



AGENDA MEMORANDUM

Future Item for the City Council Meeting of January 15, 2019
Action Item for the City Council Meeting of January 22, 2019

DATE: December 13, 2018
TO: Keith Selman, Interim City Manager
THRU: Sylvia Carrillo-Treviño, Assistant City Manager
FROM: Constance P. Sanchez, Director of Financial Services
ConstanceP@cctexas.com
(361) 826-3227

Reimbursement Resolution for Bond 2018 General Obligation Bonds

CAPTION:

Resolution relating to establishing the City's intention to reimburse itself for the prior lawful expenditure of funds from the proceeds of one or more series of tax-exempt obligations to be issued by the City in an aggregate amount not to exceed \$96,000,000 for authorized purposes relating to constructing various City improvements; authorizing matters incident and related thereto; and providing an effective date.

PURPOSE:

The City is ready to award construction contracts associated with Bond 2018 projects approved by the voters on November 6, 2018. Since this will occur prior to the general obligation bonds actually being sold, this resolution 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, 2018, the voters of Corpus Christi approved the following propositions on the ballot.

• Proposition A: Streets (23 projects)	\$52,000,000
• Proposition B: Streets (14 projects)	\$22,000,000
• Proposition C: Parks and Recreation (7 projects)	\$ 5,630,000
• Proposition D: Libraries & Cultural (4 projects)	\$ 3,878,000
• Proposition E: Pubic Safety (7 projects)	\$11,343,000
• Proposition F: Public Health (1 project)	<u>\$ 1,149,000</u>
TOTAL	<u>\$96,000,000</u>

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:

Issuance of municipal obligations are exempted from the City's charter provision regarding dual reading and/or emergency adoption provisions pursuant to the provisions of Section 1201.028, as amended, Texas Government Code.

DEPARTMENTAL CLEARANCES:

- Bond Counsel
- City Attorney's Office
- Engineering
- Financial Services

FINANCIAL IMPACT:

☐ Operating

☐ Revenue

☐ Capital

☒ Not applicable

Fiscal Year: 2018-2019	Current Year	Future Years	TOTALS
Line Item Budget			
Encumbered / Expended Amount			
This item			
BALANCE			

Fund(s):

Comments:

Not applicable

RECOMMENDATION:

Staff recommends approval of the resolution as presented.

LIST OF SUPPORTING DOCUMENTS:

Resolution