



CITY COUNCIL MEMORANDUM

FROM: The Office of the City Manager **DATE:** November 12, 2019

SUBJECT: Consider all matters incident and related to the sale and issuance of the City of North Richland Hills, Texas General Obligation Refunding Bonds, Series 2019, including the adoption of Ordinance No. 3623, authorizing the issuance of such bonds, providing for the redemption of the obligations being refunded, and all incident and related matters.

PRESENTER: Mark C. Mills, Director of Finance

SUMMARY:

City Council is being requested to consider all matters incident and related to the issuance and sale of General Obligation Refunding Bonds, Series 2019 ("GO's"). The Preliminary Official Statement and Notice of Sale were posted for consideration by potential bidders on Friday, November 1, 2019. Sealed bids for the GO's are to be received on Tuesday, November 12, 2019 at 10:00 AM, CST. Council is being requested to consider the issuance and sale of City of North Richland Hills, Texas General Obligation Refunding Bonds, Series 2019, including the adoption of Ordinance 3623.

GENERAL DESCRIPTION:

The proposed GO sale will include approximately \$3,980,000 in refunding bonds. These bonds will refund portions of the city's Series 2010 Bonds and Series 2010 CO's for debt service savings. Current market conditions in the form of lower interest rates are favorable to refund (refinance) these previously issued bonds. The lower interest rates allow the city to save on interest expense over the next several years.

In preparation for this issuance, the city received ratings from both Moody's and Standard & Poor's. Moody's has reaffirmed the city's credit rating of "Aa2" and Standard & Poor's has reaffirmed the city's credit rating of "AA+"; both are unchanged since the last ratings were received in 2018.

Staff requests City Council to consider the approval of an ordinance prepared by the city's bond counsel, North Rose Fulbright US LLP. A draft, prior to the receipt of bids for the bonds, has been enclosed. The ordinance also authorizes all necessary actions associated with the transaction. If approved, the closing and delivery of funds would occur on or around December 17, 2019.



RECOMMENDATION:

Approve Ordinance No. 3623, authorizing the sale and issuance of City of North Richland Hills, Texas General Obligation Refunding Bonds, Series 2019, providing for the redemption of the obligations being refunded, and all incident and related matters.