



# Commission Meeting Agenda Item Memorandum

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**ITEM TYPE**

Action Item

**MEETING DATE:**

April 5, 2022

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**PRESENTER:**

Erika McComis, City Manager

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**ITEM DESCRIPTION:**

Discuss and consider adoption of Ordinance 2022-10 authorizing the issuance of City of Breckenridge, Texas Combination Tax and Surplus Revenue Certificates of Obligation, Series 2022B, in the principal amount of \$2,325,000 and awarding the sale of such Certificates of Obligation to the Texas Water Development Board.

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**BACKGROUND INFORMATION:**

The City has recently been awarded funding through the Texas Water Development Board Drinking Water State Revolving Fund for improvements at the water treatment plant and raw water intake to replace several sections of the water distribution system. The City received \$1,312,809 funds eligible for principal forgiveness (grant) and an amount not to exceed \$1,020,000 funded with an interest rate of zero percent (loan). The remaining amount of \$1,305,000 is to be funded in the form of an equivalency loan at the TWDB program's regular terms.

The next step in the process is to approve the issuance of the certificates of obligation. The resolution before the commission this evening lists an amount not to exceed \$2,325,000. The estimated combined principal and interest required to pay the certificates to be authorized on time and in full is \$2,853,802.88. The first payment due will be interest only and will be in March of 2023.

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**FISCAL IMPACT:**

- Not Applicable
- Proposed Expenditure:
- General Ledger Code:
- Proposed Revenue:
- Budget Amendment Required:           No

Financial Review Completed by:

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**LEGAL REVIEW:**

The City Manager reviewed this item.

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**ATTACHMENTS:**

Resolution

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**RECOMMENDED MOTION AND/OR ACTION:**

Move to approve Ordinance 2022-10 as presented.