



## CITY OF GRAND PRAIRIE ORDINANCE

**MEETING DATE:** 10/11/2022

**PRESENTER:** Brady Olsen, Assistant Finance Director

**TITLE:** An Ordinance by the City Council of the City of Grand Prairie, Texas authorizing the issuance of “City of Grand Prairie, Texas, Water and Wastewater System Revenue Bonds, New Series 2022”; pledging the net revenues of the City’s combined water and wastewater system to the payment of the principal of and interest on such Bonds; specifying the terms and conditions of such Bonds; resolving other matters incident and related to the issuance, payment, security, sale, and delivery of such Bonds, establishing procedures for the sale and delivery of such Bonds; and delegating matters relating to the sale and issuance of such Bonds to an authorized City official; and providing an effective date

**REVIEWING COMMITTEE:** (Plan of finance reviewed by the Finance and Government Committee on 10/3/2022)

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### **PURPOSE OF REQUEST:**

In order to fund the 2022-2023 Capital Improvement (CIP) program, staff is recommending the issuance of bonds. Over the next several months, 3 separate bond issuances will be considered. We are pushing forward as fast as the process allows to limit interest rate risk.

The Certificates of Obligation (COs) require a notice period for the public to give their opinion, so they will be issued later in the process. The General Obligation (GO) and Water/Wastewater Revenue Bonds will be issued via parameters ordinance. Council approves a set of parameters regarding acceptable amounts, projects, and interest rate criteria that must be met prior the issuance of debt. Staff then has the ability to issue the debt when these parameters are met and market conditions are favorable, as opposed to waiting for a specific meeting date.

#### 2022-2023 COs

The 2022-2023 CIP included approximately \$50 million in necessary bond funding. This would cover fire, IT, library renovation, municipal facility renovation and repair, public safety storage building, police, and streets. Council would pass a notice of intent in October prior to authorizing the issuance in December.

#### 2022 GO

In 2021, the Citizens of Grand Prairie authorized the issuance of \$75 million in General Obligation Debt for Economic Development Purposes. To date, \$67 million has been issued, with another \$8 million in remaining authorization. In August, Council authorized a \$6 million land purchase through the LGC. These bonds would partly go to reimbursing the City for this purchase.

#### 2022-2023 Water/Wastewater Bonds

The 2022-2023 CIP included approximately \$11 million in necessary bond funding. The bond funds would largely go towards the construction of a water tower.

#### **ATTACHMENTS / SUPPORTING DOCUMENTS:**

Parameters Ordinance