

CITY OF TEXAS CITY, TEXAS

FINANCE DEPARTMENT • OFFICE (409) 643-5904 • FAX (409) 945-3030



Mayor:
Matthew T. Doyle

Commissioners:
Mike Land
Rick Wilkenfeld
Dee Ann Haney
Dedrick D. Johnson, Sr.
Donald B. Singleton
J.W. Wilson, Jr.

Cheryl T. Hunter, CPA
Director of Finance

October 7, 2009

Mayor Matthew T. Doyle and
Members of the City Commission

Dear Mayor and City Commissioners:

A Resolution is needed to authorize publication of "Notice of Intention to Issue Certificates of Obligation". The notice shall be published once a week for two (2) consecutive weeks in a newspaper which is of general circulation in the City, the date of the first publication to be at least thirty (30) days before the date tentatively set in said notice for the passage of the ordinance authorizing the issuance of such certificates of obligation.

In accordance with the above, the first publication of the City's notice will be October 10, 2009 and the second publication on October 17, 2009, both notices will be published in the Galveston Daily News. The passage of the ordinance authorizing the issuance of the certificates of obligation is tentatively set for November 18, 2009.

Certificates of Obligation are instruments exactly like bonds in that they bear interest, can be issued to mature in a period not to exceed 30 years, and are redeemed like bonds. They are obligations secured by property taxes and possibly other sources of revenue for the City like fees for water and sewer.

As you may recall, the 2009-10 adopted budget included the issuance of certificates of obligation to fund capital improvements and rolling stock, a detailed listing accompanies this letter.

The City's certificates of obligation, in the maximum aggregate principal amount of \$6,500,000 will be payable from ad valorem taxation and a limited pledge of a subordinate lien on the net revenues of the City's waterworks and sanitary sewer system.

Thank you.

Sincerely,

A handwritten signature in blue ink that reads "Cheryl T. Hunter".

Cheryl T. Hunter
Director of Finance

"QPS – Quality Public Service"

City of Texas City
Certificates of Obligation, Series 2009

DESCRIPTION	QUANTITY	UNIT COST	TOTAL
CAPITAL IMPROVEMENTS:			
SERVICE CENTERS PROJECT-UTILITIES, PW, SANITATION	1	\$ 2,500,000	\$ 2,500,000
MUSEUM IMPROVEMENT PROJECT	1	2,000,000	2,000,000
TOTAL CAPITAL IMPROVEMENTS:			4,500,000
ROLLING STOCK:			
GPM PUMPER APPARATUS	1	\$ 425,000	\$ 425,000
REMOUNT (2) AMBULANCE MODULAR 2009 CHASSIS	1	141,000	141,000
BO-MAG ROAD GRINDER/RECYCLER	1	470,000	470,000
GRADALL 4100	1	360,000	360,000
GRAPPLE TRUCK	1	110,000	110,000
ROLL-OFF TRUCK	1	130,000	130,000
VERMEER CT670 COMPOST TURNER	1	70,000	70,000
WILDCAT TROMMEL SCREEN	1	117,000	117,000
REEL MOWER	1	33,000	33,000
MOWER-GM-3280-D 2WD	2	19,000	38,000
HOLLAND TRACTOR	1	26,000	26,000
WATER REEL CANNON WITH BOOSTER PUMP	1	8,000	8,000
FORD EXPLORER/EXPEDITION	1	21,000	21,000
ROUGH MOWER-5 GANG REEL MOWER	1	23,500	23,500
GREENS SPRAYER WITH 22 FOOT BOOM	1	27,500	27,500
TOTAL ROLLING STOCK:			2,000,000
TOTAL :			\$ 6,500,000