



COUNCIL AGENDA ITEM MEMORANDUM

DEPT./DIVISION SUBMISSION & REVIEW:

Traci Barnard, Director of Finance

Melissa Przybylski, Assistant Director of Finance

ITEM DESCRIPTION: FIRST & FINAL READING - PUBLIC HEARING: Consider adopting an Ordinance authorizing the issuance of the City of Temple, Texas Limited Tax Notes, Series 2024; Authorizing the levy of an ad valorem tax in support of the notes; Approving an Official Statement and a Paying Agent/Registrar Agreement; Awarding the Sale of the Notes; and Authorizing other matters related to the issuance of the Notes.

BACKGROUND: This item is to award the sale of \$3,200,000* to the lowest responsible bidder of this series of notes.

The proceeds from the Notes will be used to fund one (1) commercial sanitation truck, four (4) residential sanitation trucks, three (3) mowers for the parks department, two (2) replacement dump trucks and one (1) motor grader for the street department. The sanitation trucks have a 6-year useful life as a front-line route truck and are typically held in reserve status for an additional 2 years to be used on an as needed basis. Nine (9) of these eleven (11) purchases have been previously approved in FY 2024 through an official intent to reimburse these expenditures.

The Notes are scheduled for Council consideration and award to the lowest bidder on Thursday, August 15, 2024.

Ratings for the bonds were published on Thursday, August 1, 2024 and received a AA Rating.

The notes will be sold through a competitive sale. Pricing will be received on the morning of August 15, 2024. The pricing will be held until the meeting on Thursday evening when Council considers the lowest responsible bidder.

The City's financial advisor, Specialized Public Finance Inc., and bond counsel, McCall, Parkhurst &

Horton, L.L.P, will be present at the meeting to review details of the bids and recommended award with Council. The Council will consider the offers and award based on the recommendation.

Funds will be delivered to our depository on Thursday, September 5, 2024.

*Subject to change based on the final terms of the competitive sale of the notes.

ALIGNMENT WITH ADOPTED PLANS:

Plan	Comments
Strategic Plan	This item supports the City of Temple’s Strategic Plan goal of “Infrastructure and systems that support exceptional services and community growth,” as well as the Strategic Plan commitments to “Plan for, design, construct, and maintain high quality facilities that meet the needs of the community now and in the future,” and to “Develop a safe, connected, and well-maintained mobility system that incorporates all modes of travel including vehicular, pedestrian, bicycle, transit, and air.”

STAFF RECOMMENDATION: Adopt Ordinance as presented in item description.

BOARDS & COMMISSIONS RECOMMENDATION: This item was not reviewed by any of the official boards and commissions.

FISCAL IMPACT: The maximum maturity of the Notes is seven years. The payback for the Notes will be from General Fund revenues and sanitation system revenues within the General Fund. Based on a net interest cost of 5.00%, the estimated average annual debt service for the notes is \$540,986.

ATTACHMENTS:

Ordinance