



Legislation Text

File #: 21-0265, **Version:** 2

Consider and take action on a resolution consenting to the sale and issuance of Unlimited Tax Bonds, Series 2021 for the Bay Colony West Municipal Utility District in an amount not to exceed \$4,800,000 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 water, sewer and drainage improvements in Bay Colony Pointe West, Bay Colony Meadows West and Sedona developments. The Board of Directors of Bay Colony West Municipal Utility District met on April 28, 2021 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 2021 in the amount of \$4,800,000. The bond constitutes the ninth installment of bonds issued by the District.

The purpose of the bond issue is to reimburse the developer for the construction of underground utilities 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 adopted 2020 tax rate is \$1.00 per \$100 assessed valuation. The \$1.00 tax rate is composed of \$0.89 for debt service and \$0.11 for maintenance and operations. It is anticipated that the issuance of the Bonds will result in no increase to the District's tax rate for the 2021 tax year. The District's taxable value as of January 1, 2020, as certified by the Galveston Central Appraisal District, is \$248,593,467, and the District's Preliminary Taxable Assessed Valuation as of January 1, 2021, as provided by the Galveston Central Appraisal District, is \$295,896,331.

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. Request for League City Approval
4. Schedule of Events
5. Utility Agreement
6. Board Compliance Letter
7. Engineer Compliance Letter
8. Draft Preliminary Official Statement
9. TCEQ Order
10. Debt Service Schedule
11. No Growth Cash Flow
12. Map

FUNDING

{ } Funds are available from Account # _____

{ } Requires Budget Amendment to transfer from Account # _____ to Account # _____
{ X } NOT APPLICABLE

STRATEGIC PLANNING

{ } Addresses Strategic Planning Critical Success Factor # _____ and Initiative # _____
{ X } NOT APPLICABLE