



City of Austin

Recommendation for Action

File #: 24-5406, Agenda Item #: 2.

9/12/2024

Posting Language

Approve a resolution declaring the City's official intent to reimburse itself from the proceeds of tax-exempt obligations in an aggregate maximum principal amount of \$210,000,000 for expenditures related to the acquisition and construction of electric utility capital improvement projects.

Lead Department

Austin Energy

Fiscal Note

Funding is available in the Austin Energy Capital Budget. A fiscal note is attached.

For More Information:

John Davis, AE Budget Director, 512-505-3724; Nabil Khazei, AE Financial Manager III, 512-322-6538.

Additional Backup Information:

For the City to spend money today and reimburse itself from the issuance of debt obligations in the future, a reimbursement resolution is required by state and federal law. The resolution must contain certain information to protect the tax-exempt status of the future issuance. Failure to adopt a qualified declaration of official intent will prohibit the City from reimbursing the cost with the proceeds of tax-exempt obligations. Reimbursement debt generally must be issued no later than 18 months after the later of, the date the expenditure was made, or the date that the project, with respect to which the expenditure was made, is placed in service.

This action expresses the City Council's intent to authorize the reimbursement for costs associated with acquisition and construction of electric utility capital improvements from the following funds.

FUND	FUND DESCRIPTION
3120	E-Alternate Energy Capital
3220	E-Power Production Capital
3230	E-Transmission Capital
3240	E-Distribution Substations Capital
3250	E-Distribution Capital
3310	E-Support Services Capital