



AGENDA MEMORANDUM

First Reading for the City Council Meeting of May 8, 2018
Second Reading for the City Council Meeting of May 15, 2018

DATE: April 26, 2018

TO: Margie C. Rose, City Manager

THRU: Sylvia Carrillo-Treviño, Assistant City Manager

FROM: Constance P. Sanchez, Director of Financial Services
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Authorization for Issuance of General Improvement Bonds
to finance voter-approved Bond 2016 Projects

CAPTION:

Ordinance authorizing the issuance of “City of Corpus Christi, Texas General Improvement Bonds, Series 2018”, in an aggregate principal amount not to exceed \$18,350,000; levying a continuing direct annual ad valorem tax, within the limitations prescribed by law, for the payment of the bonds; prescribing the form, terms, conditions, and resolving other matters incident and related to the issuance, sale, and delivery of the bonds; including the approval and distribution of an official statement pertaining thereto; authorizing the execution of a paying agent/registrar agreement and a purchase contract; complying with the letter of representations on file with the depository trust company; and providing an effective date.

PURPOSE:

On November 8, 2016 the citizens of Corpus Christi approved a bond proposition in the amount of \$18,350,000. This agenda item authorizes the issuance of these bonds to fund the projects associated with the proposition, as well as the cost of issuance of the bonds.

BACKGROUND AND FINDINGS:

On November 8, 2016, the voters of Corpus Christi approved the following proposition on the ballot.

• Residential Street Rebuild	\$11,000,000
• Americans with Disabilities Act (ADA) Improvements	\$ 2,500,000
• Texas Department of Transportation (TxDOT) Participation & Mobility Improvements	\$ 2,350,000
• Developer Participation	<u>\$ 2,500,000</u>
TOTAL	<u>\$18,350,000</u>

The agenda item authorizes the sales of the bonds to fund these projects and delegates to the City Manager, Assistant City Manager, Director of Financial Services, and the City Attorney (i.e., “Authorized Representatives”) the authority to effect the sale of the bonds subject to the following parameters: (1) the principal amount of each series of bonds may not exceed \$18,350,000; (2) none of the bonds shall bear interest at a rate greater than 6% per year, and (3) the bonds must have a rating issued by a nationally recognized municipal securities ratings organization in one of the four highest rating categories. The City's bond counsel has confirmed that the City can delegate the sale of the bonds to the Authorized Representatives in the manner outlined above pursuant to the authority contained in Chapter 1371, as amended, Texas Government Code.

ALTERNATIVES:

n/a

OTHER CONSIDERATIONS:

n/a

CONFORMITY TO CITY POLICY:

This item conforms to City policy.

EMERGENCY / NON-EMERGENCY:

Issuance of municipal obligations are exempted from the City's charter provision regarding dual reading and/or emergency adoption provisions pursuant to the provisions of Section 1201.028, as amended, Texas Government Code.

DEPARTMENTAL CLEARANCES:

- Capital Programs
- Bond Counsel
- City Attorney's Office

FINANCIAL IMPACT:

Not Applicable Operating Expense Revenue CIP

FISCAL YEAR:	Project to Date Exp. (CIP Only)	Current Year	Future Years	TOTALS
Budget	-	-	-	-
Encumbered/Expended amount of (date)	-	-	-	-
This item	-	\$ 18,350,000	-	\$ 18,350,000
BALANCE	-	\$ 18,350,000	-	\$ 18,350,000
FUND(S): CIP Fund (number to be determined after bond sale)				

COMMENTS: None

RECOMMENDATION:

Staff recommends approval of the ordinance as presented.

LIST OF SUPPORTING DOCUMENTS:

Ordinance