

## Agenda Item Details

Meeting	Apr 14, 2020 - Bryan City Council Second Regular Meeting
Category	7. Regular Agenda - This agenda consists of items requiring individual consideration by Council.
Subject	B. Consider the first and only reading of an ordinance authorizing and ordering the issuance of City of Bryan, Texas, Waterworks and Sewer System Revenue Refunding Bonds; establishing parameters with respect to the sale of the bonds and authorizing a pricing officer to approve the amount, the interest rates, price, redemption provisions and terms thereof; and enacting other provisions incident and related thereto
Type	Action
Preferred Date	Apr 14, 2020
Absolute Date	Apr 14, 2020
Fiscal Impact	Yes
Dollar Amount	250,000.00
Budgeted	No
Budget Source	Bond Funds
Recommended Action	Motion to approve an ordinance authorizing and ordering the issuance of City of Bryan, Texas, Waterworks and Sewer System Revenue Refunding Bonds; establishing parameters with respect to the sale of the bonds and authorizing a pricing officer to approve the amount, the interest rates, price, redemption provisions and terms thereof; and enacting other provisions incident and related thereto
Goals	<a href="#">Service</a> <a href="#">Quality of Life</a> <a href="#">Infrastructure</a>

### Summary:

The current bond market is such that the City of Bryan can refund its currently callable outstanding debt in the amount of \$3,000,000 and save approximately \$250,000 in debt service over the remaining ten (10) year life of the bonds. The refundable bonds are Series 2010A Waterworks and Sewer System Revenue Bonds.

Staff proposed the City Council approve the ordinance to refund these bonds to achieve the interest cost savings. The exact amount of the bonds and interest rate will be determined based on market conditions on the day of sale and will be limited by the parameters outlined in Exhibit B of the ordinance, which includes a maximum interest rate of 3.75% and an aggregate principal amount not exceeding \$3,250,000. Given the changing nature of the current bond market, the ordinance authorizes the sale of the refunding bonds pursuant to private placement or public offering.

### Staff Analysis and Recommendation:

Staff recommends approving the proposed ordinance to issue revenue refunding bonds to refund callable bonds totaling \$3,000,000. If approved, the City will be able to reduce its annual debt service costs by approximately \$250,000 through 2030.

### Options:

1. Approve the ordinance to issue the refunding bonds.
2. Do not approve the ordinance.

### Attachment:

1. Draft bond ordinance - to be finalized with the issuance of bonds
2. Presentation

[City of Bryan Series 2020 WWSS Ref Bonds Ordinance.pdf \(362 KB\)](#)

[4.8.20 City of Bryan Parameters Sale.pdf \(2,297 KB\)](#)

**Motion & Voting**

Motion to approve an ordinance authorizing and ordering the issuance of City of Bryan, Texas, Waterworks and Sewer System Revenue Refunding Bonds; establishing parameters with respect to the sale of the bonds and authorizing a pricing officer to approve the amount, the interest rates, price, redemption provisions and terms thereof; and enacting other provisions incident and related thereto

Motion by Brent Hairston, second by Mike Southerland.

Final Resolution: Motion Carries

Aye: Andrew Nelson, Buppy Simank, Mike Southerland, Prentiss Madison, Reuben Marin, Brent Hairston