



Legislation Text

File #: 24-178, **Version:** 1

STRATEGIC PRIORITY: Government Performance & Financial Management

AGENDA DATE: February 14, 2024

COUNCIL DISTRICT(S): All

DEPARTMENT: City Controller's Office

EXECUTIVE: Jack Ireland

SUBJECT

An ordinance authorizing **(1)** the issuance and sale of City of Dallas, Texas, General Obligation Refunding Bonds, Series 2024A in an aggregate principal amount not to exceed \$55,000,000.00; **(2)** levying a tax in payment thereof; **(3)** awarding the sale thereof and approving execution of a Purchase Agreement, a Deposit Agreement and an Escrow Agreement; **(4)** approving the official statement; and **(5)** enacting other provisions relating to the subject - Not to exceed \$418,000.00 - Financing: 2024A General Obligation Refunding Bonds Fund

BACKGROUND

This ordinance authorizes the issuance of General Obligation Refunding Bonds, Series 2024A, to refund the obligation of the City to finance the payment of judgment in the lawsuit styled Trinity East Energy, LLC, v. City of Dallas, Cause No. DC-14-01443 (the "Lawsuit"), in an amount not to exceed \$55,000,000.00.

On January 24, 2024, City Council authorized payment of judgment in the Lawsuit, in an amount not to exceed \$55,000,000.00, inclusive of the judgment amount of \$44,583,195.21, post-judgment interest accruing on the judgment at a rate of 5% per annum until paid, and the cost of issuance for the bonds. Additionally, on January 24, 2024, City Council authorized the preparation of plans and the payment of potential future costs and expenses for the issuance of General Obligation Refunding Bonds, Series 2024A, in a principal amount not to exceed \$55,000,000.00 in satisfaction of the judgment, by Resolution No. 24-0166.

This ordinance authorizes City staff and financial advisors, subject to parameters, to competitively bid the sale and issuance of City of Dallas, Texas, General Obligation Refunding Bonds, Series 2024A, scheduled in March 2024.

ESTIMATED SCHEDULE OF PROJECT

Authorize Preparation for Issuance of Bonds	January 2024
Approval of Parameters Ordinances	February 2024
Pricing	March 2024
Delivery of Proceeds	March 2024

PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS)

[The Government Performance and Financial Management Committee was briefed by memorandum regarding this matter on January 22, 2024. <https://cityofdallas.legistar.com/LegislationDetail.aspx?ID=6486157&GUID=9E0511E7-2FBA-4C8F-B52D-88A9781C4E15&Options=&Search=>](https://cityofdallas.legistar.com/LegislationDetail.aspx?ID=6486157&GUID=9E0511E7-2FBA-4C8F-B52D-88A9781C4E15&Options=&Search=>)

[On January 24, 2024, the City Council approved a resolution authorizing the preparation of plans and the payment of potential future costs and expenses for the issuances of General Obligation Refunding Bonds, Series 2024A in an amount not to exceed \\$55,000,000.00; General Obligation Refunding and Improvement Bonds, Series 2024B in an amount not to exceed \\$410,000,000.00; and Combination Tax and Revenue Certificates of Obligation, Series 2024B in an amount not to exceed \\$218,000,000.00, by Resolution No. 24-0166. <https://cityofdallas.legistar.com/LegislationDetail.aspx?ID=6485215&GUID=7B970DF1-589D-4E7D-87B3-25041EB3AF94&Options=&Search=&FullText=1>](https://cityofdallas.legistar.com/LegislationDetail.aspx?ID=6485215&GUID=7B970DF1-589D-4E7D-87B3-25041EB3AF94&Options=&Search=&FullText=1>)

[The City Council was briefed by memorandum regarding this matter on February 9, 2024. <https://dallascityhall.com/government/citymanager/Documents/FY23-24%20Memos/UAI%202.14.24%2024-178%20Ordinance%20Auth.%20Issuance%20of%20General%20Obligation%20Refunding%20Bonds.pdf>](https://dallascityhall.com/government/citymanager/Documents/FY23-24%20Memos/UAI%202.14.24%2024-178%20Ordinance%20Auth.%20Issuance%20of%20General%20Obligation%20Refunding%20Bonds.pdf>)

FISCAL INFORMATION

Fund	FY 2024	FY 2025	Future Years
2024A General Obligation Refunding Bonds Fund	\$418,000.00	\$0.00	\$0.00

Attachment I provides an estimate of bond issuance costs for the proposed bonds and the M/WBE participation. Payment of fees and expenses is contingent upon the issuance and sale of the General Obligation Refunding Bonds, Series 2024A.