



MEMORANDUM

To: Mayor and City Council

From: Vanessa Tarver, Financial Relationships Group Manager

Via: Kim Tiehen, Director of Strategic Financial Engagement

Date: May 14, 2024

Reference: Consider approval of a resolution directing publication of notice of intention to issue certificates of obligation; and authorizing the Mayor to sign.

2040: Sustainable Government

Introduction:

Per section 271.049 of the Local Government Code – Notice of Intention to Issue Certificates: Regardless of the sources of payment, certificates may not be issued unless the issuer publishes notice of its intention to issue the certificates. The notice must be published once a week for two consecutive weeks. The notice must state: 1) the time and place tentatively set for the passage of the ordinance authorizing the issuance; 2) the maximum amount and purpose; and 3) the manner in which the certificates will be paid by taxes, revenues, or a combination of the two.

Background:

These funds 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 (the "System"); and
- (v) paying legal, fiscal and engineering fees in connection with such projects.

This agenda item is being brought forward to provide notice of the City's intention to issue Certificates of Obligations, Series 2024 in an amount not to exceed \$53,500,000.00 for the above stated projects. The publication dates are scheduled for May 18, 2024, and May 25, 2024.

Benefit to the Community:

The issuance of bonds for these projects allows the City to maintain its infrastructure and provide for the health and safety of its residents while spreading out the cost of the projects overtime to ease the financial impact on current taxpayers.

Legal Review:

The resolution and notice of intent were prepared by Chris Settle, the City of Coppel's bond attorney.

Fiscal Impact:

The impact of this bond sale will be incorporated in the City's Debt Service Tax Rate with the Water Sewer Fund transferring funds.

Recommendation:

The Strategic Financial Engagement Department recommends approval.