



**Water & Sewer Revenue Improvement and Refunding
Bonds, Series 2022**

March 29, 2022

Transaction Overview

- El Paso Water Utilities is looking at issuing bonds to finance capital improvement projects and also to refund existing commercial paper notes.
 - Improvement Bonds will fund \$273 million of capital projects over the next 12 months.
 - Refunding portion of the bonds will repay \$80 million of commercial paper notes.

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Projects

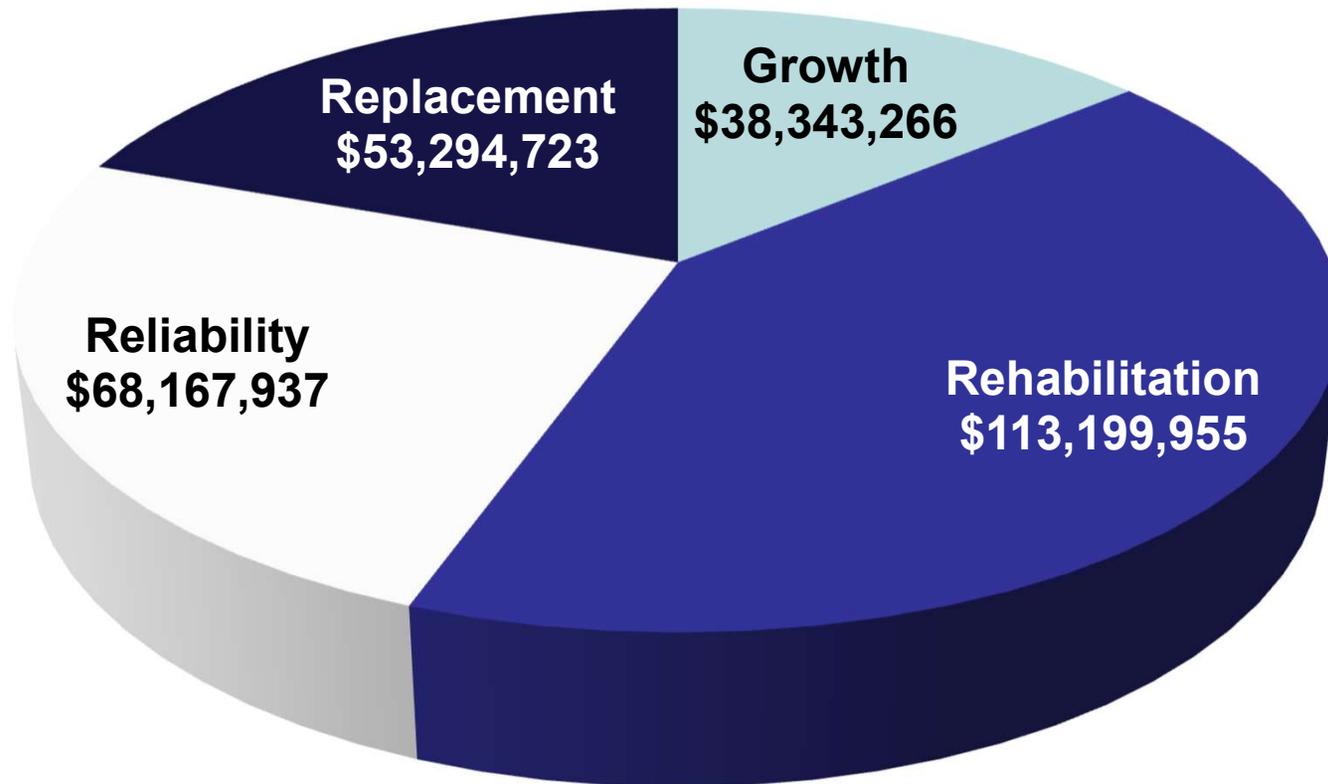
Project (water)	District	Total
Canutillo Upper Valley Transmission Main Northwest Phase IV	1	\$1,649,892.83
Upper Valley - Strahan/Borderland Water Transmission Mains	1	6,939,000.00
High Chaparral 3.5MG Reservoir Rehabilitation	1	3,850,000.00
Airport Well Collector 30" Main Replacement	2	8,627,000.00
EPWater Headquarters New Building	3	8,214,285.72
Airport Booster Station Replacement Program	3	6,244,668.45
Franklin East 24" Waterline extension	4	2,526,409.06
Montana East Supply Waterlines	5	7,000,499.96
Jonathan Rogers WTP Improvements & Rehabilitation	6	6,604,000.01
Planned Waterline Replacement	7	5,428,571.43
Canal WTP Improvements & Rehabilitation	8	4,819,090.92
Rosa Street 16" (UMC) Installation	1,8	3,502,045.46
Pipeline Protection Program	3,7	4,678,578.93
SB3 Energy Systems Upgrades	City Wide	44,117,647.07
TXDOT Roadway Improvement Projects	City Wide	6,070,000.00
Total (water)		\$120,271,689.84

