



FINANCE

To: Mayor and Town Council

From: Chris Landrum, Finance Director

**Through: Mario Canizares, Town Manager
Bob Scott, Deputy Town Manager**

Re: Parameters Ordinance – Revenue Bonds, Series 2024

Town Council Meeting – July 23, 2024

Strategic Visioning Priority: 1. Acceleration of Infrastructure

Agenda Item:

Consider all matters incident and related to the issuance and sale of "Town of Prosper, Texas, Waterworks and Sewer System Revenue Bonds, Series 2024", including the adoption of an ordinance authorizing the issuance of such bonds and establishing procedures and delegating authority for the sale and delivery of such bonds.

Description of Agenda Item:

The attached ordinance establishes the parameters for issuance of waterworks and sewer system revenue bonds for the Doe Branch expansion and parallel interceptor which are both wastewater projects.

Wastewater \$31,250,000

The ordinance would allow for delegation to the Town Manager that meets the following conditions:

- for an amount not to exceed \$33,100,000;
- with a final maturity of August 15, 2044;
- a true interest cost of 4.75% or less

Approval of this ordinance has the following advantages to obtain the lowest interest rate for the Town's Bond sale:

- Flexibility to sell on a day based on the best market conditions instead of only a Town Council Tuesday
- Allows for immediate award to the lowest bidder

Budget Impact:

The debt service payments for the Bonds will be funded from surplus revenue from the water and sewer fund.

Legal Obligations and Review:

Terrence Welch of Brown & Hofmeister, L.L.P. and Chris Settle of McCall, Parkhurst and Horton, the Town's bond counsel, have reviewed the ordinance as to form and legality.

Attached Documents:

1. Ordinance
2. Timeline (Exhibit A)
3. Use of Proceeds (Exhibit B)

Town Staff Recommendation:

Town staff recommends adoption of an ordinance authorizing the issuance and sale of "Town of Prosper, Texas Waterworks and Sewer System Revenue Bonds, Series 2024", and approving all other matters related thereto.

Proposed Motion:

I move to adopt an ordinance authorizing the issuance and sale of "Town of Prosper, Texas, Waterworks and Sewer System Revenue Bonds, Series 2024" and approving all other matters related thereto.