



CITY COUNCIL AGENDA REPORT

DATE: August 15, 2025

AGENDA OF: August 26, 2025

DEPARTMENT: Finance

SUBJECT: Consideration and approval of an Ordinance authorizing the City's Combination Tax and Revenue Certificates of Obligation, Series 2025, in the maximum amount of \$7,000,000, for the purposes set forth in the City's Notice of Intention, payable from the proceeds of an annual ad valorem tax levied, within the limitations prescribed by law, upon all taxable property in the City, and a pledge of certain revenues of the City's Combined Utility System; and other matters in connection therewith.

RECOMMENDATION: I move to approve the City's Certificate of Obligation Ordinance.

BACKGROUND/DISCUSSION: The City Council previously published its Notice of Intention to issue Combination Tax and Revenue Certificates of Obligation, Series 2025, in the maximum principal amount of \$7,000,000. The Certificates will be issued to fund the following projects:

1. Designing, constructing, acquiring, purchasing, renovating, enlarging, and improving the City's water and sewer system.
2. Designing, constructing, renovating, expanding, equipping, and improving:
 - Public safety facilities (police station),
 - City parks and recreation facilities that are generally accessible to the public and are a part of the City's park system, and
 - The City-owned library.
3. Designing, acquiring, constructing, renovating, improving, and equipping various City streets, drainage, and sidewalk improvements, including necessary capital maintenance, utilities relocation, landscaping, wayfinding, and monumentation.
4. Designing, constructing, renovating, improving, and equipping an administrative office building housing the governmental functions of the City.
5. Purchasing real property, materials, supplies, equipment, vehicles, information technology, machinery, landscaping, land, and rights-of-way for authorized needs related to the above improvements.
6. Paying professional services related to the acquisition, design, construction, project management, and financing of the above projects, and the costs of issuance.

The Ordinance establishes the terms of issuance, pledges repayment from both ad valorem tax revenues and certain combined utility system revenues, and authorizes all related financing actions.

DISCUSSION:

More discussion to follow at the council meeting along with updated pricing information.

Next Steps:

Fiscal Impact: The total principal amount of the issuance will not exceed \$7,000,000. Debt service payments will be funded from a combination of the City's ad valorem tax revenues and pledged revenues of the City's Combined Utility System.

☐ **Budgeted** ☐ **Requires Budget Amendment**

Source of Funding:

Attachments: Ordinance – Combination Tax and Revenue Certificates of Obligation, Series 2025
Notice of Intention (Council Approved on 06/24/2025)

Urgency (0-5 = Low Urgency to High Urgency): 5

Impact (0-5 = Low Impact to High Impact): 5

Submitted by: Leroy Vidales