

## A G E N D A



## Recommendation for Council Action

Austin City Council	Item ID	17887	Agenda Number	23.
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Meeting Date:	8/23/2012	Department:	Parks and Recreation
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## Subject

Approve a resolution declaring the City's official intent to reimburse itself from contractual obligations in the amount of \$865,000 for the purchase of golf and utility carts. Related to item # 24.

## Amount and Source of Funding

Contractual Obligations to be issued.

## Fiscal Note

No fiscal impact.

Purchasing Language:	
Prior Council Action:	
For More Information:	Kevin Gomillion, Golf Division Manager, 974-9351; Tina Van Wie, Budget Office 974-7921
Boards and Commission Action:	
MBE / WBE:	
Related Items:	

## Additional Backup Information

The Parks and Recreation Department requests approval, in accordance with Federal Treasury Regulations, of an Official Declaration of Intent to Reimburse costs for the purchase of golf and utility carts. The golf carts are rented by patrons of the golf courses who use the carts as an alternative to walking the course. The utility carts will be utilized by the Golf Course Marshal and other golf course staff in the execution of the day-to-day operations of the golf courses.

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.

