

AGENDA



Recommendation for Council Action

AUSTIN CITY COUNCIL
Regular Meeting: June 14, 2018

Item Number: **020**

Fire

Approve a resolution declaring the City of Austin's official intent to reimburse itself from proceeds of certificates of obligation in the amount of \$6,000,000 to be issued for the design and land acquisition for new fire stations.

Lead Department	Austin Fire Department
Fiscal Note	Funding in the amount of \$6,000,000 is available from the future issuance of debt. A fiscal note is attached.
Prior Council Action	Prior Council action - May 24, 2018 - council direction was to approve resolution No. 20180524-035 directing the Manager to construct, build, or establish interim fire stations.
For More Information	Chief of Staff Tom Dodds - 974-0132; Asst. Director Ronnelle Paulsen - 974-5315

Additional Backup Information:

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 reviewed 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.