



AGENDA MEMORANDUM

First Reading for the City Council Meeting of March 24, 2015
Second Reading for the City Council Meeting of March 31, 2015

DATE: March 6, 2015

TO: Ronald L. Olson, City Manager

FROM: Constance P. Sanchez, Director of Financial Services
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Reimbursement Ordinance for Bond 2014 Projects

CAPTION:

Ordinance relating to establishing the City's intention to reimburse itself for the prior lawful expenditure of funds relating to constructing various City improvements from the proceeds of one or more series of tax-exempt obligations to be issued by the City for authorized purposes in an amount not to exceed \$99,495,000; authorizing other matters incident and related thereto; and providing an effective date.

PURPOSE:

The City is ready to award contracts associated with the Bond 2014 proposals approved by the voters on November 4, 2014. Since this will occur prior to the general improvement bonds actually being sold, this ordinance is needed for the City to reimburse itself for costs incurred prior to the receipt of the bond proceeds.

BACKGROUND AND FINDINGS:

On November 4, 2014 the voters of Corpus Christi approved three bond propositions on the ballot. Those approved were as follows:

Proposition 1	\$55,000,000	Street Improvements
Proposition 2	\$44,495,000	Street safety, revitalization & capacity improvement projects
Proposition 3	n/a	Sale of Park Land

In order to ensure timely completion of these projects, the City issued \$8,000,000 of tax notes in April 2014 to fund the design work for the street improvements included in

Proposition 1. Design work has been completed, and construction contractions are ready to be let. Bond proceeds will used to fund the completion of the projects. For the City to be eligible for reimbursement of any expenditure incurred prior to the bond sale, the City must declare its intent to reimburse itself for payments made prior to the bonds being sold. This action must meet specific U. S. Treasury Regulations and requires approval by the City Council.

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
- Legal Department

FINANCIAL IMPACT:

X 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	-	\$ -	-	\$ -
BALANCE	-	\$ -	-	\$ -
FUND(S):				

COMMENTS:

n/a

RECOMMENDATION:

Staff recommends approval of the ordinance as presented.

LIST OF SUPPORTING DOCUMENTS:

Ordinance