

RESOLUTION NO. _____

RESOLUTION RELATING TO ESTABLISHING THE CITY'S INTENTION TO REIMBURSE ITSELF FOR THE PRIOR LAWFUL EXPENDITURE OF FUNDS FROM THE PROCEEDS 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 MATTERS INCIDENT AND RELATED THERETO; AND PROVIDING AN EFFECTIVE DATE

WHEREAS, the City Council (the *Governing Body*) of the City of Corpus Christi, Texas (the *Issuer*) has entered into or will enter into various contracts pertaining to the expenditure of lawfully available funds of the Issuer to finance the costs associated with (1) constructing, improving, enlarging, repairing, and extending the City's combined utility system and the purchase of equipment, supplies, machinery, and other personal property relating to the System (the *Construction Costs*), (ii) the payment of various engineering costs, including design testing, design engineering, and construction inspection related to the Construction Costs (the *Engineering Costs*), (iii) the payment of various architectural costs, including preparation of plans and specifications and various other plans and drawings related to the Construction Costs (the *Architectural Costs*), and (iv) the payment of various administrative costs, including the fees of bond counsel, financial advisor, project manager, project consultant, other professionals, and bond printer (the *Administrative Costs*) [the Construction Costs, the Engineering Costs, the Architectural Costs, and the Administrative Costs collectively constitute the costs of the projects that are the subject of this Resolution (the *Project*)]; and

WHEREAS, the provisions of Section 1201.042, as amended, Texas Government Code provide that the proceeds from the sale of obligations issued to finance the acquisition, construction, equipping, or furnishing of any project or facilities, such as the Project, may be used to reimburse the Issuer for costs attributable to such project or facilities paid or incurred before the date of issuance of such obligations; and

WHEREAS, the Issuer intends to reimburse itself for the prior lawful capital expenditure of funds from the proceeds of one or more series of taxable or tax-exempt obligations (the *Obligations*) that the Issuer currently contemplates issuing in an amount not to exceed \$50,000,000 to finance a portion of the costs of the Project; and

WHEREAS, to fund such reimbursement with proceeds of the Obligations, the Issuer must declare its expectation ultimately to make such reimbursement before making the expenditures; and

WHEREAS, the Issuer hereby finds and determines that the reimbursement for the prior expenditure of funds of the Issuer is not inconsistent with the Issuer's budgetary and financial circumstances; and

WHEREAS, the Governing Body hereby finds and determines that the adoption of this Resolution is in the best interests of the citizens of the Issuer; now, therefore,

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF CORPUS CHRISTI, TEXAS THAT:

SECTION 1. This Resolution is a declaration of intent to establish the Issuer's reasonable, official intent to reimburse itself from certain of the proceeds of the Obligations for any capital expenditures previously incurred or to be incurred with respect to the Project from the Issuer's General Fund or other lawfully available funds of the Issuer.

SECTION 2. The reimbursed expenditure will be a type properly chargeable to a capital account (or would be so chargeable with a proper election) under general federal income tax principles.

SECTION 3. The Issuer intends to otherwise comply with those matters addressed within this Resolution.

SECTION 4. This Resolution may be relied upon by the appropriate officials at the Office of the Attorney General for the State of Texas and establishes compliance by the Issuer with the requirements of Texas law.

SECTION 5. The recitals contained in the preamble hereof are hereby found to be true, and such recitals are hereby made a part of this Resolution for all purposes and are adopted as a part of the judgment and findings of the Governing Body.

SECTION 6. All ordinances and resolutions, or parts thereof, which are in conflict or inconsistent with any provision of this Resolution are hereby repealed to the extent of such conflict, and the provisions of this Resolution shall be and remain controlling as to the matters resolved herein.

SECTION 7. This Resolution shall be construed and enforced in accordance with the laws of the State of Texas and the United States of America.

SECTION 8. If any provision of this Resolution or the application thereof to any person or circumstance shall be held to be invalid, the remainder of this Resolution and the application of such provision to other persons and circumstances shall nevertheless be valid, and the Governing Body hereby declares that this Resolution would have been enacted without such invalid provision.

SECTION 9. It is officially found, determined, and declared that the meeting at which this Resolution is adopted was open to the public and public notice of the time, place, and subject matter of the public business to be considered at such meeting, including this Resolution, was given, all as required by Chapter 551, as amended, Texas Government Code.

SECTION 10. This Resolution shall be in force and effect from and after its final passage, and it is so resolved.

PASSED, ADOPTED AND APPROVED on this the ____ day of September, 2018.

CITY OF CORPUS CHRISTI, TEXAS

Mayor

ATTEST:

City Secretary

(CITY SEAL)

APPROVED THIS ____ DAY OF SEPTEMBER, 2018:

Miles Risley, City Attorney

THE STATE OF TEXAS)(

COUNTY OF NUECES)(

I, the undersigned, City Secretary of the City of Corpus Christi, Texas, do hereby certify that the above and foregoing is a true, full and correct copy of a Resolution passed by the City Council of the City of Corpus Christi, Texas (and of the minutes pertaining thereto) on the ___ day of September, 2018, relating to establishing the City's intention to reimburse itself in an amount not to exceed \$50,000,000 for the prior lawful expenditure of funds relating to constructing various capital improvements to City property, which Resolution is duly of record in the minutes of said City Council, and said meeting was open to the public, and public notice of the time, place and purpose of said meeting was given, all as required by Texas Government Code, Chapter 551.

EXECUTED UNDER MY HAND AND SEAL of said City, this the ___ day of September, 2018.

City Secretary

(CITY SEAL)

That the foregoing resolution was read and passed on this the ____ day of September, 2018, by the following vote:

Rudy Garza _____

Ben Molina _____

Paulette Guajardo _____

Lucy Rubio _____

Michael Hunter _____

Greg Smith _____

Debbie Lindsey-Opel _____

Everett Roy _____

PASSED AND APPROVED, this the ____ day of September, 2018.

ATTEST:

Rebecca Huerta
City Secretary

Joe McComb
Mayor