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Municipal Drainage Utility Revenue Refunding Bonds, Series 2023



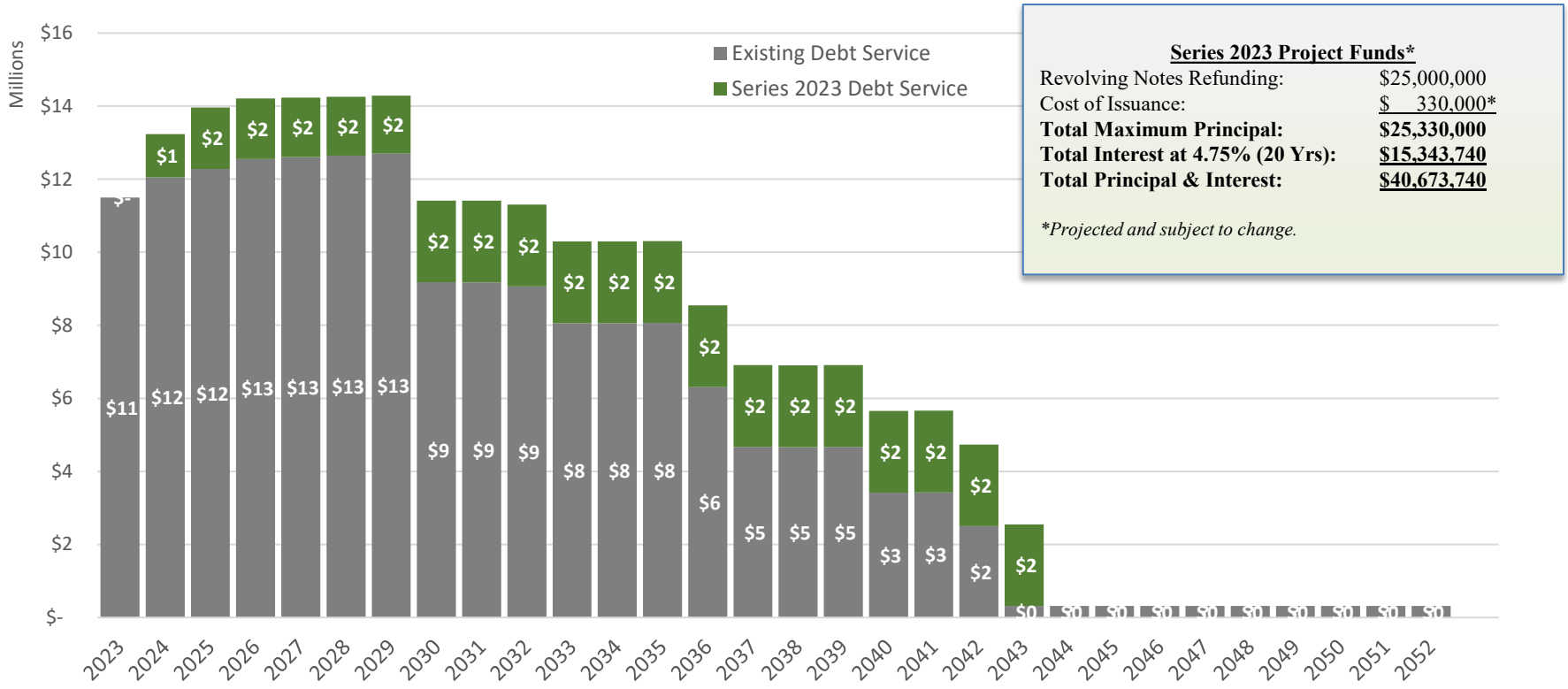
- El Paso Public Service Board – Water Utilities is proposing to fix-out \$25,000,000 of outstanding revolving notes and issue tax-exempt fixed rate bonds over the next (6) months.
- The PSB created the Revolving Note Private Placement Program in 2018 and has utilized it for interim construction financing. The program was approved for a maximum funding capacity of \$25 million.
- Refunding bonds will be used to repay revolving notes issued to fund System improvements. *Existing Revolving Note Placement Agreement is set to expire on June 19, 2023.*

Debt Impact to Overall Municipal Drainage Utility Debt



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Existing Debt Service + Series 2023 Bonds*



*Assumes a True Interest Cost of 4.75%. Preliminary and subject to change based on market conditions at the time of pricing the bonds. Includes costs of issuance, project funds and interest over the life of the bonds.



- ❑ **Parameter authorization will enable the sale of the Bonds at optimum timing and structure:**
 - Municipal Drainage Utility Revenue Refunding Bonds, Series 2023

- ❑ **Council delegates final pricing authority to following Pricing Officer(s):**
 - President Chief Executive Officer
 - Vice President Business Operations
 - Chief Financial Officer

- ❑ **Council asked to approve parameters as recommended by PSB:**
 - Maximum True Interest Cost – 5.75%
 - Aggregate Not-to-Exceed Principal Amount for all bonds that can be issued under Ordinance – \$25,330,000
 - Final Maturity Date – December 31, 2043
 - Expiration of Delegated Authority – 6 months

- ❑ **Pricing Officer can only approve sale if all Council parameters are met.**



☐ Staff Recommended List of Underwriters:

- Stifel, Nicolaus & Company, Inc. (Lead Manager)
- RBC Capital Markets (Co-Manager)
- Frost Bank (Co-Manager)
- Cabrera Capital Markets (Co-Manager)



- ❑ **April 12, 2023:** Public Service Board authorizes a request to City Council for bond authorization

- ❑ **April 25, 2023:** City Council considers approval of Bond Ordinance with delegated authority within specified parameters

- ❑ **May 18, 2023:** Tentative pricing of bonds to be issued under Ordinance
 - \$25,330,000 Municipal Drainage Revenue Refunding Bonds, Series 2023

- ❑ **June 15, 2023:** Tentative Closing for Series 2023 Bonds



QUESTIONS & ANSWERS