



**CITY OF LEON VALLEY
SPECIAL CITY COUNCIL MEETING**

Leon Valley City Council Chambers
6400 El Verde Road, Leon Valley, TX 78238
Wednesday, January 11, 2023 at 7:30 AM

AGENDA

The City of Leon Valley City Council Shall Hold an In-Person Meeting with A Quorum of Members of City Council to Be Physically Present in The Leon Valley City Council Chambers, 6400 El Verde Road, Leon Valley, Texas 78238. Some Members of City Council May Appear and Participate in The Meeting by Videoconference Pursuant to The Requirements Set Forth in The Texas Open Meetings Act.

Citizens May E-Mail Public Comments To citizenstobeheard@leonvalleytexas.gov. All Other Citizen Participation May Be Provided In-Person at City Council Chambers.

1. Call to Order; Determine a Quorum is Present, Pledge of Allegiance
2. **Citizens to be Heard**
3. **Regular Agenda**
 1. Discussion and Possible Action on a Resolution Relating to Establishing the City's Intention to Reimburse Itself for the Prior Lawful Expenditure of Funds Relating to Capital Acquisitions from the Proceeds of Tax-Exempt Obligations to be Issued by the City for Authorized Purposes; Authorizing Other Matters Incident and Related thereto; and Providing an Effective Date - V. Wallace, Finance Director and Anne Burger Entreklin
4. **Adjournment**

Executive Session. The City Council of the City of Leon Valley reserves the right to adjourn into Executive Session at any time during the course of this meeting to discuss any of the matters listed on the posted agenda, above, as authorized by the Texas Government Code, Sections 551.071 (consultation with attorney), 551.072 (deliberations about real property), 551.073 (deliberations about gifts and donations), 551.074 (personnel matters), 551.076 (deliberations about security devices), and 551.087 (economic development).

Sec. 551.0411. MEETING NOTICE REQUIREMENTS IN CERTAIN CIRCUMSTANCES: (a) Section does not require a governmental body that recesses an open meeting to the following regular business day to post notice of the continued meeting if the action is taken in good faith and not to circumvent this chapter. If an open meeting is continued to the following regular business day and, on

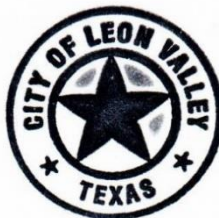
that following day, the governmental body continues the meeting to another day, the governmental body must give written notice as required by this subchapter of the meeting continued to that other day.

Attendance by Other Elected or Appointed Officials: It is anticipated that members other City boards, commissions and/or committees may attend the open meeting in numbers that may constitute a quorum. Notice is hereby given that the meeting, to the extent required by law, is also noticed as a meeting of any other boards, commissions and/or committees of the City, whose members may be in attendance in numbers constituting a quorum. These members of other City boards, commissions, and/or committees may not deliberate or act on items listed on the agenda. [Attorney General Opinion – No. GA-0957 (2012)].

I hereby certify that the above **NOTICE OF PUBLIC MEETING(S) AND AGENDA OF THE LEON VALLEY CITY COUNCIL** was posted at the Leon Valley City Hall, 6400 El Verde Road, Leon Valley, Texas, and remained posted until after the meeting(s) hereby posted concluded. This notice is posted on the City website at . This building is wheelchair accessible. Any request for sign interpretive or other services must be made 48 hours in advance of the meeting. To plan, call (210) 684-1391, Extension 216.



SAUNDRA PASSAILAIGUE, TRMC
City Secretary
January 04, 2022 12:07 PM



NORTON ROSE FULBRIGHT

January 3, 2023

Via E-Mail

Norton Rose Fulbright US LLP
98 San Jacinto Boulevard, Suite 1100
Austin, Texas 78701-4255
United States

Ms. Vickie Wallace
Finance Director
City of Leon Valley, Texas
6400 El Verde Road
Leon Valley, Texas 78238

Stephanie Leibe
Partner

Direct line +1 512 536 2420
stephanie.leibe@nortonrosefulbright.com

Tel +1 512 474 5201
Fax +1 512 536 4598
nortonrosefulbright.com

Re: City of Leon Valley, Texas – Reimbursement Resolution

Dear Ms. Wallace:

I enclose as Exhibit A to this letter the agenda item to be utilized in preparing the agenda for the January 11, 2023 special meeting of the City Council. Thank you for ensuring that this agenda item is posted in accordance with the provisions of the Texas Open Meetings Act. I also enclose as Exhibit B the suggested motion for this item.

