



Legislation Text

File #: 21-1003, Version: 1

STRATEGIC PRIORITY: Government Performance and Financial Management

AGENDA DATE: June 9, 2021

COUNCIL DISTRICT(S): N/A

DEPARTMENT: City Controller's Office

EXECUTIVE: Elizabeth Reich

SUBJECT

Authorize the preparation of plans for an issuance of Waterworks and Sewer System Revenue Refunding Bonds, Series 2021C and in an amount not to exceed \$150,000,000 - Financing: This action has no cost consideration to the City (see Fiscal Information for potential future costs)

BACKGROUND

This proposed revenue bond sale is for the refunding and retirement of commercial paper notes issued for interim financing of improvements to the City's water and wastewater system. Issuance of revenue bonds for refunding and retirement of approximately \$147,000,000 in commercial paper notes is in accordance with the capital program for water and wastewater improvements and is within the Fiscal Year 2020-21 operating and capital budgets for the Water Utilities Department.

The City's Co-Financial Advisors, Hilltop Securities, Inc. and Estrada Hinojosa, recommend a competitive sale based on favorable market conditions and Dallas Water Utilities' stable credit profile. The issuance of bonds is contingent upon the approval of a parameters ordinance, scheduled for City Council consideration on August 11, 2021.

ESTIMATED SCHEDULE OF PROJECT

Authorized preparation for Issuance of Bonds	June 2021
Approval of parameters ordinance	August 2021
Pricing	August 2021
Delivery of Proceeds	September 2021

PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS)

[The Government Performance and Financial Performance Committee was briefed by memorandum regarding this matter on May 24, 2021. <http://cityofdallas.legistar.com/gateway.aspx?M=F&ID=f9b7fc5a-1860-490d-9af5-3fe9926770f2.pdf>](http://cityofdallas.legistar.com/gateway.aspx?M=F&ID=f9b7fc5a-1860-490d-9af5-3fe9926770f2.pdf)

FISCAL INFORMATION

This action has no cost consideration to the City. Payment for cost of issuance is not made unless the bonds are issued. City Council approval of the ordinance authorizing the sale of bonds is scheduled for August 11, 2021. The anticipated cost of issuance is \$565,000.00 from Dallas Water Utilities Fund.

M/WBE INFORMATION

Schedule I provides an estimate of bond issuance costs for the proposed bonds and the M/WBE participation.