

Mayor and Council Communication

DATE: 06/28/22

M&C FILE NUMBER: M&C 22-0534

LOG NAME: 13TRADITION MUD 2B SERIES 2022 BONDS

SUBJECT

(ALL) Approve Tradition Municipal Utility District No. 2B of Denton County Proposal to Submit a Bond Application for the District's Unlimited Tax Utility Bonds, Series 2022 and is Seeking City Consent to Issue Such Bonds in an Amount Not to Exceed \$12,250,000.00

RECOMMENDATION:

It is recommended that the City Council consent to the issuance of the Tradition Municipal Utility District No. 2B Unlimited Tax Utility Bonds, Series 2022 in an amount not to exceed \$12,250,000.00.

DISCUSSION:

In compliance with the Amended Creation and Operation Agreement (the "Agreement") between Tradition Municipal Utility District No. 2B of Denton County (the "District") and the City, the District is requesting the City's consent for the District's proposed issuance of its Unlimited Tax Utility Bonds, Series 2022 (the "Bonds") in the aggregate principal amount not to exceed \$12,250,000.00 The District certifies that it is not in breach of the Agreement and is in compliance through providing notice of its intent to submit its bond application. The District further certifies that it will comply with the bond requirements listed within the Agreement.

The District's bond application includes costs associated with the construction, engineering, surveying, and City of Fort Worth connection fees for the following facilities: North Side II Offsite Water Improvements; North Side III Offsite Water improvements; and Tradition Winding Meadows Drive. Additionally, the proceeds from the Bonds will be used to pay developer interest and certain costs associated with the issuance of the Bonds.

The financial advisor to the District has certified that the Bonds will be issued within the economic feasibility guidelines established by the Texas Commission on Environmental Quality.

Staff recommends consenting to the issuance of the District's Unlimited Tax Utility Bonds, Series 2022 in an amount not to exceed \$12,250,000.00 in accordance with the Agreement.

A Form 1295 is not required because: This M&C does not request approval of a contract with a business entity.

FISCAL INFORMATION / CERTIFICATION:

The Director of Finance certifies that approval of this recommendation will have no material effect on City funds.

Submitted for City Manager's Office by: Reginald Zeno 8517

Originating Business Unit Head: Reginald Zeno 8517

Additional Information Contact: Anthony Rousseau 8338

Expedited