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Projects

Project (wastewater)	District	Total
Frontera Force Main	1	12,014,000.00
Northwest Facility Planned Area	1	3,140,357.12
Fred Hervey WRP Upgrades & Rehabilitation	4	8,237,727.27
Grouse Street Force Main Replacement Phase VI	4	2,909,833.33
NE Dyer/Railroad Interceptors	4	2,519,045.45
Hondo Pass Sewer Line Replacement	4	3,786,363.63
Northeast Dyer/RR Lift Station 7MGD	4	9,197,727.27
Roberto R. Bustamante WRP Upgrades & Rehabilitation	6	67,923,999.97
Haskell R. Street WWTP Upgrades & Rehabilitation	8	7,601,500.00
Alfalfa Lift Station Rehab & 6MGD Upgrade	8	3,518,181.83
John T. Hickerson WRP Upgrades & Rehabilitation	1,8	14,163,636.36
Emergency Backup Power Improvements	City Wide	17,721,818.18
Total (wastewater)		\$152,734,190.41
Grand Total (water/wastewater)		\$273,005,880.25

2022 Bond Funding by Category



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Debt Impact to Overall W&S Debt

Annual Period Ending	Total Existing	W&S Improvement & CP Refunding			W&S Improvement & CP Refunding			Aggregate Debt Service	Annual Period Ending
		Sale Date: March 2022			Sale Date: February 2023				
		SERIES 2022			SERIES 2023				
		Principal	Interest ⁽¹⁾	Total	Principal	Interest ⁽²⁾	Total		
1-Mar	Debt Service								1-Mar
2022	\$ 66,517,423	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 66,517,423	2022
2023	68,760,034	500,000	10,566,026	11,066,026	-	-	-	79,826,060	2023
2024	68,765,902	500,000	12,453,875	12,953,875	500,000	11,077,400	11,577,400	93,297,177	2024
2025	68,750,099	500,000	12,436,375	12,936,375	500,000	11,057,400	11,557,400	93,243,874	2025
2026	67,632,726	1,600,000	12,418,875	14,018,875	500,000	11,037,400	11,537,400	93,189,001	2026
2027	67,830,126	1,500,000	12,362,875	13,862,875	500,000	11,017,400	11,517,400	93,210,401	2027
2028	67,734,322	7,030,000	12,310,375	19,340,375	1,500,000	10,997,400	12,497,400	99,572,097	2028
2029	67,099,320	7,345,000	12,064,325	19,409,325	2,190,000	10,937,400	13,127,400	99,636,045	2029
2030	62,263,017	7,670,000	11,807,250	19,477,250	6,940,000	10,849,800	17,789,800	99,530,067	2030
2031	56,510,467	10,200,000	11,538,800	21,738,800	7,220,000	10,572,200	17,792,200	96,041,467	2031
2032	52,605,215	10,555,000	11,181,800	21,736,800	7,505,000	10,283,400	17,788,400	92,130,415	2032
2033	45,277,272	10,920,000	10,812,375	21,732,375	7,810,000	9,983,200	17,793,200	84,802,847	2033
2034	45,025,268	11,310,000	10,430,175	21,740,175	8,120,000	9,670,800	17,790,800	84,556,243	2034
2035	40,700,762	11,700,000	10,034,325	21,734,325	8,445,000	9,346,000	17,791,000	80,526,087	2035
2036	38,348,066	12,110,000	9,624,825	21,734,825	8,780,000	9,008,200	17,788,200	77,871,091	2036
2037	29,729,368	12,535,000	9,200,975	21,735,975	9,135,000	8,657,000	17,792,000	69,257,343	2037
2038	22,558,406	12,975,000	8,762,250	21,737,250	9,500,000	8,291,600	17,791,600	62,087,256	2038
2039	15,209,047	13,425,000	8,308,125	21,733,125	9,875,000	7,911,600	17,786,600	54,728,772	2039
2040	9,598,664	13,900,000	7,838,250	21,738,250	10,275,000	7,516,600	17,791,600	49,128,514	2040
