



CITY OF HOUSTON - CITY COUNCIL

Meeting Date: 11/16/2021

Item Creation Date:

FIN - CUS 2021C (TWDB Clean Water Loan)

Agenda Item#: 12.

Summary:

ORDINANCE SUPPLEMENTING THE CITY OF HOUSTON, TEXAS MASTER ORDINANCE NO. 2004-299; PROVIDING FOR THE ISSUANCE OF THE CITY OF HOUSTON, TEXAS, COMBINED UTILITY SYSTEM FIRST LIEN REVENUE BONDS, SERIES 2021C, PROVIDING FOR THE AMOUNTS, INTEREST RATES, PRICES, AND TERMS THEREOF AND OTHER MATTERS RELATING THERETO; PROVIDING FOR THE PAYMENT THEREOF; MAKING OTHER PROVISIONS REGARDING SUCH BONDS AND MATTERS INCIDENT THERETO; AUTHORIZING EXECUTION AND DELIVERY OF A PAYING AGENT/REGISTRAR AGREEMENT

Background:

RECOMMENDATION: (Summary)

Approve ordinance authorizing the City of Houston Combined Utility System First Lien Revenue Bonds, Series 2021C, in an aggregate amount not to exceed \$130 million. These bonds will be privately placed with the Texas Water Development Board.

SPECIFIC EXPLANATION:

The Texas Water Development Board (the "TWDB") administers a program that provides below market, low-interest rate loans to applicants to assist in meeting clean water needs of communities. This program is known as the Clean Water State Revolving Fund ("CWSRF"), which is open to political subdivisions that own and operate a wastewater system. The City's Combined Utility System ("CUS") has participated in this program since the late 1980's. The City of Houston Combined Utility System First Lien Revenue Bonds, Series 2021C will be issued in an amount not to exceed \$130 million.

The Finance Working Group ("FWG") recommends that the City issue the CUS Series 2021C Bonds with the proceeds to be used to fund approved projects in the City's adopted CIP, fund a reserve fund, if necessary, and pay costs of issuance.

The CUS Series 2021C Bonds will be privately placed with the TWDB, which eliminates the need for underwriters. The closing is expected to occur on December 21, 2021.

This transaction was presented to the Budget and Fiscal Affairs Committee on September 28, 2021.

DocuSigned by:

Tami Emery, Chief Business Officer/Director of Finance

DocuSigned by:

Chris Brown, Houston City Controller

Prior Council Action:

Ordinance No. 2004-299

Resolution No. 2020-29

Contact Information:

Melissa Dubowski

Charisse Mosely

Phone: 832-393-9101

Phone: 832-393-3529

ATTACHMENTS:

Description

Caption

Type

Other