



Legislation Text

File #: 17-0216, **Version:** 1

Consider and take action on a resolution consenting to the sale of Unlimited Tax Bonds, Series 2017 for the Galveston County Municipal Utility District No. 45 in an amount not to exceed \$2,975,000 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 certain road improvements in the Hidden Lakes development. The Board of Directors of the Galveston County Municipal Utility District No. 45 (Hidden Lakes) met on March 7, 2017 and authorized the District's consultants to proceed with the preparation of the documents related to the issuance of a proposed Bond sale. The Board is requesting approval of the sale of Unlimited Tax Bonds, Series 2017 in the amount of \$2,975,000. The bond constitutes the third series of bonds and the first series of road bonds to be sold by the District.

The purpose of the bond issue is to reimburse the developer for construction costs associated with certain road improvements 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's 2016 tax rate is \$1.00 per \$100 assessed valuation. The \$1.00 tax rate is composed of \$0.69 for debt service and \$0.31 for maintenance and operations. It is anticipated that the issuance of the Bonds will result in no increase to the District's current tax rate. The District's taxable value as of January 1, 2016, as certified by the Galveston Central Appraisal District is \$157,355,933. The estimate of taxable value as of February 1, 2017 is \$233,213,653.

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 bonds are in compliance with the Utility Agreement.

Attachments

1. Data Sheet
2. Proposed Resolution
3. Letter from Robert W. Baird & Co. Inc
4. Summary of costs
5. Proposed Debt Service Schedule
6. Cash Flow Analysis
7. Proposed Financing Timetable
8. Utility Agreement
9. Utility Agreement - 1st Amendment
10. Utility Agreement - 2nd Amendment
11. Utility Agreement - 3rd Amendment
12. Map

CONTRACT ORIGINATION:

FUNDING

{X } NOT APPLICABLE

{ } Funds are available from Account # _____

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

