



Legislation Text

File #: 15-0493, **Version:** 1

Consider and take action on a resolution consenting to the sale and issuance of Unlimited Tax Bonds, Series 2015 for the Galveston County Municipal Utility District No. 45 in an amount not to exceed \$9,000,000 and authorizing the Mayor to execute and the City Secretary to attest same for and on behalf of the City of League City (Director of Finance)

Approval of this item will authorize the sale of bonds to reimburse the developer for the construction of underground utilities in the Hidden Lakes development. On August 4, 2015, the MUD No. 45 Board authorized the District's consultants to proceed with the preparation of the various documents related to the issuance of a proposed bond sale. The board is requesting approval of the sale of Unlimited Tax Bonds, Series 2015 in an amount not to exceed \$9,000,000. The bond constitutes the first installment of bonds to be issued by the District.

The District proposes, with the proceeds of the bond issue, to provide water distribution, sanitary sewer collection, storm drainage, detention facilities for South Shore Boulevard, Phase 1, Hidden Lakes Section 1, 2, and 3 (Phase 1). Proceeds of this bond issue will also be used to pay for detention land, creation expenses and operation advances and the expenses of the bond issuance. The bonds are structured with a 30 year maturity schedule with the last payment due on 09/01/2045. The District's 2014 tax rate is \$1.00 per \$100 assessed valuation. The \$1.00 tax rate is composed of \$1.00 for maintenance and operations and \$0.00 for debt service. It is anticipated that the issuance of the Bonds will not result in an increase to the District's 2015 tax rate, with an estimated \$0.89 for maintenance and operations and \$0.11 for debt service. The District's 2015 certified taxable value is \$95,771,518.

Under the terms of the Utility Agreement between the District and the City, bonds may be sold by the District only with the approval of the City Council. The terms and conditions of the bond are in compliance with the Utility Agreement.

Attachments:

1. Data Sheet
2. Resolution
3. Letter from Baird
4. Engineering Report
5. Proposed Debt Schedule
6. Cash Flow Analysis
7. Utility Agreement
8. Utility Agreement - 1st Amendment
9. Utility Agreement - 2nd Amendment
10. Utility Agreement - 3rd Amendment
11. Map

CONTRACT ORIGINATION:

FUNDING

{X} NOT APPLICABLE

{ } Funds are available from Account # _____

{ } Requires Budget Amendment to transfer from Account # _____ to Account # _____