I also enclose a draft copy of the Resolution for inclusion in the City Council's agenda packets. Please send any comments to the Resolution to me as soon as possible so that they may be finalized.

Lastly, I enclose Exhibit A and Exhibit B in Word format for your convenience.

Thank you, in advance, for your prompt attention to this matter. If I can provide any additional assistance concerning this matter, please do not hesitate to contact me.

Very truly yours,



Stephanie Leibe

SVL/lc

Enclosures

cc: Ms. Crystal Caldera (City of Leon Valley, Texas)
Ms. Sandra Passailaigue (City of Leon Valley, Texas)
Ms. Yvonne Acuna (City of Leon Valley, Texas)
Ms. Anne Burger Entrekin (Hilltop Securities Inc.)
Ms. Mary Ann Gennero (Hilltop Securities Inc.)
Mr. Daniel Rodriguez (Hilltop Securities Inc.)

Ms. Vickie Wallace
January 3, 2023
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Mr. Matthew A. Lee (Firm)
Mr. Chris Guevara (Firm)

EXHIBIT A

CONSIDERATION AND APPROVAL OF A RESOLUTION RELATING TO ESTABLISHING THE CITY'S INTENTION TO REIMBURSE ITSELF FOR THE PRIOR LAWFUL EXPENDITURE OF FUNDS RELATING TO CAPITAL ACQUISITIONS FROM THE PROCEEDS OF TAX-EXEMPT OBLIGATIONS TO BE ISSUED BY THE CITY FOR AUTHORIZED PURPOSES; AUTHORIZING OTHER MATTERS INCIDENT AND RELATED THERETO; AND PROVIDING AN EFFECTIVE DATE

EXHIBIT B

I MOVE THAT THE CITY COUNCIL ADOPT A REIMBURSEMENT RESOLUTION

RESOLUTION No.**A RESOLUTION RELATING TO ESTABLISHING THE CITY'S INTENTION TO REIMBURSE ITSELF FOR THE PRIOR LAWFUL EXPENDITURE OF FUNDS RELATING TO CAPITAL ACQUISITIONS FROM THE PROCEEDS OF TAX-EXEMPT OBLIGATIONS TO BE ISSUED BY THE CITY FOR AUTHORIZED PURPOSES; AUTHORIZING OTHER MATTERS INCIDENT AND RELATED THERETO; AND PROVIDING AN EFFECTIVE DATE.**

WHEREAS, the City Council (the Governing Body) of the City of Leon Valley, Texas (the Issuer) has entered into or will enter into various contracts pertaining to the expenditure of lawfully available funds of the Issuer to finance the costs associated with (i) (a) acquiring fire-fighting and other public safety equipment and vehicles, including fire trucks; and (b) the purchase of materials, supplies, equipment, machinery, landscaping, land, and rights-of-way for authorized needs and purposes relating to the aforementioned capital improvements (the Construction Costs), (ii) the payment of various engineering costs, including design testing, design engineering, and construction inspection related to the Construction Costs (the Engineering Costs), (iv) the payment of various architectural costs, including preparation of plans and specifications and various other plans and drawings related to the Construction Costs (the Architectural Costs), and (v) the payment of various administrative costs, including the fees of bond counsel, financial advisor, project manager, project consultant, other professionals, and bond printer (the Administrative Costs) [the Construction Costs, the Engineering Costs, the Architectural Costs, and the Administrative Costs collectively constitute the costs of the Issuer's projects that are the subject of this Resolution (the Project)]; and

WHEREAS, the provisions of Section 1201.042, as amended, Texas Government Code (Section 1201.042) provide that the proceeds from the sale of obligations issued to finance the acquisition, construction, equipping, or furnishing of any project or facilities, such as the Project, may be used to reimburse the Issuer for costs attributable to such project or facilities paid or incurred before the date of issuance of such obligations; and

