



City of Denton

City Hall
215 E. McKinney Street
Denton, Texas
www.cityofdenton.com

AGENDA INFORMATION SHEET

DEPARTMENT: Finance

ACM: Christine Taylor

DATE: May 20, 2025

SUBJECT

Consider adoption of an ordinance directing the publication of Notice of Intention to issue \$46,535,000 in principal amount of Certificates of Obligation of the City of Denton for General Government and Solid Waste projects; and providing an effective date.

BACKGROUND

This ordinance provides the Notice of Intention (NOI) to issue \$46,535,000 of Certificates of Obligation (CO) of the City of Denton for General Government and Solid Waste projects, as required by state law. The notice will be published once a week for two consecutive weeks in the Denton Record Chronicle, with the date of the first publication to be at least forty-six (46) days before the date tentatively set for the passage of the ordinance authorizing the issuance of the bonds. The notice will also be posted on the City's website.

Staff recommends the sale of \$46,535,000 in COs for General Government and Solid Waste. Below is a listing of recommended CO funded projects for FY 2024-25 CIP.

	<u>Reimbursement Ordinance</u>	<u>Notice of Intent</u>
<u>General Government Projects</u>		
Fleet HVAC (Int. Svc. - Fleet)	\$ 1,000,000	\$ 1,000,000
End User Computing (Technology Services)	941,000	941,000
Infrastructure Replacement (Tech Services)	1,000,000	1,000,000
Radios & Modems (Tech Services)	2,307,000	300,000
Citywide Fiber Replacement (Tech Services)	500,000	500,000
Internal Services Total	\$ 5,748,000	\$ 3,741,000
Property Acquisition (Facilities)	\$ 45,000,000	\$ -
Security Hardware Upgrade (Facilities)	80,000	80,000
Facilities ADA Upgrades (Facilities)	500,000	500,000
Adjacency Remodels (Facilities)	200,000	200,000
Municipal Court Renovation (Facilities)	1,000,000	1,000,000
Gun Range Cleanup (Env. Svc.)	2,000,000	2,000,000
ADA Transition Plan Improvements (Parks)	318,270	318,270
Avondale Park Playground (Parks)	341,000	341,000
North Pointe Park Playground (Parks)	320,000	320,000
Traffic Signal Cabinets (Traffic)	208,000	208,000

	Reimbursement Ordinance	Notice of Intent
Traffic Signal Design and Rebuilds (Traffic)	1,950,000	1,950,000
ADA Transition Plan Improvements (Transportation)	1,500,000	1,172,500
HSIP Projects (Transportation)	500,000	500,000
Vision Zero Implementation Items (Transportation)	1,250,000	1,172,500
Robson Ranch Road Signal (Transportation)	600,000	600,000
Vehicle Replacement - General Fund (Motorpool)	4,396,000	2,860,000
Vehicle Addition - Fire Engine # 3 & PD Vehicles (Motorpool)	2,885,000	2,885,000
Pecan Creek Watershed Preliminary Design (Drainage)	750,000	750,000
Woodland & Longridge Street Sections (Drainage)	220,000	220,000
Oaktree Drainage Ph 1 (Drainage)	595,000	595,000
Infrastructure Repair (Drainage)	500,000	500,000
Flood Monitoring (Drainage)	75,000	75,000
Hickory Creek Road Phase 3 (Streets)	8,000,000	8,000,000
Bike Lanes: Hinkle Street Side Path Connector (Streets)	230,000	-
2019 Street Reconstruction Bond Neighborhood Completion (Streets)	10,000,000	3,000,000
Bonnie Brae 5 (Streets)	2,000,000	2,000,000
General Government Total	\$ 85,418,270	\$ 31,247,270
Concrete Replacement	\$ 350,000	\$ 350,000
Scalehouse	640,000	640,000
Fleet Shop at Solid Waste	2,200,000	2,200,000
Cell 5 & 6 Construction	4,000,000	4,000,000
Vehicles - New Additions	285,711	285,711
Vehicles - Replacements	3,650,000	3,650,000
Solid Waste Total	\$ 11,125,711	\$ 11,125,711
Total General Government & Solid Waste CO Notice of Intention		\$ 46,113,981

The City sells bonds in accordance with the useful life of the asset that is being acquired. For example, vehicles are typically sold with bonds that will be paid within five years. For the FY 2024-25 proposed debt issuance for COs: \$12,621,711 will be 5-year debt, \$1,380,000 will be 10-year debt and \$32,112,270 will be 20-year debt.

Concurrently with the sale of COs for General Government and Solid Waste, the City anticipates the sale of \$43,507,000 in General Obligation Bonds (GO) to fund the 2019 and 2023 Bond Programs and approximately \$205,645,901 in COs for Water, Wastewater and Electric.

If approved by the City Council, staff will proceed with the publication of the Notice of Intention and will schedule the Bond Ordinance consideration and adoption for July 15, 2025. The bond ordinance will dictate the parameters of the bond sale. Under such an arrangement, staff will be permitted to execute the bond sale within six (6) months of July 15, 2025, provided certain interest rate parameters are met.

RECOMMENDATION

Staff recommends adoption of the ordinance.

PRIOR ACTION/REVIEW (Council, Boards, Commissions)

On October 15, 2024, the City Council adopted a reimbursement ordinance (Ord. No. 24-1662) authorizing the reimbursement of capital program expenditures of \$74,010,000 in GO and \$307,839,583 in CO funded projects for General Government, Solid Waste, Electric, Water and Wastewater.

FISCAL INFORMATION

The ordinance is for the authorization to publish the Notice of Intention to sell \$46,535,000 of Certificates of Obligation for General Government and Solid Waste projects. A notice is only required for Certificates of Obligation.

EXHIBITS

1. Agenda Information Sheet
2. Ordinance
3. Presentation

Respectfully submitted:
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Prepared by:
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Treasury Manager