



CITY OF HOUSTON - CITY COUNCIL

Meeting Date: 6/29/2021

Item Creation Date:

FIN - CUS 2018C

Agenda Item#: 13.

Summary:

ORDINANCE supplementing and amending the City of Houston, Texas Combined Utility System Master Ordinance No. 2004-299, Ordinance No. 2018-469; authorizing the remarketing and purchase of the Combined Utility System First Lien Revenue Refunding Bonds, Series 2018C; authorizing the Mayor and City Controller to approve the amounts, interest rates, mode, prices, and terms of the remarketed series 2018c bonds and certain other matters relating thereto; making other provisions regarding such bonds including the use of a Remarketing Memorandum; authorizing the execution and delivery of a Reimbursement Agreement, Bank Fee Letter, a Remarketing Agreement, a Paying Agent/Registrar Agreement and other documents and instruments necessary or convenient to carry out the remarketing of the Series 2018C Bonds, and matters incident thereto; approving a Remarketing Agent in connection with the foregoing; authorizing and ratifying other actions

Background:

RECOMMENDATION:

An Ordinance Supplementing and amending the City of Houston, Texas Combined Utility System Master Ordinance No. 2004-299; Ordinance No. 2018-494; authorizing the remarketing and purchase of the Combined Utility System First Lien Revenue Refunding Bonds, Series 2018C, in an aggregate principal amount of \$249,075,000; authorizing the execution and delivery of a reimbursement agreement, bank fee letter, a remarketing agreement, a paying agent/registrar agreement and other documents and instruments necessary.

SPECIFIC EXPLANATION:

The City has identified \$249.08 million of the Combined Utility System First Lien Revenue Refunding Bonds, Series 2018C (Weekly Rate Mode Floating Rate Bonds) that have a mandatory tender date of August 1, 2021. The Series 2018C Bonds will need to be either remarketed or refunded by August 1, 2021.

The proposed ordinance provides for remarketing the Series 2018C Bonds as variable rate demand bonds ("VRDB"), supported by a direct pay letter of credit provided by Barclays Capital, Inc. in an aggregate amount of \$249.08 million.

The Finance Working Group recommends the CUS Series 2018C Bonds be remarketed by Goldman Sachs & Co. LLC, as Remarketing Agent.

This transaction was presented to the Budget and Fiscal Affairs Committee on February 2, 2021.

DocuSigned by:

Tantri Emo

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Tantri Emo, Chief Business Officer/Director of Finance

DocuSigned by:

Chris Brown

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Chris B. Brown, Houston City Controller

Prior Council Action:

Ordinance No. 2004-299, 2018-494

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ATTACHMENTS:

Description

Ordinance

Type

Ordinance/Resolution/Motion