

## A G E N D A



## Recommendation for Council Action

Austin City Council	Item ID	16362	Agenda Number	44.
Meeting Date:	6/28/2012		Department:	Austin Police Department
Subject				
Approve a resolution declaring the City of Austin's official intent to reimburse itself from a Contractual Obligation in the amount of \$3,745,000 for the purchase of a helicopter. Related to Item #45.				
Amount and Source of Funding				
\$3,745,000 in Contractual Obligation to be issued no earlier than fiscal year 2013.				
Fiscal Note				
A fiscal note is not required.				
Purchasing Language:				
Prior Council Action:				
For More Information:	Alice Suter, APD Assistant Director / 974- 5069; Tina Van Wie, Budget Office / 974-7921			
Boards and Commission Action:				
MBE / WBE:				
Related Items:	16323			
Additional Backup Information				
<p>The Austin Police Department requests approval, in accordance with Federal Treasury Regulations, of an Official Declaration of Intent to Reimburse costs for the purchase of a helicopter. This request is being made in order to proceed with a letter of intent to the helicopter manufacturer so that Austin can be assured delivery within the 15-18 month timeline by mid FY2014.</p> <p>For the City to spend money today, but reimburse itself from the issuance of debt obligations in the future, a reimbursement resolution is required by state and federal law. The resolution must contain certain information and is generally drafted by bond counsel to protect the tax-exempt status of the future issuance. The resolution must be passed not more than 60 days after the date that the cost to be reimbursed is paid. Failure to adopt a qualified declaration of official intent will prohibit the City from reimbursing the cost with the proceeds of tax exempt obligations. Reimbursement bonds generally must be issued 18 months after the later of, the date the expenditure was made, or the date that the project, with respect to which the expenditure was made, is placed in service.</p>				