



City of Pflugerville

Legislation Text

File #: ORD-0444, Version: 1

Conduct a public hearing regarding the issuance of City of Pflugerville, Texas Combination Tax and Limited Revenue Certificates of Obligation, Series 2019 and consideration and action with respect to "Ordinance Authorizing the Issuance of City of Pflugerville, Texas Combination Tax and Limited Revenue Certificates of Obligation, Series 2019; Authorizing the Levy of an Ad Valorem Tax and the Pledge of Certain Net Revenues in Support of the Certificates; Approving an Official Statement, a Purchase Agreement and a Paying Agent/Registrar Agreement; and Authorizing Other Matters Related to the Certificates." (Transportation and wastewater capital improvements).

This public hearing and ordinance is the final step in the process of issuing debt to finance projects approved by the City Council . The proposed certificates of obligation will be used to fund transportation projects in the amount of \$7,400,000, and wastewater projects in the amount of \$12,530,000 as outlined on the capital improvement program schedules which are attached to this agenda item. By approving this ordinance, the City is authorizing the issuance of certificates of obligation in an amount not to exceed \$19,930,000, including all project and bond issuance costs.

The attached ordinance has been prepared by bond counsel. The pricing terms of the certificates will be finalized and incorporated into the ordinance on January 22 after the obligations have been priced. Moody's Investor Services and S&P Global Ratings have both assigned ratings on this debt issuance. Moody's has maintained the City's Aa1 rating and S&P has maintained the City's AA rating.

Mr. Terrell Palmer, financial advisor, and Mr. Richard Donoghue, bond counsel, will be at the City Council meeting to answer any questions you may have.

Prior City Council Action

At the November 13, 2018 Council meeting, a resolution was approved to begin the process for issuing the Combination Tax and Limited Revenue Certificates of Obligation, Series 2019.

At the January 8, 2019 Council meeting, a resolution was passed approving the Preliminary Official Statement and authorizing its distribution.

Deadline for City Council Action

The ordinance authorizing the issuance must be adopted on January 22nd to complete the process of selling the certificates priced the same day.

Fiscal Impact

The first debt service payments are due in February 2020.

Funding Expected: Revenue ☐ Expenditure ☐ N/A ☒

Budgeted Item: Yes ☐ No ☐ N/A ☒

Amount: \$19.93 million certificate of obligation

1295 Form Required? Yes ☒ No ☐

Legal Review Required: N/A ___ Required X Date Completed: January 11, 2019

Supporting documents attached:

Ordinance

Projects for Bond Issuance Jan 2019

Financing Schedule

Recommended Action

Conduct the public hearing and consider the ordinance on first and final reading to award sale of certificates.