WHEREAS, the United States Department of Treasury (the Department) released Regulation Section 1.150-2 (the Regulations) which establishes when the proceeds of obligations are spent and therefore are no longer subject to various federal income tax restrictions contained in the Internal Revenue Code of 1986, as amended (the Code); and

WHEREAS, the Issuer intends to reimburse itself, within eighteen months from the later of the date of expenditure or the date the property financed is placed in service (but in no event more than three years after the original expenditures are paid), for the prior lawful capital expenditure of funds from the proceeds of one or more series of tax-exempt obligations (the Obligations) that the Issuer currently contemplates issuing in the principal amount of not to exceed \$1,900,000 to finance a portion of the costs of the Project; and

WHEREAS, under the Regulations, to fund such reimbursement with proceeds of the Obligations, the Issuer must declare its expectation ultimately to make such reimbursement before making the expenditures; and

WHEREAS, the Issuer hereby finds and determines that the reimbursement for the prior expenditure of funds of the Issuer is not inconsistent with the Issuer's budgetary and financial circumstances; and

WHEREAS, the Governing Body hereby finds and determines that the adoption of this Resolution is in the best interests of the residents of the Issuer; now, therefore,

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF LEON VALLEY, TEXAS THAT:

SECTION 1. This Resolution is a declaration of intent to establish the Issuer's reasonable, official intent under section 1.150-2 of the Regulations and Section 1201.042 to reimburse itself from certain of the proceeds of the Obligations for any capital expenditures previously incurred (not more than 60 days prior to the date hereof or to be incurred with respect to the Project from the Issuer's General Fund or other lawfully available funds of the Issuer.

SECTION 2. The Issuer intends to issue the Obligations and allocate within 30 days after the date of issuance of the Obligations the proceeds therefrom to reimburse the Issuer for prior lawful expenditures with respect to the Project in a manner to comply with the Regulations.

SECTION 3. The reimbursed expenditure will be a type properly chargeable to a capital account (or would be so chargeable with a proper election) under general federal income tax principles.

SECTION 4. The Issuer intends to otherwise comply, in addition to those matters addressed within this Resolution, with all the requirements contained in the Regulations.

SECTION 5. This Resolution may be relied upon by the appropriate officials at the Office of the Attorney General for the State of Texas and establishes compliance by the Issuer with the requirements of Texas law and the Regulations.

SECTION 6. With respect to the proceeds of the Obligations allocated to reimburse the Issuer for prior expenditures, the Issuer shall not employ an abusive device under Treasury Regulation Section 1.148-10, including using within one year of the reimbursement allocation, the funds corresponding to the proceeds of the Obligations in a manner that results in the creation of "replacement proceeds", as defined in Treasury Regulation Section 1.148-1, of the Obligations or another issue of tax-exempt obligations.

SECTION 7. The recitals contained in the preamble hereof are hereby found to be true, and such recitals are hereby made a part of this Resolution for all purposes and are adopted as a part of the judgment and findings of the Governing Body.

SECTION 8. All ordinances and resolutions, or parts thereof, which are in conflict or inconsistent with any provision of this Resolution are hereby repealed to the extent of such conflict, and the provisions of this Resolution shall be and remain controlling as to the matters resolved herein.

SECTION 9. This Resolution shall be construed and enforced in accordance with the laws of the State of Texas and the United States of America.

SECTION 10. If any provision of this Resolution or the application thereof to any person or circumstance shall be held to be invalid, the remainder of this Resolution and the application of such provision to other persons and circumstances shall nevertheless be valid, and the Governing Body hereby declares that this Resolution would have been enacted without such invalid provision.

SECTION 11. It is officially found, determined, and declared that the meeting at which this Resolution is adopted was open to the public and public notice of the time, place, and subject matter of the public business to be considered at such meeting, including this Resolution, was given, all as required by Chapter 551, as amended, Texas Government Code.

SECTION 12. This Resolution shall be in force and effect from and after its final passage, and it is so resolved:

PASSED and **APPROVED** this the 11th day of January, 2023.

APPROVED

CHRIS RILEY
Mayor

Attest:

SAUNDRA PASSAILAIGUE, TRMC
City Secretary

Approved as to Form:

NICOLE WARREN
City Attorney