CITY OF GRAND PRAIRIE
ORDINANCE

MEETING DATE:	08/18/2026
PRESENTER:	Thao Vo, Director of Management Services
TITLE:	Consider and approve an ordinance authorizing the issuance of "City of Grand Prairie, Texas, Combination Tax and Revenue Certificates of Obligation, Series 2026" in an aggregate principal amount not to exceed $38 million
REVIEWING COMMITTEE:	(Plan of finance reviewed by the Finance and Government Committee on June 2, 2026; the Committee recommended approval)

PURPOSE OF REQUEST:

Staff recommends issuing approximately $38 million in Certificates of Obligation (COs) to fund the 2026-2027 Capital Improvement Plan (CIP).

As required by Texas Local Government Code Section 271.049, the City published notice of intent to issue COs beginning June 24, 2026. City Council approves a set of parameters regarding acceptable amounts, projects, and interest rate criteria that must be met before debt issuance. Staff can then issue the debt when these parameters are met and market conditions are favorable instead of waiting for a specific meeting date.

The 2026-2027 CIP includes approximately $38 million in funding. This will be used for (i) designing, acquiring, constructing, reconstructing, improving, equipping, and maintaining streets, roads, thoroughfares, intersections, bridges, alleys, retaining walls, sidewalks, trails, and pathways in the City, including related traffic signalization and signage, lighting, ADA accessibility, beautification, traffic management, safety, and communication equipment, street assessment, utility relocations, drainage and irrigation, and the acquisition of easements, rights-of-way, and other real property interests necessary therefor, (ii) designing, constructing, renovating, maintaining, improving and equipping City public safety facilities, including the Public Safety Building, Public Safety Training Complex, fire training facility, and fire stations, (iii) renovating, improving, and equipping the City's Main Library, City Hall, and other administrative office buildings housing the governmental functions of the City, including repairing, replacing, and improving HVAC, fire safety and protection, security, and electrical, power generator, and monitoring systems; structure, infrastructure, roof, and ceiling repairs, replacements, and improvements; audio/video equipment replacement; waste management improvements; and paving expansion, (iv) designing, constructing, improving and equipping park or recreation facilities that are generally accessible to the public and are part of the municipal park system, (v) acquiring vehicles and equipment for the City's police, fire, planning and development, transportation and mobility services, and engineering departments, (vi) acquiring and installing telecommunications, wireless communications, and information technology systems, hardware, software, and equipment for City public safety, administrative and financial services, technology and communications, planning, development and regulatory services, and general municipal needs and administrative purposes, and (vii) professional services rendered in connection therewith. Debt allocated to short-lived assets, including vehicles, equipment, and technology, will be amortized over maturities that do not exceed the useful life of those assets.

The City's current property tax rate can support the new debt issuance without an increase. Staff plans to issue the debt via a negotiated sale. Negotiated sales involve a presale process where underwriters seek customer interest in the issue before establishing final pricing.

Adoption of the ordinance obligates the City to levy an ad valorem tax, within the limits prescribed by law, sufficient to pay for debt service on the COs over their approximately 20-year term.

ATTACHMENTS / SUPPORTING DOCUMENTS:

Parameters Ordinance