



# City of Denton

City Hall  
215 E. McKinney Street  
Denton, Texas  
[www.cityofdenton.com](http://www.cityofdenton.com)

## AGENDA INFORMATION SHEET

**DEPARTMENT:** Finance

**ACM:** Cassey Ogden

**DATE:** March 25, 2024

### **SUBJECT**

Consider recommending adoption of an ordinance directing the publication of Notice of Intention to issue \$84,770,000 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**

The Board's review of this item includes consideration of only Solid Waste capital projects.

This ordinance provides the Notice of Intention (NOI) to issue \$4,199,730 of Certificates of Obligation (CO) of the City of Denton for 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 \$4,199,730 in COs for Solid Waste. Below is a listing of recommended Solid Waste CO funded projects for FY 2023-24 CIP. The project list changes are associated with pushing the construction of cells into future fiscal years and prioritizing the completion of the Fleet Shop.

	<b>Budget</b>	<b>NOI</b>
Home Chemical Collection Storage Capacity	\$2,000,000	\$ -
Fleet Shop at Solid Waste	-	2,000,000
Cell 5 & 6 Construction	1,950,000	-
Vehicles - New Additions	130,000	130,000
Vehicles - Replacements	3,000,000	2,069,730
<b>Solid Waste Total</b>	<b>\$7,080,000</b>	<b>\$4,199,730</b>

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 2023-24 proposed debt issuance for Solid Waste COs: \$2,199,730 will be 5-year debt, and \$2,000,000 will be 20-year debt.

Concurrently with the sale of COs for Solid Waste, the City anticipates the sale of approximately \$79,805,775 in General Government COs and \$88,717,000 in General Obligation Bonds (GO) to fund the 2019 and 2023 Bond Programs and approximately \$177,560,000 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 June 4, 2024. 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 June 4, 2024, provided certain interest rate parameters are met.

### **RECOMMENDATION**

Staff recommends adoption of the ordinance.

### **PRIOR ACTION/REVIEW (Council, Boards, Commissions)**

On October 24, 2023, the City Council adopted a reimbursement ordinance (Ord. No. 23-1426) authorizing the reimbursement of capital program expenditures of \$35,600,000 in GO and \$308,624,582 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 \$84,770,000 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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