



## AGENDA MEMORANDUM

Future Item for the City Council Meeting of August 28, 2018  
Action Item for the City Council Meeting of September 11, 2018

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**DATE:** August 15, 2018

**TO:** Keith Selman, Interim City Manager

**THRU:** Sylvia Carillo-Treviño, Assistant City Manager

**FROM:** Constance P. Sanchez, Director of Financial Services  
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<b>Reimbursement Resolution for Utility Capital Projects</b>
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**CAPTION:**

Resolution relating to establishing the City's intention to reimburse itself for the prior lawful expenditure of funds relating from the proceeds of one or more series of taxable or tax-exempt obligations to be issued by the City in an aggregate amount not to exceed \$50,000,000 for authorized purposes relating to constructing various City improvements; authorizing other matters incident and related thereto; and providing an effective date.

**PURPOSE:**

The City of Corpus Christi is planning on awarding contracts for utility/water projects included in the Fiscal Year 2018 Capital Improvement Plan (CIP) prior to the issuance of Utility System Revenue Bonds. This resolution is needed for the City to reimburse itself for costs incurred prior to the receipt of the bond proceeds

**BACKGROUND AND FINDINGS:**

Over the last several years, the City been using unspent bond proceeds and operating cash to fund utility projects outlined in the Capital Improvement Plan (CIP). As the funds are now running low, the City is planning on issuing utility revenue bonds in Fiscal Year 2019. In order to move forward with these projects, the City must issue contracts prior to the completion of the final closing on the bonds. These amounts will not exceed \$50,000,000.

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:** n/a

**DEPARTMENTAL CLEARANCES:**

- Bond Counsel
- City Attorney’s Office

**FINANCIAL IMPACT:**

X Not Applicable     Operating Expense     Revenue     CIP

<b>FISCAL YEAR:</b>	<b>Project to Date Exp. (CIP Only)</b>	<b>Current Year</b>	<b>Future Years</b>	<b>TOTALS</b>
Budget	-		-	\$ -
Encumbered/Expended amount of (date)	-	-	-	-
This item	-		-	\$ -
BALANCE	-	-	-	-
FUND(S): CIP Funds				

**COMMENTS:** n/a

**RECOMMENDATION:**

Staff recommends approval of the resolution as presented.

**LIST OF SUPPORTING DOCUMENTS:**

Resolution