking tax-exempt bond financing for certain infrastructure and capital improvements to its solid waste collection and disposal operations as outlined in the attached Exhibit A.

To qualify as tax-exempt, the bonds must meet specific federal and state tax law requirements, including issuance by a governmental entity or agency for the benefit of the Company. Therefore, the Company has requested the Mission Economic Development Corporation (“MEDC”) in Mission, Texas to serve as the governmental issuer of these bonds. The bonds will be used to finance various facilities located throughout Texas, and it is necessary to obtain consent from each jurisdiction where a facility to be financed is located. Additionally, public hearing notices were published in each jurisdiction where a portion of the project is located, and public hearings have been held to satisfy federal tax law requirements.

Terms of Transaction:

Amount:	\$50,000,000
Rate:	Multi-modal
Rating:	Est. Standard & Poor's A-/A-2 (Investment Grade)
Bond Purchasers:	Public Offering
Collateral:	Unsecured obligations of WM, guaranteed by Waste Management Holdings, Inc.
Estimated Closing:	June 1, 2024
Maturity:	Est. 25 Years
Min. Denomination:	\$100,000

Fiscal Impact & Risks:

This is a conduit transaction for the MEDC. The borrower/applicant is responsible for repayment of the debt. Approval of this Resolution does not impose any payment or obligation on the Mission Economic Development Corporation or the City of Mission, Texas in connection with the financing. There is potential "reputational risk" if the borrower defaults since the Mission Economic Development Corporation name is included on the bonds.

Based on an initial transaction of \$50 million, at closing, the MEDC is expected to receive approximately \$92,500 for serving as the Issuer of the bonds and an annual fee of \$12,500 until maturity.

