



MEMORANDUM

To: Mayor and City Council

From: Vanessa Tarver, Financial Relationships Group Manager

Via: Kim Tiehen, Director of Strategic Financial Engagement

Date: July 9, 2024

Reference: Consideration of an Ordinance authorizing the issuance and sale of “City of Coppel, Texas, Combination Tax and Limited Surplus Revenue Certificates of Obligation, Series 2024” in the maximum amount of \$53,500,000; and authorizing the Mayor to sign.

2040: Sustainable City Government

Introduction:

This item is being presented for approval of the issuance and sale of Combination Tax and Limited Surplus Revenue Certificates of Obligations will be used for (i) constructing and improving streets and roads, including related design, drainage, signalization, landscaping, sidewalks, lighting, utility relocation and replacement, bridges, signage and streetscape improvements; (ii) constructing, improving and equipping public safety facilities for the fire department, including the design, construction, renovation and equipment of a new fire station; (iii) designing, constructing, improving and equipping administrative office buildings for the City's public works and community experiences departments; (iv) acquiring, designing, constructing, installing and equipping additions, improvements, extensions and equipment for the City's waterworks and sewer system; and (v) paying legal, fiscal and engineering fees in connection with such projects. The maximum amount of the Combination Tax and Limited Surplus Revenue Certificates of Obligations that may be authorized for the above-described projects is \$53,500,000.

Background:

On May 14, 2024, Council approved a notice of intent to issue Certificate of Obligations which authorized staff to publish in the newspaper that Council is intending to issue bonds and will hold a public hearing on July 9. This item is the public hearing. Jason Hughes, Hilltop Securities, will provide an update on the bond sale.

State law requires the approval of this Ordinance prior to the sale of the Combination Tax and Limited Surplus Revenue Certificates of Obligation. The projects to be funded with these bond proceeds are broken down below for your review:

Fire Station 5:	\$11,500,000
Royal Lane:	\$24,000,000
Service Center Improvements and New Service Center	\$12,500,000
Various Water and Sewer System Projects:	\$ 5,000,000
Bond Issuance Cost:	<u>\$ 500,000</u>
Total:	<u>\$53,500,000</u>

Benefit to the Community:

The benefits to the community are well maintained infrastructure and enhanced health and safety for the community.

Legal Review:

The related bond issuance and sale documents have been prepared by Chris Settles, the City of Coppell's bond attorney.

Fiscal Impact:

The impact of this bond sale will be incorporated in the various City's Debt Service Funds.

Recommendation:

The Strategic Financial Engagement Department recommends approval of this Ordinance.