



Municipal Drainage Utilities Revenue Refunding Bonds

August 2, 2022

Municipal Drainage System Refunding

- **Revolving Note Paper Fix-Out:**

- **The El Paso Water Utilities - Public Service Board (PSB) is proposing to fix-out \$25,000,000 of outstanding revolving notes and issue tax-exempt fixed rate bonds.**
 - The PSB started the Revolving Note Private Placement Program in 2018 and has utilized it for interim construction financing typically for small projects.
 - The PSB currently has a maximum funding capacity for revolving notes of \$25 million.

Series 2023 Impact to Overall Drainage System Debt

	A	B	C	D	E	F	G
Annual Period Ending	Existing Gross	Series 2023 (Open Market)			Aggregate Debt	Annual Period Ending	
1-Mar	Debt Service	Principal	Interest ⁽¹⁾	Total	Service	1-Mar	
2023	\$ 11,499,897	\$ -	\$ -	\$ -	\$ 11,499,897	2023	
2024	12,046,924	250,000	1,519,800	1,769,800	13,816,724	2024	
2025	12,283,314	500,000	1,504,800	2,004,800	14,288,114	2025	
2026	12,556,674	500,000	1,474,800	1,974,800	14,531,474	2026	
2027	12,607,614	500,000	1,444,800	1,944,800	14,552,414	2027	
2028	12,648,314	500,000	1,414,800	1,914,800	14,563,114	2028	
2029	12,703,104	500,000	1,384,800	1,884,800	14,587,904	2029	
2030	9,178,974	1,075,000	1,354,800	2,429,800	11,608,774	2030	
2031	9,177,154	1,140,000	1,290,300	2,430,300	11,607,454	2031	
2032	9,065,894	1,205,000	1,221,900	2,426,900	11,492,794	2032	
2033	8,058,994	1,280,000	1,149,600	2,429,600	10,488,594	2033	
2034	8,056,594	1,355,000	1,072,800	2,427,800	10,484,394	2034	
2035	8,066,544	1,440,000	991,500	2,431,500	10,498,044	2035	
2036	6,308,944	1,525,000	905,100	2,430,100	8,739,044	2036	
2037	4,669,894	1,615,000	813,600	2,428,600	7,098,494	2037	
2038	4,666,544	1,715,000	716,700	2,431,700	7,098,244	2038	
2039	4,670,994	1,815,000	613,800	2,428,800	7,099,794	2039	
2040	3,417,794	1,925,000	504,900	2,429,900	5,847,694	2040	
2041	3,423,694	2,040,000	389,400	2,429,400	5,853,094	2041	
2042	2,499,038	2,160,000	267,000	2,427,000	4,926,038	2042	
2043	315,000	2,290,000	137,400	2,427,400	2,742,400	2043	
2044	315,000	-	-	-	315,000	2044	
2045	315,000	-	-	-	315,000	2045	
2046	315,000	-	-	-	315,000	2046	
2047	315,000	-	-	-	315,000	2047	
2048	315,000	-	-	-	315,000	2048	
2049	315,000	-	-	-	315,000	2049	
2050	315,000	-	-	-	315,000	2050	
2051	315,000	-	-	-	315,000	2051	
2052	315,000	-	-	-	315,000	2052	
Total	\$ 170,756,892	\$ 25,330,000	\$ 20,172,600	\$ 45,502,600	\$ 216,259,492		

(1) Assumes a True Interest Cost of 6.0%
Pre

Parameter Authorization

- **Parameter authorization will enable the sale of the Bonds at optimum timing and structure.**
 - Municipal Drainage Revenue Refunding Bonds, Series 2023
- **Council delegates final pricing authority to Pricing Officer(s).**
 - John Balliew
 - Marcela Navarrete
 - Arturo Duran
- **Council to approve parameters as recommended by PSB.**
 - Series 2023 (Revolving Note Refunding)
 - Maximum True Interest Cost – 6.50%
 - Principal Amount of Issue - \$25,330,000
 - Final Maturity Date – December 31, 2043
 - Expiration of Delegated Authority – 270 Days
- **Pricing Officer can only approve sale if all Council parameters are met.**

Underwriters

- **Staff Recommended List of Underwriters:**
 - **Raymond James**
 - **Stephens Inc.**
 - **Ramirez & Co., Inc.**
 - **RBC Capital Markets**
 - **UBS Financial Services**
 - **UMB Bank**
 - **Piper Sandler**
 - **Morgan Stanley**
 - **Barclays Capital Inc.**
 - **Wells Fargo Securities**
 - **Frost Bank**
 - **Jefferies Financial Group Inc.**
 - **Stifel, Nicolaus & Company, Inc.**
 - **JP Morgan**

Timeframe

- **July 13, 2022:** Public Service Board considers request to sell Series 2023 Bonds
- **August 2, 2022:** City Council considers request to sell Series 2023 Bonds
- **March 1, 2023:** Tentative pricing for Series 2023 Bonds
- **April 1, 2023:** Tentative closing for Series 2023 Bonds

QUESTIONS & ANSWERS