



Legislation Text

File #: 23-2837, Version: 1

STRATEGIC PRIORITY: Government Performance & Financial Management

AGENDA DATE: November 8, 2023

COUNCIL DISTRICT(S): N/A

DEPARTMENT: City Controller's Office

EXECUTIVE: Jack Ireland

SUBJECT

An ordinance authorizing **(1)** the issuance and sale of City of Dallas, Texas, Equipment Acquisition Contractual Obligations, Series 2023BA, in an aggregate principal amount ~~not to exceed of~~ \$76,270,000; **(2)** levying a tax for payment thereof; **(3)** awarding the sale thereof; **(4)** authorizing the execution and delivery of a Paying Agent/Registrar Agreement and Purchase Letter; and **(5)** enacting other provisions relating to the subject - Not to exceed \$260,000 - Financing: 2023BA Equipment Acquisition Notes Funds

BACKGROUND

The FY 2022-23 and the FY 2023-24 budgets included appropriations for the purchase of vehicles and equipment for various City departments including Police, Fire-Rescue, Equipment and Fleet Management, Sanitation, and Storm Drainage Management.

To facilitate the purchase of the vehicles and equipment as well as avoid increasing contract costs, the City's co-financial advisors, Hilltop Securities, Inc. and Estrada Hinojosa & Co., recommend the issuance of equipment acquisition contractual obligations (equipment notes) to finance the purchase of City equipment, in an amount not to exceed \$76,270,000 via private placement with a qualified bank. Utilizing the services of a placement agent, the City competitively solicits the equipment notes and select the most advantageous respondent. The issuance of bonds via private placement does not require the publication of an official statement, thereby reducing the overall cost of issuance.

This ordinance authorizes the issuance of City of Dallas, Texas, Equipment Acquisition Contractual Obligations, Series 2023BA on November 8, 2023, thereby allowing for the purchase of the corresponding authorized equipment. Pending City Council approval of this ordinance, the bonds are scheduled to close in December 2023.

ESTIMATED SCHEDULE OF PROJECT

Authorize Preparation of Issuance of Bonds	October 2023
Approval of Ordinance	November 2023
Pricing	November 2023
Delivery of Proceeds	December 2023

PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS)

The Government Performance and Financial Management Committee was briefed on “FY 2023-24 Debt Issuance Overview” on October 23, 2023.

On October 25, 2023, the City Council authorized the preparation and the payment of future costs and expenses for the issuances of Equipment Acquisition Contractual Obligations, Series 2023BA in an amount not to exceed \$76,270,000, by Resolution No. 23-[1446](#).

FISCAL INFORMATION

Fund	FY 2024	FY 2025	Future Years
2023B Equipment Acquisition Notes Fund	\$260,000.00	\$0.00	\$0.00

Attachment I provides an estimate of bond issuance costs for the proposed equipment notes and the M/WBE participation. Payment of fees and expenses is contingent upon the issuance and sale of the Equipment Acquisition Contractual Obligations, Series 2023BA.