



CITY OF GRAND PRAIRIE ORDINANCE

MEETING DATE: 08/19/2025

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 2025A”; providing for the payment of such certificates of obligation by the levy of an ad valorem tax upon all taxable property within the City and a limited pledge of the net revenues derived from the operation of the City’s waterworks and sewer system; and resolving other matters incident and relating to the issuance, payment, security, sale and delivery of such certificates of obligation

**REVIEWING
COMMITTEE:**

PURPOSE OF REQUEST:

Staff recommends issuing bonds to fund the 2025-2026 Capital Improvement Program (CIP).

The Certificates of Obligation (COs) requires a notice period for the public to give their opinion, which began on June 20, 2025, with the publication of the notice of intent in the newspaper and advertised on the City’s website. The next step in the process includes the City Council approving 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 2025-2026 CIP includes approximately \$35 million in necessary bond funding. This will be used for several projects as outlined in the project listing. On May 20, 2025, the City Council approved Resolution No. 5481-2025, which authorized the project listing for all proposed Fiscal Year 2025–2026 bond projects. Any revisions to the CIP listing will be approved via resolution by the City Council.

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

City Council is committing to levying a property tax sufficient to make debt service payments over the next 20 years to cover the debt issuance. The Finance and Government Committee reviewed the proposed debt sale and estimated fees on May 6th and June 3rd. Based on the current schedule, bonds are scheduled to be priced sometime between August 25th and 30th and to close before September 30, 2025.

ATTACHMENTS / SUPPORTING DOCUMENTS:

- 1- Parameters Ordinance