

**CITY OF LAREDO
SPECIAL CITY COUNCIL MEETING
M-2011-SC-05
CITY COUNCIL CHAMBERS
1110 HOUSTON STREET
LAREDO, TEXAS 78040
AUGUST 31, 2011
1:15 P.M.**

I. CALL TO ORDER

With a quorum present Mayor Salinas called the meeting to order.

II. PLEDGE OF ALLEGIANCE

Mayor Salinas led in the pledge of allegiance.

III. ROLL CALL

In attendance:

Raul G. Salinas,	Mayor
Mike Garza,	Council Member, District I
Esteban Rangel,	Council Member, District II
Alejandro Perez Jr.,	Council Member, District III
Juan Narvaez,	Council Member, District IV
Johnny Rendon,	Mayor Pro Tempore, District V
Charlie San Miguel,	Council Member, District VI
Jorge A. Vera,	Council Member, District VII
Cynthia Liendo Espinoza,	Council Member, District VIII
Gustavo Guevara, Jr.,	City Secretary
Carlos Villarreal,	City Manager
Cynthia Collazo,	Deputy City Manager
Horacio De Leon,	Assistant City Manager
Jesus Olivares,	Assistant City Manager
Raul Casso,	City Attorney

II. FINAL READING OF ORDINANCES

Motion to waive the final reading of Ordinance 2011-O-116.

Moved: Mayor Pro Tem Rendon

Second: Cm. San Miguel

For: 8

Against: 0

Abstain: 0

1. 2011-O-116 Authorizing the issuance of City of Laredo, Texas Sports Venue Sales Tax Revenue Bonds, Taxable Series 2011, in the estimated principal amount of \$11,295,000.00 to finance a baseball stadium and related

infrastructure as a part of the enlarged Laredo Sports Venue Project for the Multipurpose Entertainment Arena and ordaining other matters relating to the subject including authorizing a bond purchase agreement and an official statement, and providing for the security of the bonds and pledging of a sales tax and authorizing amendment to City's budget to appropriate such proceeds for purposes authorized herein and delegating to the Mayor or the City Manager the authority to approve all final terms of the bonds. (AS AMENDED)

Noe Hinojosa of Estrada-Hinojosa Investment Bankers gave a presentation before Council.

Sports Venue Sales Tax Revenue Bonds
 Taxable Series 2011 Pricing Summary
 2011 Baseball Stadium Financing

Total Baseball Stadium	\$18,000,000
Sources:	
City Contribution:	\$ 7,000,000
2011 Financing:	\$10,000,000
Developer Contribution:	\$ 1,000,000
	<u>\$18,000,000</u>

¼ Cent Sales Tax Fund Balance

Proposed Use		
Balance (as of 03/11/2011)	\$24,431,435	
Less: Balance set aside by City	\$ (7,000,000)	
Less: Proposed M&O reserve	\$ (1,426,708)	One year's M&O expense
Less: Proposed I&S reserve	\$ (3,506,411)	Avg. annual post 2011 (25 yr)
Balance (post 2011)	\$12,498,316	

¼ Cent Arena Sales Tax History

¼ of 1% Sales Tax Receipts		
FYE 9/30	Sales Tax (\$)	% Growth
2001	\$2,285,483	--*
2002	\$4,289,563	--
2003	\$4,509,447	5.13%
2004	\$4,822,212	6.94%
2005	\$5,268,782	9.26%
2006	\$5,965,748	13.23%
2007	\$6,356,559	6.55%
2008	\$6,490,543	2.11%
2009	\$6,078,878	-6.34%
2010	\$5,867,823	-3.47%
2011	\$6,095,000	3.87%**
	<u>Average:</u>	<u>4.14%</u>

*The ¼ of 1% Sales Tax securing the Sales Tax Revenue Bonds collected since 1/01/2001.

**City Estimate for FYE 9/30/2011

¼ of 1% Sales Tax Revenue

Final #'s: 8/30/2011, 2pm

Project Fund Deposit: \$10,000,000

Ballpark Project

Level Debt Service/25 yr

2011 New Money Issue	
True Interest Cost	5.39%
Average Life (years)	14.91
Uses of Proceeds	
Available for Projects	\$10,000,000.00
Debt Service Reserve Fund	-
Cost of Issuance	171,314.46
Underwriters' Discount	82,306.60
Insurance Premium	93,566.64
Net Original Issue Discount	97,812.30
Total Par Amount	\$10,445,000.00
Assumption:	
Dated Date:	9/1/2011
Delivery Date:	9/29/2011
First Coupon:	3/15/2012
First Principal Payment:	3/15/2012

This presentation can be viewed at the City Secretary's Office, 1110 Houston St., Laredo, TX 78040.

Motion to adopt Ordinance 2011-O-116.

Moved: Mayor Pro Tem Rendon

Second: Cm. Liendo Espinoza

For: 8

Against: 0

Abstain: 0

III. EXECUTIVE SESSION

None.

IV. ADJOURNMENT

Motion to adjourn.

Moved: Cm. Garza

Second: Cm. Vera

For: 8

Against: 0

Abstain: 0

I, Gustavo Guevara, Jr., City Secretary, do hereby certify that the above and foregoing is a true and correct copy of the minutes contained in pages 01 to 04 and they are true, complete, and correct proceedings of the City Council meeting held on August 31st, 2011.

Gustavo Guevara, Jr.
City Secretary