



Legislation Text

File #: 16-1190, **Version:** 1

Consider and take action on a resolution consenting to the sale and issuance of Unlimited Tax Bonds, Series 2016A for the Galveston County MUD #46 in an amount not to exceed \$8,760,000 and authorizing the Mayor to execute and the City Secretary to attest same for and on behalf of the City of League City (Assistant City Manager)

Approval of this item will authorize the sale of bonds to reimburse the developer for costs related to water, sewer, clearing and grubbing, detention and drainage facilities in the Mar Bella development. The Board of the Galveston County MUD #46 (Mar Bella) 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 2016A in an amount not to exceed \$8,760,000. The bond constitutes the tenth series of unlimited tax bonds to be sold by the District.

The purpose of the bond issue is to reimburse the developer for improvements in the Mar Bella development. These improvements include water distribution, wastewater collections, and storm water drainage for Mar Bella Sections 11B, 13B, 15C and the Isla Vista Drive Extension. Also included is the cost of capital recovery fees, engineering, legal and other professional fees. This reimbursement is pursuant to an agreement between the District and the developer. The bonds are structured with the same maturity schedule as their current debt service needs, so there will be no extension of the term of the debt. The District is levying a total 2015 tax rate of \$0.98 per \$100 assessed valuation. The tax rate is composed of \$0.89 for debt service and \$0.09 for maintenance and operations. The District anticipates levying at 2016 tax rate of \$0.97 with \$0.90 for debt service and \$0.07 for maintenance and operations. The District's 2016 taxable value as of January 1, 2016 is \$304,288,613 including \$4,055,350 of uncertified value. The estimated taxable value as of July 1 is \$324,322,813.

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. Proposed Resolution
3. Letter from First Southwest
4. Engineering Report
5. Proposed Debt Schedule
6. Utility Agreement
- 7 Map

CONTRACT ORIGINATION:

FUNDING

☒ NOT APPLICABLE

☐ Funds are available from Account # _____

☐ Requires Budget Amendment to transfer from Account # _____ to Account # _____