

## **CITY OF SEGUIN**



**It's real.**

**To:** Mayor and City Council  
Steve Parker, City Manager

**From:** Susan Caddell, Director of Finance

**Date:** November 12, 2024

**Subject:** Resolution by the City Council of the City of Seguin, Texas authorizing and approving publication of notice of intention to issue Certificates of Obligation; complying with the requirements contained in Securities and Exchange Commission Rule 15c2-12; and providing an effective date.

### **Historical Background**

During the FY2025 budget presentation, staff recommended certain projects be funded through issuance of bonds. Projects included in the bonds are for both General and Utility Fund projects. For the General Fund, the total issuance is for \$40,500,000 and projects include:

Fire Truck \$1,200,000  
Due to extreme wear and tear of the fire department fleet coupled with the extended delivery times of fire apparatus being near twenty-four months, the department will order one fire engine to put an additional fire engine into service as recommended by the ISO consultant.

Coliseum HVAC Replacement \$1,760,000  
The existing HVAC unit is the original from 1977. It has been kept up well but is passed its service life. Service technicians have said the existing air handlers cannot be replaced and the coils on the main chiller could fail within the next year to year and a half.

Police Department-Restroom/Locker Room Restoration \$600,000  
With this funding, the number of stalls and showers for the women's locker room would double and the number of stalls on the second floor would double.

Fire Station #2 – 4 Bay Structure for Apparatus \$544,000  
The City currently has three pieces of equipment left out in the elements every day. This building would allow us to bring that equipment inside.

Land for Future Park \$2,000,000  
This would allow the City's contribution to a park for a proposed public improvement district.

Manuel C. Castilla Playscape \$700,000  
Part of this park's site plan that was approved in the 2020 Parks Master Plan includes a large inclusive playscape with shade that will replace a small twenty plus year old playscape that is not ADA accessible.

Walnut Springs Spillway \$2,800,000  
This includes engineering, construction, construction administration and testing to repair flood damages at Walnut Springs Park and south of the Nolte Street bridge.

Railroad Quiet Zones	\$1,100,000
The City is currently working with the Union Pacific to develop a plan that would allow trains the ability to pass through the City of Seguin without having to blow their train horns at each railroad crossing. This funding would be for the installation of infrastructure to make this project possible.	
Joe Carrillo Blvd./Countryside Blvd.	\$400,500
This is to provide additional funding to a Transportation Alternatives grant received in the amount of \$2,002,496. The project will construct a 10-foot shared-use path along the east side of Countryside Boulevard from FM 466 to Joe Carrillo Boulevard, and along the south side of Joe Carrillo Boulevard from SH 123 to east of Lantana Gate. The project will include crosswalks and pedestrian signage at the two Seguin ISD school campuses for safe crossings at Joe Carrillo Boulevard. Additional signs and crosswalk markings will be added within the project boundaries.	
GLO Supplemental	\$7,000,000
These funds will be utilized for additional ROW acquisitions and construction costs overruns.	
Stratton, Jefferson, Guadalupe, Nelda Sidewalk	\$1,025,436
In August 2021, the City of Seguin was awarded funding through the Alamo Area Metropolitan Planning Organization (AAMPO) for the FY 2023-2026 Transportation Improvement Program (TIP) for the Stratton-Jefferson-Guadalupe-Nelda Pedestrian Improvements Project. The project will consist of pedestrian improvements along Stratton-Jefferson-Guadalupe-Nelda Streets, which include ±5,700 linear feet of pedestrian accessible route improvements to be provided along Stratton, Jefferson, Guadalupe, and Nelda Streets and will consist of new concrete sidewalk, crosswalks, and appurtenances to create ADA accessibility. Existing bicycle lanes will be revaluated as part of the project. The City will be responsible for all engineering, right-of-way/easement acquisition, environmental investigations, and any construction costs above the Federal participation amount. This is to provide additional funding towards the project.	
Cordova (Highway 46 to SH123)	\$11,195,677
This is to provide additional funding to the current budget of \$51,020,105, which includes funds of \$24,898,916 from MPO and funding from Guadalupe County.	
Rudeloff Road Phase II	\$5,749,151
Guadalupe Street (IH10 to UPRR) Engineering	\$2,500,000
Street Rehabilitation	\$1,000,000
This will fund rehabilitation of numerous streets throughout the City utilizing the Zipper.	
Chip Seal	\$440,228
Contingency Funds	\$485,008
This is the annual funding of our chip seal program that extends the life of numerous streets and improves the driving surface of the roadway.	

For the Utility Fund, the total issuance is for \$103,500,000 and project include:

123 Bypass/IH 10 New Electric Line Installation \$550,000  
This project allows for the construction of new lines on the east side of 123 Bypass for future development from Kingsbury to I-10.

Geronimo Creek Interceptor (Construction Phase I) \$19,000,000  
This project replaces the existing 16-inch and 18-inch Geronimo Creek Interceptor with a new 36-inch line from near Creekside Pond to near Sagebiel Road. The existing Geronimo Creek Interceptor is a 24-inch line immediately upstream of this project. The existing 16- and 18-inch line is smaller than the surrounding interceptor and causes a significant capacity restriction under projected future peak flows.

