

## A G E N D A



## Recommendation for Council Action

Austin City Council	Item ID	28847	Agenda Number	12.
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Meeting Date:	11/21/2013	Department:	Solid Waste Services
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## Subject

Approve a resolution declaring the City of Austin's official intent to reimburse itself from Certificates of Obligation in the amount of \$4,525,000 for the purchase of land located off of Johnny Morris Road to be used for various city facilities.

## Amount and Source of Funding

\$4,525,000 in Certificates of Obligations to be issued.

## Fiscal Note

Fiscal note attached.

**Purchasing Language:**

**Prior Council Action:**

**For More Information:**

Chad Presley – ARR: 974-9233; Kim Springer- Budget Office: 974-2924

**Boards and Commission Action:**

**MBE / WBE:**

**Related Items:**

## Additional Backup Information

A city must have budgeted for and provided a source of funds in order to enter into a contract. For the City to spend money today, but reimburse itself from the issuance of debt obligations in the future, state and federal law require the City to approve a reimbursement resolution. The resolution must contain certain information and protect the tax exempt status of the future issuance. 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 no later than 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.

The purpose of this land acquisition is to site the planned Austin Resource Recovery (ARR) North Service Facility on approximately 131 acres of land in the northeast sector of the City. In an effort to co-locate various city departments, this facility may also support services provided by Fleet Services (FSO), Parks and Recreation Department (PARC),

and the Austin Transportation Department (ATD).

Planned utilization options for the site include Household Hazardous Waste Collection Center, Reuse and Recycling Drop-off Center, ARR fleet deployment, vehicle fueling and repair facilities, equipment storage, and administrative offices. A full proposal of site plans and construction details, including a financial proforma, will be presented to Council at a later date.

An independent third party appraisal was conducted on this property. The owners have agreed to accept the City of Austin's offer in the amount of \$4,500,000.