



Legislation Text

File #: 21-2307, **Version:** 1

STRATEGIC PRIORITY: Government Performance and Financial Management

AGENDA DATE: December 8, 2021

COUNCIL DISTRICT(S): N/A

DEPARTMENT: City Controller's Office

EXECUTIVE: Elizabeth Reich

SUBJECT

A resolution authorizing payment for previously contracted professional services of Norton Rose Fulbright US LLP and Kintop Smith, PC as co-disclosure counsel in connection with the sale and delivery of the Waterworks and Sewer System Commercial Paper Notes, Series F and Waterworks and Sewer System Commercial Paper Notes, Series G - Not to exceed \$239,132 - Financing: Dallas Water Utilities Fund

BACKGROUND

On June 9, 2021, City Council authorized ordinance nos. 31886 and 31887 approving and authorizing the issuance by the City of Dallas of its Waterworks and Sewer System Commercial Paper Notes, Series F and Waterworks and Sewer System Commercial Paper Notes, Series G, in an aggregate principal amount at any one time outstanding not to exceed \$600,000,000 to provide interim financing to pay project costs for eligible projects and to refund obligations issued in connection with eligible projects. For matters incident and related to the issuance, sale, security, and delivery of such Commercial Paper Notes, the use of previously contracted professional legal services was required of the City's Co-Disclosure Counsel, Norton Rose Fulbright LLP and Kintop Smith, PC, which were not included in the approved estimated cost of issuance fees.

The use of Co-Disclosure Counsel for bond and debt issuances is imperative to maintain compliance with U.S. Securities and Exchange Commission rules and regulations. Approval of this resolution will authorize the payment of the Co-Disclosure Fees as reflected in Schedule I.

PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS)

On June 25, 2014, City Council authorized the issuance of the City of Dallas, Texas Waterworks and Sewer System Series E short term obligations authorizing such short term obligations to be issued, sold and delivered in various forms, including commercial paper notes and a bank note; making certain covenants and agreements in connection therewith; re-establishing the 10-year tenor of the program by extending the maturity date to September 30, 2024; resolving other matters related to the

issuance, sale, security, and delivery of such short term obligations, including the re-appointment of U.S. Bank Trust National Association as the Issuing and Paying Agent and authorizing the execution of an Issuing and Paying Agent Agreement, authorizing a Credit Agreement with JPMorgan Chase; and the appointment of Dealer JPMorgan Securities and authorizing the execution of a Commercial Paper Dealer Agreement; approving the payment of issuance costs in connection with the issuance of the short term obligations; approving the use of an Offering Memorandum in connection with the sale of the short term obligations; and providing an effective date by Resolution No. 14-0987; Ordinance No. 29377.

On September 13, 2017, City Council authorized the execution of the First Amendment to Revolving Credit Agreement; execution of the First Amendment to Fee Letter Agreement with JPMorgan Chase Bank, National Association in support of the City of Dallas, Texas Waterworks and Sewer System Commercial Paper Notes, Series E; and the execution of agreements pertaining thereto and resolving other matters related thereto by Resolution No. 17-1402.

On September 11, 2019, City Council authorized the execution of the Second Amendment to Revolving Credit Agreement; execution of the Second Amendment to Fee Letter Agreement with JPMorgan Chase Bank, National Association in support of the City of Dallas, Texas Waterworks and Sewer System Commercial Paper Notes, Series E; and execution of agreements pertaining thereto and resolving other matters related thereto by Resolution No. 19-1409.

On May 27, 2020, City Council authorized the execution of the Third Amendment to Revolving Credit Agreement with JPMorgan Chase, National Association; in support of the City of Dallas, Texas Waterworks and Sewer System Commercial Paper Notes, Series E; and the execution of agreements pertaining thereto and resolving other matters related thereto by Resolution No. 20-0805.

On February 24, 2021, City Council authorized the execution of the Fourth Amendment to Revolving Credit Agreement with JPMorgan Chase Bank, National Association in support of the City of Dallas, Texas Waterworks and Sewer System Commercial Paper Notes, Series E; and the execution of agreements pertaining thereto and resolving other matters related thereto by Resolution No. 21-0359.

Information about this item was provided to the Government Performance and Financial Performance Committee on May 24, 2021.

On June 9, 2021, City Council authorized an ordinance authorizing the issuance by the City of Dallas of its Waterworks and Sewer System Commercial Paper Notes, Series F, in an aggregate principal amount at any one time outstanding not to exceed \$300,000,000, to provide interim financing to pay Project Costs for Eligible Projects and to refund obligations issued in connection with Eligible Projects by Ordinance No. 31887.

On June 9, 2021, City Council authorized an ordinance approving and authorizing the issuance by the City of Dallas of its Waterworks and Sewer System Commercial Paper Notes, Series G, in an aggregate principal amount at any one time outstanding not to exceed \$300,000,000, to provide interim financing to pay Project Costs for Eligible Projects and to refund obligations issued in connection with Eligible Projects by Ordinance No. 31886.

FISCAL INFORMATION

Fund	FY 2022	FY 2023	Future Years
Dallas Water Utilities Fund	\$239,132.00	\$0.00	\$0.00