2041	5,556,644	14,385,000	7,351,750	21,736,750	10,685,000	7,105,600	17,790,600	45,083,994	2041
2042	3,107,672	14,885,000	6,848,275	21,733,275	11,110,000	6,678,200	17,788,200	42,629,147	2042
2043		15,410,000	6,327,300	21,737,300	11,555,000	6,233,800	17,788,800	39,526,100	2043
2044		15,950,000	5,787,950	21,737,950	12,020,000	5,771,600	17,791,600	39,529,550	2044
2045		16,505,000	5,229,700	21,734,700	12,495,000	5,290,800	17,785,800	39,520,500	2045
2046		17,085,000	4,652,025	21,737,025	13,000,000	4,791,000	17,791,000	39,528,025	2046
2047		17,680,000	4,054,050	21,734,050	13,520,000	4,271,000	17,791,000	39,525,050	2047
2048		18,300,000	3,435,250	21,735,250	14,060,000	3,730,200	17,790,200	39,525,450	2048
2049		18,945,000	2,794,750	21,739,750	14,620,000	3,167,800	17,787,800	39,527,550	2049
2050		19,605,000	2,131,675	21,736,675	15,205,000	2,583,000	17,788,000	39,524,675	2050
2051		20,295,000	1,445,500	21,740,500	15,815,000	1,974,800	17,789,800	39,530,300	2051
2052		21,005,000	735,175	21,740,175	16,450,000	1,342,200	17,792,200	39,532,375	2052
2053					17,105,000	684,200	17,789,200	17,789,200	2053
Total	\$ 969,579,820	\$ 356,325,000	\$ 244,945,276	\$ 601,270,276	\$ 276,935,000	\$ 221,839,000	\$ 498,774,000	\$ 2,069,624,096	

Project Funds: \$ 273,005,880
Commercial Paper Refunding: \$ 80,000,000

\$ 194,283,438
\$ 80,000,000

- (1) Assumes a True Interest Cost of 3.50%. Preliminary and subject to change based on market conditions at the time of pricing the bonds.
(2) Assumes a True Interest Cost of 4.00%. Preliminary and subject to change based on market conditions at the time of pricing the bonds.

Note: For illustration purposes only. Actual debt service requirement figures will be determined at the time of pricing.

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Open Market: Parameter Authorization

- **Parameter authorization will enable the sale of the Bonds at optimum timing and structure.**
 - Water & Sewer Revenue Improvement & Refunding Bonds, Series 2022
- **Council delegates final pricing authority to Pricing Officer(s).**
 - John Balliew
 - Marcela Navarrete
 - Arturo Duran
- **Council to approve parameters as recommended by PSB.**
 - Series 2022 (Improvement & Commercial Paper Refunding)
 - Maximum True Interest Cost – 4.25%
 - Principal Amount of Issue - \$356,325,000
 - Final Maturity Date – December 31, 2052
 - Expiration of Delegated Authority – 6 months
- **Pricing Officer can only approve sale if all Council parameters are met.**

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Underwriters

■ Staff Recommendation:

- **Ramirez & Co., Inc.**
- **RBC Capital Markets**
- **UBS Financial Services**
- **UMB Bank**

Timeframe

- **March 9, 2022:** Public Service Board considers request to sell Series 2022 Bonds
- **March 29, 2022:** City Council considers request to sell Series 2022 Bonds
- **April 5, 2022:** Tentative pricing for Series 2022 Bonds
- **April 26, 2022:** Tentative closing for Series 2022 Bonds

QUESTIONS & ANSWERS

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