



AGENDA MEMORANDUM

Future Item for the City Council Meeting of August 22, 2017
Action Item for the City Council Meeting of August 29, 2017

DATE: August 10, 2017

TO: Margie C. Rose, City Manager

THRU: Sylvia Carrillo-Treviño, Assistant City Manager

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

Appointment of Financial Advisor for FY17 Utility System Revenue Improvement Bonds Utilizing SWIRFT Funding through the Texas Water Development Board
--

CAPTION:

Motion authorizing the appointment of and approving the contract for M. E. Allison, & Co., as Financial Advisor for the issuance of the "City of Corpus Christi, Texas Utility System Junior Lien Revenue Improvement Bonds, Series 2017", in an amount not to exceed \$2,750,000.

PURPOSE:

The City of Corpus Christi has requested funding from the Texas Water Development Board's (TWDB) State Water Implementation Revenue Fund for Texas (SWIRFT) to fund proposed planning work for a seawater desalination project in an amount not to exceed \$2,750,000. This funding will be in the form of City of Corpus Christi, Texas Utility System Junior Lien Revenue Improvement Bonds that will be purchased by the TWDB from the SWIRFT program.

BACKGROUND AND FINDINGS:

Issuance of bonds requires utilization of a financing team which is usually made up of three parts: the financial advisor, bond counsel, and the underwriting syndicate. TWDB rules require that the City use a financial advisor to run all the financial data that is necessary to document the deal. This agenda item authorizes the appointment of M. E.

Allison & Co., Inc. as financial advisor for this transaction and approves the contract for the transaction. See the Financial Advisor's contract.

Norton Rose Fulbright US LLP is currently under contract with the City to serve as the City's bond counsel and will serve as the second part of our financing team. The third part of the financing team is the underwriters. Since these bonds will be purchased by the TWDB, no underwriters will be needed for this transaction.

ALTERNATIVES: n/a

OTHER CONSIDERATIONS: n/a

CONFORMITY TO CITY POLICY:

This item conforms to City policy.

EMERGENCY / NON-EMERGENCY: n/a

DEPARTMENTAL CLEARANCES:

- Bond Counsel
- City Attorney's Office

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): CIP Funds				

COMMENTS: n/a

RECOMMENDATION:

Staff recommends approval of the motion as presented.

LIST OF SUPPORTING DOCUMENTS:

Financial Advisor Contract