Caterpillar Lift Station & Gravity Main (Engineering) \$2,500,000  
This project increases firm capacity of the lift station from 575 gpm to 700 gpm by replacing the existing pumps. This project replaces the existing 10-inch gravity main along C H Matthies Jr with a new 18-inch line from I-10 to Walnut Creek. This project includes general lift station renewal to maintain the condition of the lift station. This project is triggered by future projected peak flows greater than the current lift station capacity.

Guadalupe River Drive Lift Station Renewal (Construction) \$5,000,000  
This project is potentially an elimination of the lift station which may require the installation of ~2000' of new gravity main.

Walnut Branch Lift Station & Force Main to GCWWTP \$43,000,000

River Oak/Tor Drive/Pecan Orchard Lift Station \$2,000,000  
This project includes replacing the existing River Oak Drive and Sutherland Springs Drive Lift Stations with a new 24-inch gravity main along a new alignment to Pecan Orchard Lift Station. This project includes replacing the existing 12-inch line upstream of the River Oak Drive Lift Station with a new 21-inch and 18-inch gravity line. This project includes expansion of the Pecan Orchard Lift Station to a firm capacity of 7.2 MGD and replacing the existing 12-inch Pecan Orchard force main with a new 18-inch force main along a new alignment to connect to the ongoing parallel Walnut Branch Transfer Force Main. Once the new gravity mains are in service, the existing River Oak Drive and Sutherland Springs Drive Lift Station may be decommissioned. This project includes a new 1.2 MGD lift station with an 8-inch force main along Tor Drive to serve the Tor Drive Developments. The 8-inch force main will connect to a new 12-inch gravity line to convey flow to the Pecan Orchard Lift Station. This project includes 8-inch gravity lines to serve the proposed Tor Drive Developments. Once the appropriate gravity connection has been established within the Pecan Ranch development, the existing Nagel Street Lift Station may be decommissioned. This project provides enhanced Lift Station service to developments within the River Oak Drive and Sutherland Springs Drive service areas. Planned developments in the area include Flying D Ranch, Park House, Neumann Tract, Willmann Tract, Rio Verde, and multiple Commercial tracts. This project provides Lift Station service to the Tor Drive developments including Pecan Orchard Tract, Pecan Ranch, Jetstream RV, and multiple commercial tracts.

24" SH-46 Western Transmission Main (Eng/Acq) \$2,750,000  
This project involves construction of a new 24-inch transmission line along SH-46, from the Starcke Water Treatment Plant to a new western booster station. This project is primarily intended to serve as a surface water transmission line to increase the available surface

water capacity from the Surface Water Pump Station to the western booster station. This line should also be constructed to connect to the High Service Pump Station at the water plant to provide dedicated ground water transmission, or combined systems transmission as needed. This project should be constructed prior to transitioning wholesale delivery to the proposed site in the LPP. This project is triggered by the proposed increase in wholesale demand to 3,000 ac-ft./yr. per the current wholesale contract. The existing surface water transmission line has adequate capacity for the surface water customers but cannot convey the contracted wholesale demand. This project is triggered by wholesale demand in excess of 2,500 ac-ft. per year at the existing wholesale delivery site.

Surface Water/Ground Water Interconnect	\$2,500,000
This project is a critical component of the "Loop" project as this gives the System the ability to supply Rio Nogales 100% of their demand from the Ground Water System in the event of a Surface Water line failure. The loop project only provides ~50% of their demand.	

73 Ft. Upflow Clarifier SCADA and Offices	\$7,000,000
This project provides an additional clarifier capable of capacities to provide redundant treatment and positions the City for a future phased water plant replacement.	

Prexy Water Main Rehab (Court to Kingsbury)	\$3,500,000
Approximately 4500 LF water rehabilitation. This includes engineering & construction.	

Pump/Motor Replacements at Water Plant	\$2,500,000
IHS x 3, Basin #2 x 4, Basin #2 Raw water x 3	

Strempele Gate Reconstruction	\$1,000,000
This includes the bulk material bin expansion.	

8" Springs Street Water Line	\$2,000,000
This project replaces the existing 2" water line along Spring Street with a new 8" line from Business 123, east to the end of the main.	

12" Hannah Heights/FM 20 Water Line	\$2,000,000
This project involves construction of a new 12-inch water line, around the Hannah Heights neighborhood, from the proposed 12-inch water line along FM 20 to existing 8-inch and 12-inch water line along north SH-123. This project is intended to serve a 10-year development anticipated South of FM 20.	

Lawson Street Utilities	\$662,998
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Two additional projects have been added to the bond projects for the Utility Fund since the FY2025 budget presentation due to the fact TxDOT has accelerated the project timeline. They include:

SH123 Utility Relocation	\$4,390,000
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FM 466 Utility Relocation	\$2,750,000
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Contingency Funds	\$397,002
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Finally, the golf course will need funding for new equipment to take care of the new greens.

The total of the equipment is approximately \$600,000. To take advantage of better interest rates, we will include this in the bond issue. The first six to seven years of payments on the bonds will include the payments for the golf equipment.

**Action Requested**

This is the beginning of the process of issuing these bonds. Staff will come back in January for the final approval of issuance of the bonds. Closing on the bonds is expected at the beginning of February.

**Staff Recommendation**

Staff recommends approval of the resolution.

**ATTACHMENTS**

1. Resolution
2. Motion