



AGENDA MEMORANDUM

First Reading at the City Council Meeting of December 11, 2012
Second Reading at the City Council Meeting of December 18, 2012

DATE: December 11, 2012

TO: Ronald L. Olson, City Manager

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

Reimbursement Ordinance for Bond 2012 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 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 City plans on awarding contracts in January 2013 associated with the Bond 2012 proposals approved by the voters on November 6, 2012. Since this will occur prior to the general obligation 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 6, 2012 the voters of Corpus Christi approved seven of the eight bond propositions on the ballot. Those approved were as follows:

Proposition 1	\$55,000,000	Street Improvements
Proposition 3	\$4,750,000	Service Center Complex Improvements
Proposition 4	\$16,000,000	Parks and Recreation Improvements
Proposition 5	\$2,340,000	Museum & Library Improvements
Proposition 6	\$820,000	Public Health Improvements
Proposition 7	\$700,000	Public Safety Improvements
Proposition 8	\$8,400,000	Economic Development Projects

In order to adhere to the time schedules to insure timely completion of these projects, the City must move forward with contracts prior to the completion of the final closing on the bonds. 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:

Non-emergency

DEPARTMENTAL CLEARANCES:

- 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	-	\$ -	\$ -	\$ -
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