

## CITY COUNCIL MEMORANDUM

**FROM:** The Office of the City Manager    **DATE:** June 27, 2022

**SUBJECT:** Consider Resolution No. 2022-027, approving and authorizing publication of Notice of Intention to Issue Certificates of Obligation in an amount not to exceed \$3,875,000

**PRESENTER:** Mark C. Mills, Director of Finance

### **SUMMARY:**

The Fiscal Year 2021/2022 Adopted Budget includes certain projects to be financed with Certificates of Obligation ("CO's"). Prior to the issuance of these CO's the City must meet specific notification requirements. City Council is requested to consider Resolution No. 2022-027, approving and authorizing the publication of this notice for the issuance of CO's in an amount not to exceed \$3,875,000.

### **GENERAL DESCRIPTION:**

As part of the legal requirements for the planned issuance of CO's, the City Council must authorize the City Secretary to publish, in a newspaper of general circulation and continuously on the City's website, the notice of intent of the City to issue Certificates of Obligation in an amount not to exceed \$3,875,000. The proceeds include \$3,805,000 in project funds and an estimated \$70,000 for associated issuance costs. The proposed sale will occur on August 22, 2022.

The notice of intent to issue CO's must be published once a week for two consecutive weeks. The first publication date must be at least forty-six (46) days prior to the date set for Council's vote on the ordinance authorizing the issuance of the CO's. The notice must also be posted continuously on the City's website for at least forty-five (45) days prior to Council's vote. The notice is attached to the resolution and labeled Exhibit A.

A copy of the projected schedule of events has been attached to this item as Attachment 1. Highlights of the proposed calendar for the sale is as follows:

- |                          |   |
|--------------------------|---|
| • July 7 (or earlier)    | City to publish 1 <sup>st</sup> Notice of Intent in Star Telegram |
| • July 14 (7 days later) | City to publish 2 <sup>nd</sup> Notice of Intent in Star Telegram |
| • August 1 (week of)     | Rating Agency Calls   |
| • August 11              | Receive Credit Ratings  |
| • August 22              | City Council Adopts Ordinance and Approves Sale                   |
| • September 22           | Closing and Delivery of Funds to the City                         |



The 2022 CO funded projects and associated cost estimates are as follows:

Project Type	Description	Taxable or Tax-Exempt	Term	Amount
Fleet	Ambulance Replacement (Unit 980)	Tax-Exempt	7 Year	\$385,000
Utility	Big Fossil Interceptor Rehab Project	Tax-Exempt	20 Year	\$2,510,000
Utility	Tyson 12" and 10" Sewer By-Pass Line	Tax-Exempt	20 Year	\$910,000
Sub Total				\$3,805,000
Est. Issuance Cost				\$70,000
TOTAL				\$3,875,000

**RECOMMENDATION:**

Approve Resolution No. 2022-027, approving and authorizing publication of Notice of Intention to Issue Certificates of Obligation in an amount not to exceed \$3,875,000.