

**AN ORDINANCE AUTHORIZING THE ISSUANCE OF THE CITY OF BAY CITY, TEXAS, TAX AND SURPLUS REVENUE CERTIFICATES OF OBLIGATION, SERIES 2023B (DWSRF); AUTHORIZING EXECUTION AND DELIVERY OF A PAYING AGENT/REGISTRAR AGREEMENT AND AN ESCROW AGREEMENT RELATING TO SUCH CERTIFICATES; PRESCRIBING THE FORM OF SAID CERTIFICATES; LEVYING A TAX AND PLEDGING SURPLUS REVENUES OF THE WATER AND SEWER SYSTEM IN PAYMENT THEREOF; AND ENACTING OTHER PROVISIONS RELATING THERETO**



## **EXECUTIVE SUMMARY**

### **Authorization to Issue- CO SERIES 2023B (DWSRF)**

**BACKGROUND:** The Drinking Water State Revolving Fund, authorized by the Safe Drinking Water Act, provides low-cost financial assistance for planning, acquisition, design, and construction of water infrastructure. The City of Bay City was approved by the Texas Water Development Board (TWDB) for financial assistance to make critical improvements to the City's water systems. These improvements will include upgrades to our existing water plants, water distribution system and new water plants.

The ordinance attached serves as the authorization to issue debt. The maximum principal amount will not exceed \$6,175,000. This is the 3rd of 5 issues that will occur during the project period. This bond will fund the following:

- Construction phase services and construction of the **AMI Water Meter Replacement** project throughout the City's drinking water distribution system
- Detailed design and bidding services for the new **North Water Plant** (along Hwy 60 on the parcel previously owned by Dunn Heat Exchangers) and **East Water Plant** (along Hwy 35 on a parcel deeded to the City by Tenaris)
- Initial construction contractor payments for the construction of the **North Water Plant and East Water Plant** (one contract)
- Initial construction management services (Resident Project Representative or "RPR") for the **North Water Plant and East Water Plant**

**RECOMMENDATION:** Staff recommends City Council approve the ordinance as presented.

**ATTACHMENTS:** Ordinance authorizing issue of CO.