



## Legislation Text

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**File #:** 2020-0114, **Version:** 1

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Consider an ordinance authorizing the issuance of City of Round Rock, Texas Combination Tax and Limited Revenue Certificate of Obligation, Series 2020A; levying an Ad Valorem Tax and pledging certain surplus revenues in support of the Certificate; awarding the sale of the Certificate; and authorizing other matters related to the issuance of the Certificate. (First Reading)(*Second Reading Not Required*)

This item will award the sale of the certificate in the aggregate principal amount of \$30,000,000 for paying all or a portion of the City's contractual obligations incurred or to be incurred for (1) constructing, improving, extending, expanding, upgrading and/or developing streets, roads, bridges, sidewalks, intersections, traffic signalization and other transportation improvement projects including related waterworks, sewer and drainage improvements, signage, landscaping, irrigation, purchasing any necessary rights-of-way and other related transportation costs, including, but not limited to, Deepwood Drive, Gattis School Road, Kenney Fort Boulevard, Logan Street, McNeil Road, North Mays Street, Oakmont Drive, Old Settlers Boulevard, Red Bud Land, Ranch-to-Market Road 620, SH45 Frontage Road, University Boulevard, Wyoming Springs Drive and County Road 112; and (2) professional services including fiscal, engineering, architectural and legal fees and other such costs incurred in connection therewith including the costs of issuance in connection with the Certificate.

The projects listed above are part of the Transportation Master Plan and will support the ultimate growth of the City. This is the second of five anticipated bond issues approximating \$140 million to fund the 5-year road expansion program.

This year, due to circumstances in the market resulting from the novel coronavirus (COVID-19), the City will be doing a private placement as opposed to a traditional open market bond offering. Private placement debt is sold directly to a single investor and does not require a bond rating.

Preliminary market reviews show that interest rates are very competitive for this approach. Staff recommends the City take advantage of the lower rates.