



AGENDA MEMORANDUM

First Reading at the City Council Meeting of February 17, 2015
Second Reading at the City Council Meeting of February 24, 2015

DATE: February 17, 2015

TO: Ronald L. Olson, City Manager

FROM: Lawrence Mikolajczyk, Director of Solid Waste Operations
LawM@cctexas.com
(361) 826-1972

Constance P. Sanchez, Director of Financial Services
ConstanceP@cctexas.com
(361) 826-3227

Authorization for Issuance of Solid Waste Certificates of Obligation

CAPTION:

Ordinance authorizing the issuance of "City of Corpus Christi, Texas Combination Tax and Limited Pledge Revenue Certificates of Obligation, Taxable Series 2015" in an amount not to exceed \$14,500,000 for the purpose of financing costs associated with making permanent public improvements to the City's Solid Waste System; providing for the payment of said Certificates by the levy of an ad valorem tax upon all taxable property within the City and further securing said Certificates by a lien on and pledge of the pledged revenues of the Solid Waste System; providing the terms and conditions of said Certificates and resolving other matters incident and relating to the issuance, payment, security, sale, and delivery of said Certificates, including the approval and distribution of an Official Statement; authorizing the execution of a paying agent/registrar agreement and a purchase contract; complying with the requirements of the letter of representations with the depository trust company; delegating the authority to certain members of the City staff to execute certain documents relating to the sale of the Certificates; enacting other provisions incident and related to the subject and purpose of this ordinance; and providing an effective date.

PURPOSE:

The City plans to issue up to \$14,500,000 in taxable Combination Tax and Revenue Certificates of Obligation for the purpose of paying contractual obligations relating to the construction of improvements to the City’s solid waste facilities, construction of municipal landfill waste disposal cells, construction of a solid waste Citizens’ Collection Center, and the payment of fiscal, engineering and legal fees incurred in connection with the certificates.

BACKGROUND AND FINDINGS:

The City plans on issuing up to \$14,500,000 of taxable Combination Tax and Revenue Certificates of Obligation to fund public health and safety projects related to the J. C. Elliott Transfer Station and Cefé Valenzuela Landfill outlined in the Fiscal Year 2015 Capital Improvement Plan. These projects include the following:

JC Elliott Office Building	\$ 1,750,000
Pavement/Life Cycle Replacement.....	1,500,000
(JC Elliott and Cefé Valenzuela Landfills)	
Cefé Valenzuela Landfill Disposal Cell Interim Cover	2,292,844
Cefé Valenzuela Landfill Disposal Cell Construction B&C .	3,457,500
Citizens’ Collection Center – Flour Bluff / Padre Island	4,650,000
Cefé Valenzuela Outfall Modifications	<u>559,800</u>
TOTAL	<u>\$14,210,144</u>

According to the Local Government Code, Section 271.049, prior to the issuance of the certificates of obligation, the City is required to publish notice of its intention to issue the certificates once a week for two consecutive weeks in a newspaper of general circulation, with the date of the first publication to be before the 30th day before the date set for passage of the ordinance to authorize the issuance of the certificates. The notices were in the *Corpus Christi Caller-Times* on December 14, 2014 and December 21, 2014. Thirty days after the date of the first publication is January 13, 2015, and so City Council action to approve this ordinance in its second reading is scheduled for February 24, 2015 and is in compliance with the Local Government Code.

ALTERNATIVES: n/a

OTHER CONSIDERATIONS: n/a

CONFORMITY TO CITY POLICY:

This item conforms to City policy.

EMERGENCY / NON-EMERGENCY: n/a

DEPARTMENTAL CLEARANCES:

- Solid Waste Services
- Financial Services
- Bond Counsel
- Legal Department

FINANCIAL IMPACT:

Not Applicable Operating Expense Revenue CIP

FISCAL YEAR:	Project to Date Exp. (CIP Only)	Current Year	Future Years	TOTALS
Budget	-	\$ 14,500,000	-	\$ 14,500,000
Encumbered/Expended amount of (date)	-	-	-	-
This item	-	\$ 14,500,000	-	\$ 14,500,000
BALANCE	-	-	-	-
FUND(S): CIP Fund				

COMMENTS: n/a

RECOMMENDATION:

Staff recommends approval of the ordinance as presented.

LIST OF SUPPORTING DOCUMENTS:

Ordinance