



Legislation Text

File #: 20-601, **Version:** 3

STRATEGIC PRIORITY: Government Performance and Financial Management

AGENDA DATE: April 8, 2020

COUNCIL DISTRICT(S): N/A

DEPARTMENT: City Controller's Office

EXECUTIVE: Elizabeth Reich

SUBJECT

An ordinance authorizing **(1)** the issuance of Equipment Acquisition Contractual Obligations, Series 2020 in an aggregate principal amount not to exceed \$33,000,000; **(2)** levying a tax in payment thereof; **(3)** approving and awarding the sale thereof and approving execution of a purchase agreement; **(4)** approving the official statement; **(5)** and enacting other provisions relating to the subject - Not to exceed \$145,000 - Financing: 2020 Equipment Acquisition Notes Funds

BACKGROUND

The adopted FY 2019-20 capital budget assumed the issuance of approximately \$30 million in equipment acquisition notes in FY 2019-20. Chapter 271 of the Texas Local Government Code, Subchapter A, allows for the purchase or other acquisition or the use of property by governmental agencies and the financing of those activities necessary to the efficient and economic operation of government. As such, to purchase necessary equipment to maintain City services, the City's financial advisors, PFM Financial Advisors LLC, recommend the issuance of equipment acquisition notes (contractual obligations) to finance the purchase of City equipment, in an amount not to exceed \$33,000,000.

This ordinance authorizes City staff and financial advisors, subject to parameters, to issue City of Dallas, Texas, Equipment Acquisition Contractual Obligations, Series 2020.

ESTIMATED SCHEDULE OF PROJECT

Authorized Preparation for Issuance of Bonds	December 2019
Approval of Parameters Ordinance	April 2020
Pricing	April 2020
Delivery of Proceeds	May 2020

PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS)

Information about this item was provided to City Council by memorandum on February 7, 2020.

On February 12, 2020, City Council authorized the preparation of plans and the payment of potential future costs and expenses for the issuances of General Obligation Refunding and Improvement Bonds, Series 2020, Certificates of Obligation, Series 2020, and Equipment Notes, Series 2020 by Resolution No. 20-0257.

On February 12, 2020, City Council authorized the publication of Notice of Intention to Issue Certificates of Obligation; approving the preparation of a preliminary official statement and a Notice of Sale; and providing for the effective date thereof by Resolution No. 20-0258.

FISCAL INFORMATION

The anticipated cost of issuance is \$145,000 from 2020 Equipment Acquisition Notes Funds.

Attachment I provides an estimate of bond issuance costs for the proposed equipment notes and the M/WBE participation. Payment of fees and expenses is contingent upon the issuance and sale of the Equipment Acquisition Contractual Obligations, Series 2020.

M/WBE INFORMATION

See Attachment I for M/WBE participation.