

**Office of the City Manager**

City of Richland Hills, Texas

## Memorandum

**To:** Honorable Mayor Bill Agan and members of the Richland Hills City Council  
**From:** Curtis E. Hawk, City Manager  
**Date:** May 7, 2013  
**Subject:** Resolution No. 414-13, Resolution Directing Publication of Notice of Intention to Issue Combination Tax and Waterworks and Sewer System Revenue Certificates of Obligation

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**City Council Action Requested:**

Approve Resolution 414-13, Directing Publication of Notice of Intention to Issue Combination Tax and Waterworks and Sewer System Revenue Certificates of Obligation.

**Background Information:**

In 2007 the City issued approximately \$2 million in bonds for water and wastewater system improvements, and in 2010 another \$2.75 million for storm water facility improvements, to fund projects identified in the City's capital improvement program. We are at the point where additional funds are needed to carry out the next phase of infrastructure projects, e.g., replacement of 36" Southwest Main, construction of lift station, etc. Public Works Director Michael Barnes will present an overview of the projects to be funded by \$6 million in C.O. bonds to finance the next phase of infrastructure improvements, during the Work Session preceding the Regular Agenda.

**Board/Citizen Input:**

N/A

**Financial Impact:**

To be discussed during the meeting.

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May 7, 2013 Council Meeting  
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**Staff Contacts:**

Curtis E. Hawk, City Manager  
817-616-3806  
[chawk@richlandhills.com](mailto:chawk@richlandhills.com)

Attachment: Resolution 414-13  
Certificate for Resolution 414-13

RESOLUTION NO. 414-13

RESOLUTION DIRECTING PUBLICATION OF NOTICE OF INTENTION  
TO ISSUE COMBINATION TAX AND WATER AND SEWER SYSTEM  
REVENUE CERTIFICATES OF OBLIGATION

WHEREAS, the City of Richland Hills, Texas (the "City") expects to pay expenditures in connection with the design, planning, acquisition and construction of the projects described in "Exhibit A" to this Resolution prior to the issuance of the Certificates of Obligation hereinafter described; and

WHEREAS, the City Council hereby finds, considers and declares that the reimbursement of the payment by the City of such expenditures will be appropriate and consistent with the lawful objectives of the City and, as such, chooses to declare its intention, in accordance with the provisions of Section 1.150-2 of the U.S. Treasury Regulations, to reimburse itself for such payments at such time as it issues the hereinafter described Certificates of Obligation; and

WHEREAS, it is hereby officially found and determined that the meeting at which this Resolution was considered was open to the public, and public notice of the time, place and purpose of said meeting was given, all as required by Chapter 551, Texas Government Code.

THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF RICHLAND HILLS, TEXAS:

Section 1. That attached hereto and marked "Exhibit A" is a form of notice, the form and substance of which are hereby passed and approved.

Section 2. That the City Secretary shall cause said notice to be published, in substantially the form attached hereto, in the Fort Worth Star-Telegram, a newspaper of general circulation in the City, for two consecutive weeks, the date of the first publication to be before the thirtieth (30th) day before the day tentatively proposed for authorizing the issuance of the Certificates of Obligation as shown in said notice.

Section 3. That the facilities and improvements to be financed with proceeds from the proposed Certificates of Obligation are to be used for the purposes described in the attached Notice of Intention.

Section 4. That all costs to be reimbursed pursuant to this Resolution will be capital expenditures; the proposed Certificates of Obligation shall be issued within 18 months of the later of (i) the date the expenditures are paid or (ii) the date on which the property, with respect to which such expenditures were made, is placed in service; and the foregoing notwithstanding, the Certificates of Obligation will not be issued pursuant to this Resolution on a date that is more than three years after the date any expenditure which is to be reimbursed is paid.

Section 5. That this Resolution shall be effective immediately upon passage and adoption.

ADOPTED, APPROVED AND EFFECTIVE this May 7, 2013.

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Mayor, City of Richland Hills, Texas

ATTEST:

\_\_\_\_\_  
City Secretary, City of Richland Hills, Texas

(SEAL)

EXHIBIT A

NOTICE OF INTENTION TO ISSUE  
CERTIFICATES OF OBLIGATION

NOTICE IS HEREBY GIVEN that it is the intention of the City Council of the City of Richland Hills, Texas, to issue one or more series of the interest bearing certificates of obligation of the City to be entitled "City of Richland Hills, Texas Combination Tax and Water and Sewer System Revenue Certificates of Obligation", for the purpose of paying contractual obligations to be incurred by the City, to-wit, the construction of drainage improvements throughout the City; the construction of improvements and extensions to the City's waterworks and sewer system; and the payment of fiscal, engineering and legal fees incurred in connection therewith.

The City Council tentatively proposes to authorize the issuance of said series (one or more) of Certificates of Obligation at its regular meeting place in the City Hall at a meeting to commence at 7 o'clock, p.m., on the 18th day of June, 2013. The maximum amount of Certificates of Obligation indebtedness that may be authorized to be sold on said date for such purposes described above is \$6,250,000. The City Council presently proposes to provide for payment of said series (one or more) of Certificates of Obligation from the levy of taxes and from a limited surplus revenue pledge (not to exceed \$1,000) derived from the operation of the City's waterworks and sewer system.

CITY OF RICHLAND HILLS, TEXAS

/s/ Bill Agan  
Mayor



2. That a true, full and correct copy of the aforesaid Resolution passed at the Meeting described in the above and foregoing paragraph is attached to and follows this Certificate; that the Resolution has been duly recorded in the City Council's minutes of the Meeting; that the above and foregoing paragraph is a true, full and correct excerpt from the City Council's minutes of the Meeting pertaining to the passage of the Resolution; that the persons named in the above and foregoing paragraph are the duly chosen, qualified and acting officers and members of the City Council as indicated therein; that each of the officers and members of the City Council was duly and sufficiently notified officially and personally, in advance, of the time, place and purpose of the aforesaid Meeting, and that the Resolution would be introduced and considered for passage at the Meeting, and each of the officers and members consented, in advance, to the holding of the Meeting for such purpose; that the Meeting was open to the public and public notice of the time, place and purpose of the Meeting as given, all as required by Chapter 551, Government Code.

3. That the Mayor of said City has approved and hereby approves the aforesaid Resolution; that the Mayor and the City Secretary of said City have duly signed said Resolution; and that the Mayor and the City Secretary of said City hereby declare that their signing of this Certificate shall constitute the signing of the attached and following copy of said Resolution for all purposes.

**SIGNED AND SEALED** the 7th day of May, 2013.

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City Secretary

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Mayor

(SEAL)