



AGENDA MEMORANDUM

Future Item for the City Council Meeting of July 16, 2013
Action Item for the City Council Meeting of July 23, 2013

DATE: July 11, 2013

TO: Ronald L. Olson, City Manager

FROM: Daniel Biles, P.E., Director of Engineering Services
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Reimbursement Resolution in Support of 2014 General Obligation Bond Election

CAPTION:

A Resolution 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 tax-exempt obligations to be issued by the City for authorized purposes; authorizing other matters incident and related thereto; and providing an effective date.

PURPOSE:

The purpose of this Agenda Item is to provide the financial guarantees for City Staff to begin the process of designing the street projects listed under Proposition One of the Council-approved street project list for a future General Obligation Bond election in November 2014.

BACKGROUND AND FINDINGS:

Prior City Council discussions emphasized the need to have the design of proposed street projects complete before a November 2014 election date to allow for project completion in approximately two years. This reimbursement resolution will provide the funding mechanism for staff to begin the design process on the projects listed under Proposition One. If City Council finalizes and approves a street project list under a separate Resolution (13-000620) and then approves this item, City Staff will issue a Letter of Intent/Request for Qualifications and solicit proposals for design consultants immediately. Design contract negotiations will begin in the October 2013 timeframe and Council can expect to start reviewing and approving design contracts in December 2013 in anticipation of a November 2014 General Obligation Bond Election. The intent of this Reimbursement Resolution is to establish the City's plan to reimburse itself in an amount not to exceed \$8 million for the design of street public improvements throughout the City. To facilitate this strategy, upon Council-approval of a final project list, Engineering Department staff will determine the approximate cost of the projects and then Finance Department staff will issue tax-exempt notes to cover approximately 15% of the final dollar amount up to the approved \$8 million dollar cap. (See Attachment One: Proposed Project List)

ALTERNATIVES:

1. Approve the Resolution as proposed.
2. Do not approve the Resolution. (Not recommended)

OTHER CONSIDERATIONS:

If the Resolution and project list is approved by City Council, City Staff will immediately bring an ordinance to City Council to amend the Capital Improvement Program (CIP) to include the approved projects.

CONFORMITY TO CITY POLICY:

Conforms to statutes regarding authorizing Resolutions and Bond Elections.

EMERGENCY / NON-EMERGENCY:

Not applicable

DEPARTMENTAL CLEARANCES:

None

FINANCIAL IMPACT: Non-Applicable at this time

- Operating
 Revenue
 Capital
 Not applicable

Fiscal Year: 2012-2013	Project to Date Expenditures (CIP only)	Current Year	Future Years	TOTALS
Line Item Budget				
Encumbered / Expended Amount				
This item				
Future Anticipated expenditures for this project				
BALANCE				

Fund(s):

Comments: If a project list and reimbursement resolution is approved, staff will come back to City Council with an Ordinance to amend the CIP and increase the FY 2014 budget.

RECOMMENDATION:

City staff recommends approval of the Reimbursement Resolution up to \$8 million dollars so staff may begin the design process of the final street project list.

LIST OF SUPPORTING DOCUMENTS:

Attachment One – Staff Recommended Street Project List
Resolution