



**DATE:** December 4, 2023  
**TO:** Peter Zaroni, City Manager  
**FROM:** Alma Iris Casas, Interim Director of Finance and Procurement  
[Almac@cctexas.com](mailto:Almac@cctexas.com)  
(361) 826-3610

Reimbursement Resolution for Certificates of Obligation Projects

**CAPTION:**

A resolution relating to City of Corpus Christi’s intention to reimburse itself from future issuances of certificates of obligation in an amount not to exceed \$28,100,000 for the projects already approved by the City Council in the fiscal year 2023-2024 Capital Improvement Plan (CIP).

**SUMMARY:**

The City of Corpus Christi is planning on awarding contracts for projects included in the Fiscal Year 2023-2024 Capital Improvement Plan (CIP) prior to the issuance of certificates of obligation planned in the spring. This resolution is needed for the City to move forward with incurring capital costs and then reimburse itself for these costs with bond proceeds issued.

**BACKGROUND AND FINDINGS:**

The City is planning on issuing Certificates of Obligation to fund projects in the Fiscal Year 2023-2024 Capital Improvement Plan (CIP). The projects included in the Fiscal Year 2023-2024 CIP include the following:

Harbor Bridge Mitigation - Ben Garza Park	\$607,670
Harbor Bridge Mitigation - Dr. H.J. Williams Park	\$1,520,362
Harbor Bridge Mitigation - North Beach Trail	\$582,985
Harbor Bridge Mitigation - T.C. Ayers Park	\$1,761,803
Harbor Bridge Mitigation - Washington Coles Park	\$7,393,152
Park Operations Building	\$77,700
CCFD Resource Ctr -Ph 2 (EMS Central)	\$3,000,000

Animal Care Facility Design	\$1,154,175
La Retama Central Library Renovation (Exterior)	\$1,000,000
North Beach Drainage Improvements	\$6,000,000
Corn Products Rd	\$550,000
Elizabeth Street (Type B)	\$1,000,000
Industrial Streets District 5 (Type B)	\$1,000,000
C. F. Valenzuela Landfill Sector 2A Cell Development	\$1,200,000
Erosion Control Life Cycle Improvements	\$133,000
Solid Waste Drainage Lifecycle Improvements	<u>\$930,000</u>
<b>Total</b>	<b>\$27,910,847</b>

The City is able to award contracts for these projects prior to the issuance of the certificates of obligation in order to move forward with the projects early in the fiscal year. The City plans on issuing the certificates of obligation later in the fiscal year and will reimburse itself an amount not to exceed \$28,100,000 for expenditures with the proceeds from the certificates of obligation.

For the City to be eligible for reimbursement of any expenditure incurred prior to the sale of the certificates of obligation, the City must declare its intent to reimburse itself for payments made prior to the certificates being sold. This action must meet specific U.S. Treasury Regulations and requires approval by the City Council.

**ALTERNATIVES:**

The alternative would be to reject the reimbursement resolution, but this would prevent contracts from being awarded and delay the start of the projects until the certificates of obligation have been issued.

**FISCAL IMPACT:**

Approval of this item will authorize City staff to encumber and spend available cash to begin awarding contracts for projects prior to the bond issuance. Once the certificates of obligation are issued, the cash funds will be replenished with the proceeds.

**RECOMMENDATION:**

Staff recommend approval of the resolution as presented.

**LIST OF SUPPORTING DOCUMENTS:**

Resolution  
2023-2024 Certificate of Obligation CIP Projects