



City of Pflugerville

Legislation Details (With Text)

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|----------------------|---|----------------------|---|----------------|--|
| File #: | ORD-0730 | Version: | 1 | Name: | |
| Type: | Ordinance | Status: | | Second Reading | |
| File created: | 7/25/2023 | In control: | | Finance | |
| On agenda: | 7/25/2023 | Final action: | | | |
| Title: | Conduct a public hearing and consider action to approve an ordinance on first and final reading with the caption reading: Ordinance Authorizing the Issuance and Sale of City of Pflugerville, Texas Limited Tax Bonds; Levying Ad Valorem Tax in Support of the Bonds; Approving an Official Statement, a Purchase Agreement and Other Agreements; and Authorizing Other Matters Related to the Bonds. | | | | |

Sponsors:

Indexes:

Code sections:

Attachments: 1. Ordinance (LTB) 2023

| Date | Ver. | Action By | Action | Result |
|-----------|------|--------------|---------------------------|--------|
| 7/25/2023 | 1 | City Council | Approved on First Reading | Pass |

Conduct a public hearing and consider action to approve an ordinance on first and final reading with the caption reading: Ordinance Authorizing the Issuance and Sale of City of Pflugerville, Texas Limited Tax Bonds; Levying Ad Valorem Tax in Support of the Bonds; Approving an Official Statement, a Purchase Agreement and Other Agreements; and Authorizing Other Matters Related to the Bonds.

The Ordinance is the official action of the City Council authorizing the issuance of the Bonds as long as the final terms of the Bonds fall within the parameters established by the Ordinance. The Ordinance delegates the authority to the City Manager and the Assistant City Manager to set the final terms of the Bonds as long as the Bonds: (i) have a principal amount that does not exceed \$103,615,000; (ii) mature no later than August 1, 2053, (iii) do not have any maturity that bears interest at a rate greater than 5.5%, and (iv) do not have a purchase price that is less than 90% of their principal amount. This delegation to price the Bonds expires after 5:00 p.m. on October 23, 2023. Additionally, the Bonds must be rated by a nationally recognized rating agency in one of the four higher rating categories and can only be issued for the purposes set forth in the Ordinance.

The ability to delegate the timing of setting the final terms of a debt issue gives the City more flexibility to achieve positive pricing results in volatile market conditions due to not having to price debt on a specific City Council meeting date. State law allows more sophisticated debt issuers such as the City this delegation flexibility, and the City has used this procedure in the past for more market sensitive transactions like refundings and in times of greater market volatility such during the Great Recession.

Voters approved \$191.3M in the November 2020 bond election. It is proposed that City Council authorize the issuance of the remaining \$103.615M of these GO Bonds as follows:

Prop A: \$46,730,000

Prop B: \$12,720,000

Prop C: \$44,165,000

Prop A is for various transportation projects, Prop B is for parks projects and Prop C is for the multi-generation Recreation Center, as further outlined on the City's website (www.pflugervilletx.gov/bonds). An update on transportation projects was provided to Council on March 28th, but staff will be providing a full 2020 Bond update to Council on or before the September 12 meeting.

This item is supported by the Infrastructure, Economic Development, and Services pillars of the Strategic Plan.

Prior City Council Action

July 26, 2022 - City Council authorized issuance of a portion of the 2020 GO Bonds

Deadline for City Council Action

Action requested July 25, 2023

Funding Expected: Revenue ☒ Expenditure ☐ N/A ☐

Budgeted Item: Yes ☒ No ☐ N/A ☐

Amount: \$103.615M

1295 Form Required? Yes ☐ No ☒

Legal Review Required: N/A ☐ Required ☒ Date Completed: July 19, 2023

Supporting documents attached:

Ordinance (LTB) 2023

Recommended Action

Conduct the public hearing and approve the ordinance on first and final reading.