

A G E N D A



Recommendation for Council Action

Austin City Council	Item ID	16293	Agenda Number	79.
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Meeting Date:	6/28/2012	Department:	Treasury
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Subject

Approve a resolution directing the publication of an Official Notice of Intention to Issue \$40,890,000 City of Austin, Texas, Certificates of Obligation, Series 2012.

Amount and Source of Funding

There is no unanticipated fiscal impact. A fiscal note is not required.

Fiscal Note

Purchasing
Language:Prior Council
Action:

5/24/12-Approval of reimbursement resolution related to the construction of a kitchen expansion to the Turner Roberts Multi-use Structure project at Colony District Park.
 3/22/12-Approval of reimbursement resolution related to the improvements at the Williams Morris Golf Course.
 2/9/12- Approval of reimbursement resolution related to the construction of a multipurpose structure at Colony Park next to the Turner Roberts Recreation Center.
 11/19/2009-Approval of reimbursement resolution for construction of direct connectors for Northbound Loop 1 to Eastbound US 290 and Westbound US 290 to Southbound Loop1.
 3/8/2007-Approval of reimbursement resolution for construction costs related to the IH-35 Makeover Project.

For More
Information:

Art Alfaro, Treasurer 974-7882; Tina Van Wie, Corporate Budget Manager 974-7921

Boards and
Commission
Action:

MBE / WBE:

Related Items:

Additional Backup Information

State law requires that an Official Notice of Intention to Issue Certificates of Obligation be published no less than 30 days prior to the sale of Certificates of Obligation by the City. The sale is tentatively scheduled for August 23, 2012, as part of the City's annual general obligation debt issuance. The \$40,890,000 in Certificates of Obligation will fund existing project appropriations that were approved with reimbursement resolutions previously approved by Council, in accordance with the City's financial policies. These projects include:

Harold Court Remediation - \$355,000

This project will undertake clean-up and slope stabilization at this service center site used by Austin Water Utility, Watershed Protection, Public Works, and Fleet for operations. The project was approved as part of the FY 2011 and 2012 Capital Budgets. Debt service will be funded by transfers from these enterprise funds.

Rosewood & Loop 360 Landfill Remediation - \$1,475,000

The Rosewood and Loop 360 projects (which were historic landfill sites of the City) address removal of municipal solid waste materials and construction of physical structures made of natural materials to contain and shield the landfill site from soil, grass and other landscaping planted on top of the former landfill site and the purchase of supplies and materials. The project was approved as part of the FY 2012 Capital Budget. Debt service will be funded by the Environmental Remediation Fund.

Williams Morris Golf Course - \$900,000

This project will improve the course. Debt Service will be tax supported. The authorization for this amount comes from the existing FY12 capital budget and the proposed FY13 budget.

Turner Roberts Multi-Purpose Pavilion □ \$2,360,000

This project will construct a multi-use structure within the Colony District Park. Debt service will be tax supported.

Turner Roberts Multi-Purpose Pavilion Kitchen Expansion □ \$800,000

This project will construct a kitchen on the multi-use structure within the Colony District Park. Debt service will be tax supported.

Transportation Projects □ \$10,000,000

These funds will go towards the Loop1/290 connectors and the IH35 Makeover Project. The Loop 1/290 connector project will construct direct connectors for Northbound Loop 1 to Eastbound US 290 and Westbound US 290 to Southbound Loop 1. The IH-35 Makeover project improved the parking lots and sidewalks under I-35 between 6th and 8th streets. The IH-35 Makeover project will be funded by the parking management fund and not tax supported. The Loop1/290 connectors project will be tax supported.

Waller Creek Tunnel Project □ \$25,000,000

This is the second of several planned bond sales related to the approximately \$100 million portion of the Waller Creek tunnel project that will be funded by Certificates of Obligation, of which \$67.3 million has already been appropriated as part of the FY 2012 Approved Capital Budget. In 1998, an election was held in the City, and voters approved a proposed tunnel project as a venue project. Venue project bonds in the principal amount of \$25,000,000 were authorized for the Waller Creek Tunnel Project. In 2000, engineering consultants retained by the City to perform the preliminary engineering for the Waller Creek Tunnel Project provided cost estimates for three versions of the Waller Creek Tunnel Project, and determined that the cost estimates to construct each of the three versions of the Waller Creek Tunnel Project substantially exceeded the \$25,000,000 in venue project bonds authorized. No venue project bond proceeds were expended for the actual construction of the Waller Creek Tunnel Project. As a result, the Waller Creek Tunnel Project has evolved and changed in scope from the project envisioned in 1998. The Waller Creek Tunnel Project now consists of a storm water bypass tunnel to be constructed from 12th Street at Waterloo Park to Lady Bird Lake just upstream of the mouth of Waller Creek. Among the more notable changes from the preliminary plans, the tunnel will vary in diameter from approximately 20 feet to 26 feet and will be approximately 5,600 feet in length; creek side inlets are proposed between 4th and 5th Streets and between 8th and 9th Streets to capture additional flood waters below 12th Street; the inlet facility has been moved nearer to 12th Street; the inlet structure and the pump house building will be combined; and the outlet facility also has been redesigned to address water flood control issues. In 2007, the City approved an ordinance creating Tax Increment Financing Reinvestment Zone No.

17 ("Zone No. 17") to finance the construction of flood control improvements along lower Waller Creek. It is anticipated that tax increment revenues collected within Zone No. 17 will be used to defray the debt service on the Certificates of Obligation issued for the Waller Creek Tunnel Project. The August 2012 bond sale will include up to \$25 million in Certificates of Obligation for this project. These Certificates of Obligation are expected to mature no later than 30 years from the date of issuance.