



Legislation Text

File #: ORD 17-077, **Version:** 1

Consideration of and action on an ordinance authorizing the issuance and sale of the City of Deer Park, Texas, Certificates of Obligation, Series 2017-A; levying a tax and providing for the security and payment thereof; authorizing the execution and delivery of a purchase agreement and a paying agent/registrar agreement; and enacting other provisions relating thereto.

Summary: As included in the FY 2017-2018 Budget and in accordance with Resolution No. 2017-16 authorizing publication of the City's intention to issue Certificates of Obligation, the City plans to proceed with the issuance of Certificates of Obligation, Series 2017-A. Proceeds from these certificates are planned for renovation projects on the City's water treatment plant, rehabilitation and construction projects on the sanitary sewer system, and work on the ground storage tank(s). The related professional services for these projects and the costs of issuance will also be funded from the proceeds of the Certificates.

The attached ordinance, which authorizes the issuance and sale of the Certificates, is in draft form since the pricing of the Certificates of Obligation will take place the morning of November 7, 2017, the day of the City Council meeting. The pricing and other information will be updated and the final ordinance will be available prior to the meeting. John Robuck with BOK Financial Services, Inc., the City's Financial Advisor, will be in attendance at the workshop preceding this meeting to present the results of the sale. Jonathan Frels from Bracewell LLP, the City's Bond Counsel, will also be in attendance to review any questions on the legal documentation.

Fiscal/Budgetary Impact:

The FY 2017-2018 Budget includes a proposed issue of \$6,690,000 with an associated debt service payment of \$379,883 estimated for the fiscal year. Payment of the debt service and issuance costs related to these certificates are "payable from ad valorem taxes and from a limited pledge of a subordinate lien on the net revenues of the City's waterworks and sanitary sewer system."

Approve the ordinance authorizing the issuance and sale of the City of Deer Park, Texas, Certificates of Obligation, Series 2017-A.