

MEMORANDUM

To: Mayor and City Councilmembers
Steve Parker, City Manager

From: Susan Caddell
Director of Finance

Subject: Certificates of Obligation Bonds 2024

Date: March 27, 2024

Included on the City Council agenda for April 2, 2024 is an ordinance requesting approval of the issuance of certificates of obligation bonds. Projects included in the bonds are for both General and Utility Fund projects. For the General Fund, the total issuance is for \$26,059,000 and projects include:

Tender Fire Truck \$500,000
This would replace a 2000 tender truck. The current vehicle will be well outside the service life for any fire apparatus.

Coliseum Audio and Video Improvements \$200,000
The outdated audio/public address system negatively affects rentals. In addition, current video capabilities are very limited. Both systems need to be updated with today's technology to help attract out-of-town conferences and conventions.

Police Department-Restroom Buildout \$300,000
Currently, the women's locker room is insufficient compared to the men's locker room. The old jail cells would be converted into a new women's locker room. The current women's locker room would be used for overflow purposes.

Lawson Street \$1,639,976
The City was awarded an EDA grant of \$1,000,000 towards this project, which we were supposed to match with \$100,000. SEDC is contributing \$460,024 towards the project. This cost is to cover the overage of the project.

Walnut Springs Dam Environmental Study \$175,000
This would provide additional funding to the already \$114,237 budget.

North Milam Street (College to Kingsbury) \$500,000
This is to provide additional funding to the current budget of \$7,988,457.

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GLO Supplemental \$7,920,000
These funds will be utilized for additional ROW acquisitions. The debt service payments for this portion will be paid out of the Storm Water Drainage Fund.

Cordova (Highway 46 to SH123) \$3,475,000
This is to provide additional funding to the current budget of \$40,168,023, which includes funds of \$24,898,916 from MPO

Heideke Sidewalk Project \$150,000
This is to provide additional funding to the current budget of \$677,783.

Street Rehabilitation \$800,000
This will fund rehabilitation of numerous streets throughout the City utilizing the Zipper.

Chip Seal \$419,265
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.

Meadowlake Project \$1,360,000
This is part of the City's contribution of \$5,000,000 that City Council approved towards the project.

Golf Course Renovations \$8,100,000

Contingency Funds \$519,759

For the Utility Fund, the total issuance is for \$79,436,000 and project include:

Electric Outage System \$665,000
This includes all necessary modules (IVR, Mobile App, Outage engine, Outage maps, etc.) This will allow not only our staff to find and fix outages sooner, but this will also allow our customers to see that they have an outage, and the city is working on fixing it. This will allow outage maps on our website and the IVR will let them know they have an outage.

Guadalupe River Drive Lift Station Renewal \$1,000,000
Complete Lift Station renewal including pumps/motors, electrical equipment, controls, backup power, and structural rehabilitation. This project is triggered by field inspection identifying the lift station in very poor condition and in need of renewal to provide reliable service.

Nagel Street Gravity Main/Lift Station Decommission \$1,100,000
Complete decommission of the lift station. This project is triggered by field inspection identifying the lift station in very poor condition. It can be eliminated with the addition of a new gravity main.

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Unity Lift Station Renewal \$1,250,000

This project includes installing updated safety and operational improvements to enhance lift station access and maintenance. Includes fencing, gate, wet well hatches/safety grates, and replacing existing motors. A lift station includes replacing control panel, backup power, and general site piping.

River Oak/Tor Drive/Pecan Orchard Lift Station \$33,000,000

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. Engineering of \$4,000,000 was funded in FY23.

SH123 Gravity Main \$13,500,000

This project replaces the existing 12-inch line along Link Rd and SH-123 with a new 21-inch line to the Navarro School Lift Station. This project is triggered by several plan developments upstream.

Geronimo Creek Interceptor (Engineering Phase I) \$3,000,000

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.

Walnut Branch Sewer Phase IV (30" WB to Library) \$2,020,000

This is to provide additional funding to the current remaining budget of \$1,489,250.

Walnut Branch Sewer Phase III (Huber to Kingsbury) \$1,000,000

This is to provide additional funding to the current remaining budget of \$1,785,478.

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High Service Pump Station Expansion \$1,250,000

This project includes retrofitting the existing High Service Pump Station for the permanent installment of both roundhouse pumps. The existing roundhouse pumps include rated 2,500 and 1,500 gpm pumps that have historically been utilized as needed in a temporary fashion. This project converts these existing pumps to permanent operation to increase the High Service Pump Station firm capacity to 14.5 MGD. This project is intended to increase firm capacity of the High Service Pump Station in order to comply with TCEQ requirements for projected growth.

Western Booster Station \$11,000,000

This project involves the construction of a new pump station, 0.5 MG GST, and associated appurtenances to service the UPP. The pump station is recommended for two 1,000 gpm pumps for a firm capacity of 1.4 MGD and a total capacity of 2.8 MGD. This project also includes new 12-inch, 16-inch, and 20-inch lines. The 12-inch line will follow the railroad from the pump station and connect to the existing 12-inch line at Austin Street. The proposed 16-inch line will follow I-10 from the pump station and connect to the proposed 16-inch at 8th St. The proposed 20-inch line will connect the pump station to the existing 16-inch line on Fleming Drive. This project provides redundancy and increased capacity to the Upper Pressure Plane and is triggered by TCEQ storage requirements by the 2040 planning period. Engineering was funded in FY23.

FM20 Water Line \$1,750,000

Installation of a new 12" water line beginning near emergency interconnect on SH123N continuing east along northern edge of CCN then south to connect to existing 12" on FM20. This project will serve an intended development north of FM20.

West Court Street Water Line Replacement \$1,000,000
From Wallace to Ermel Street

Rudeloff Road Waterline Transfer from SHWSC \$4,000,000

IH10/FM464 Water Line Project (SEDC funded) \$3,436,000
SEDC will be paying for the portion of the debt that is associated with this project.

Contingency Funds \$465,000

I will not be at the meeting on Tuesday, but a representative from SAMCO Capital Markets will be there to answer any questions.