

**CITY OF EL PASO, TEXAS
AGENDA ITEM
DEPARTMENT HEAD'S SUMMARY FORM**

AGENDA DATE: July 6-8, 2021

PUBLIC HEARING DATE: N/A

CONTACT PERSON(S) NAME AND PHONE NUMBER:

Robert Cortinas, Chief Financial Officer (915) 212-1067

DISTRICT(S) AFFECTED: All

STRATEGIC GOAL: Goal 6 – Sound Governance

SUBGOAL: N/A

SUBJECT:

Consider and adopt a resolution approving and authorizing publication of a notice of intention to issue certificates of obligation in an amount not to exceed \$96 million for streets, facilities, Mexican American Cultural Center, parks and other municipal purposes

BACKGROUND / DISCUSSION:

State law requires that the issuance of certificates of obligation be authorized through a two-step City Council process. Section 271.049 notice must be published once a week for two consecutive weeks. The date of the first publication to be before the 46th day before the date set for the passage of the ordinance authorizing the issuance of the certificates and continuously on the City's website for at least forty-five (45) days before the date stated therein for the passage of the Ordinance authorizing the issuance of the certificates of obligation. In order to issue approximately \$96 million in certificates of obligation to fund and reimburse itself for ongoing capital projects, the City must approve and authorize publication of a Notice of Intention to issue these certificates of obligation.

PRIOR COUNCIL ACTION:

City Council approved a Notice of Intent Resolution on February 15, 2021

AMOUNT AND SOURCE OF FUNDING:

\$96 million in certificates of obligation to fund various projects approved by Council in August 2017, December 2017, April 2018, and December 2019 authorizations which are paid for primarily through ad valorem taxes

HAVE ALL AFFECTED DEPARTMENTS BEEN NOTIFIED? YES NO

PRIMARY DEPARTMENT: City Manager's Office - Office of Management and Budget

SECONDARY DEPARTMENT: All City

*****REQUIRED AUTHORIZATION*****

DEPARTMENT HEAD:



(If Department Head Summary Form is initiated by Purchasing, client department should sign also)

A RESOLUTION approving and authorizing publication of notice of intention to issue certificates of obligation.

THE STATE OF TEXAS

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CITY OF EL PASO

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WHEREAS, the City Council of the City of El Paso, Texas (the "City"), has determined that certificates of obligation should be issued, in one or more series, under and pursuant to the provisions of Texas Local Government Code, Subchapter C of Chapter 271, as amended (the "Act"), for the purpose of paying contractual obligations to be incurred for (i) the construction of public works, (ii) the purchase of materials, supplies, equipment, machinery, land, and rights-of-way for authorized needs and purposes, and (iii) for professional services, all as specified below; and

WHEREAS, prior to the issuance of such certificates, the City Council is required to publish notice of its intention to issue the same in accordance with the provisions of the Act;

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF EL PASO, TEXAS:

SECTION 1: The City Clerk is hereby authorized and directed to cause notice to be published of the City Council's intention to issue certificates of obligation, in one or more series, in a principal amount not to exceed \$96,000,000 for the purpose of paying contractual obligations to be incurred for

(i) the construction of public works, to wit: (a) constructing, resurfacing, and improving various streets, roads, bridges, overpasses, thoroughfares, sidewalks, pathways and related municipal facilities within the City including lane markings, street drainage, street lights, ADA accessibility, traffic signals, signal system synchronization, loop detectors, transit tunnel reconstruction, lighting, signage, streetscaping, relocation of fiber optics and landscaping related thereto; (b) constructing, improving and equipping municipal park and recreational facilities, including athletic field lighting, athletic playing fields, playgrounds, and any associated demolition, drainage and necessary infrastructure improvements; (c) constructing, improving and equipping library facilities, museums, and cultural center projects; (d) renovating, improving and equipping existing City administrative buildings, the animal shelter and other municipal facilities, including roof improvements, HVAC and electrical supply repair, ADA improvements, information technology improvements to install and/or enhance fiber optic connectivity, and site demolition at such buildings and facilities; (e) constructing, acquiring and improving municipally owned public art projects; and (f) the acquisition of any necessary rights of way and/or land in connection with any of the projects described in clauses (a) through (e);

(ii) the purchase of materials, supplies, equipment and machinery, to wit: the purchase and installation of information technology equipment, including hardware, software, network, and Wi-Fi; and

(iii) professional services rendered in connection with (a) such projects and purposes and the financing thereof and (b) a future land use masterplan and street pavement condition study.

