

AGENDA



Thursday, August 27, 2009

**Discussion and Possible Action on Bond Sales
RECOMMENDATION FOR COUNCIL ACTION****Item No. 71**

Subject: Approve an ordinance authorizing the issuance of \$12,500,000 City of Austin, Texas, Certificates of Obligation, Series 2009, and all related documents.

Amount and Source of Funding: \$1,250,417 in the first year debt service requirement and \$400 estimated annual administration fee for the paying agent/registrar for the proposed Certificate of Obligation sale is included in the 2009-2010 Proposed Operating Budget of the General Obligation Debt Service Fund.

Fiscal Note: There is no unanticipated fiscal impact. A fiscal note is not required.

For More Information: Art Alfaro, Treasurer 974-7882

Prior Council Action: On July 23, 2009, Council approved the Notice of Intention to Issue Certificates of Obligation and the Bond Sale Schedule. Council approved related Reimbursement Resolutions on September 10, 2007 and September 8, 2008.

On July 23, 2009, the City Council authorized publication of an Official Notice of Intention to Issue Certificates of Obligation. The financing of the projects complies with the Financial Policies for the use of non-voter approved debt listed in Attachment A. See Attachment B for the schedule of project costs and useful life. The entire \$12,500,000 in Certificates of Obligation that is being issued is being issued to provide funding for reimbursement resolutions that have already been approved by Council.

The transaction will be sold through the following underwriting team:

Senior Manager : JP Morgan
Co-Senior Manager: Estrada Hinojosa (MBE)
Co-Manager: Goldman Sachs
Co-Manager: Merrill Lynch
Co-Manager: First Southwest (Regional)
Co-Manager: RBC (Regional)
Co-Manager: Ramirez & Co. (MBE)

This item has been posted for not later than 2:00 p.m. to allow City Council action prior to the close of financial markets.

The entire \$12,500,000 that is being issued is self-supporting debt paid by transfers to the General Obligation Debt Service Fund and other non-tax supported funds.