Such certificates to be payable from ad valorem taxes and a limited pledge of the net revenues of the City's water and sewer system. The notice hereby approved and authorized to be published shall read substantially in the form and content of **Exhibit A hereto** attached and incorporated herein by reference as a part of this resolution for all purposes.

SECTION 2: The City Clerk shall cause the aforesaid notice to be published (i) in a newspaper of general circulation in the City, once a week for two consecutive weeks, the date of the first publication to be at least forty-six (46) days prior to the date stated therein for the passage of the ordinance authorizing the issuance of the certificates of obligation and (ii) continuously on the City's website for at least forty-five (45) days before the date stated therein for the passage of the ordinance authorizing the issuance of the certificates of obligation.

SECTION 3: It is officially found, determined, and declared that the meeting at which this Resolution is adopted was open to the public and public notice of the time, place, and subject matter of the public business to be considered at such meeting, including this Resolution, was given, all as required by Texas Government Code, Chapter 551, as amended.

SECTION 4: This Resolution shall take effect and be in full force and effect from and after the date of its adoption, and it is so resolved; and all resolutions of the City Council of the City in conflict herewith are hereby amended or repealed to the extent of such conflict.

[The remainder of this page intentionally left blank.]

APPROVED AND ADOPTED this July 6, 2021.

Oscar Leeser
Mayor, City of El Paso, Texas

ATTEST:

Laura D. Prine
City Clerk, City of El Paso, Texas

Approved as to Form:

 (for)

Karla M. Nieman
City Attorney
City of El Paso, Texas

Approved as to Content:



Robert Cortinas
Chief Financial Officer
City of El Paso, Texas

(CITY SEAL)

EXHIBIT A

NOTICE OF INTENTION TO ISSUE CITY OF EL PASO, TEXAS, CERTIFICATES OF OBLIGATION

TAKE NOTICE that the City Council of the City of El Paso, Texas, shall convene at 9:00 o'clock A.M. on August 24, 2021, at its regular meeting place on the first floor of City Hall, 300 N. Campbell, El Paso, Texas. The meeting will also be available by video conference and any necessary teleconference number for the meeting will be available on the City's website at least 72 hours before the start of the meeting. During such meeting, the City Council will consider the passage of one or more ordinances authorizing the issuance of certificates of obligation in one or more series in a principal amount not to exceed \$96,000,000 for the purpose of paying contractual obligations to be incurred for (i) the construction of public works, to wit: (a) constructing, resurfacing, and improving various streets, roads, bridges, overpasses, thoroughfares, sidewalks, pathways and related municipal facilities within the City including lane markings, street drainage, street lights, ADA accessibility, traffic signals, signal system synchronization, loop detectors, transit tunnel reconstruction, lighting, signage, streetscaping, relocation of fiber optics and landscaping related thereto; (b) constructing, improving and equipping municipal park and recreational facilities, including athletic field lighting, athletic playing fields, playgrounds, and any associated demolition, drainage and necessary infrastructure improvements; (c) constructing, improving and equipping library facilities, museums, and cultural center projects; (d) renovating, improving and equipping existing City administrative buildings, the animal shelter and other municipal facilities, including roof improvements, HVAC and electrical supply repair, ADA improvements, information technology improvements to install and/or enhance fiber optic connectivity, and site demolition at such buildings and facilities; (e) constructing, acquiring and improving municipally owned public art projects; and (f) the acquisition of any necessary rights of way and/or land in connection with any of the projects described in clauses (a) through (e); (ii) the purchase of materials, supplies, equipment and machinery, to wit: the purchase and installation of information technology equipment, including hardware, software, network, and Wi-Fi; and (iii) professional services rendered in connection with (a) such projects and purposes and the financing thereof and (b) a future land use masterplan and street pavement condition study. Such certificates to be payable from ad valorem taxes and a limited pledge of the net revenues of the City's water and sewer system. In accordance with Texas Local Government Code Section 271.049, (i) the current principal amount of all of the City's outstanding public securities secured by and payable from ad valorem taxes is \$1,444,835,000; (ii) the current combined principal and interest required to pay all of the City's outstanding public securities secured by and payable from ad valorem taxes on time and in full is \$2,134,552,267; (iii) the estimated combined principal and interest required to pay the certificates of obligation to be authorized on time and in full is \$179,710,333; (iv) the maximum interest rate for the certificates may not exceed the maximum legal interest rate; and (v) the maximum maturity date of the certificates to be authorized is August 15, 2047. The certificates are to be issued, and this notice is given, under and pursuant to the provisions of Texas Local Government Code, Subchapter C of Chapter 271, as amended.

Laura D. Prine
City Clerk
City of El Paso, Texas