



## Recommendation for Action

---

**File #:** 23-2009, **Agenda Item #:** 11.

6/1/2023

---

### **Posting Language**

Approve a resolution directing the publication of an Official Notice of Intention to Issue \$28,000,000 City of Austin, Texas, Certificates of Obligation, Series 2023.

### **Lead Department**

Financial Services.

### **Fiscal Note**

The fee to advertise the sale will be included in the upcoming bond sale's cost of issuance and is estimated to cost \$3,000. Debt service resulting from the actual sale of the Certificates of Obligation will be included in the Fiscal Year 2023-2024 Proposed Operating Budget of the General Obligation Debt Service Fund and is currently estimated at \$2,295,000.

### **For More Information:**

Belinda Weaver, City Treasurer, 512-974-7885.

### **Additional Backup Information:**

State law requires publication of an Official Notice of Intention to Issue Certificates of Obligation once a week for two consecutive weeks. The date of the first publication must be 45 or more days before the date on which the Council adopts an ordinance authorizing the issuance of the Certificates of Obligation. This proposed request for Council action will allow publication of the notice of intention in the Austin American Statesman, which is estimated to cost \$3,000 for the two-week required notification.

The actual authorization and sale of the Certificates of Obligation pursuant to a separate Council action is tentatively scheduled to take place as part of the City's general obligation bond sale, occurring each year in September. The City may generally remove items from the proposed sale notification after publication of the Notice of Intention, but any additional sale items would require an updated notice. Proceeds from the sale will be used to fund existing project appropriations that were previously approved by Council with reimbursement resolutions, in accordance with the City's financial policies. Currently proposed issuances and descriptions are found below, for inclusion in the advertisement.

### **New Fire/Emergency Medical Services (EMS) Stations - \$17,500,000**

This supports a comprehensive plan to build five new Fire/EMS stations in the areas of immediate need identified by the Austin Fire Association (Local 975) and the Austin Fire Department. This is the third sale related to this plan. These five stations were chosen as locations that would benefit the Fire and EMS response times, and which could also support potential gaps in existing stations response times. The stations include Del Valle/Moore's Crossing, Travis Country, Loop 360/Davenport Ranch, Goodnight Ranch, and Canyon Creek/620 Station. This funding source was approved as part of the Fiscal Year 2019-2020 through Fiscal Year 2021-2022 Capital Budgets. The general obligation debt service fund is the funding source for the debt service payments and budget will be included in the Fiscal Year 2023-2024 proposed budget. Future issuances are anticipated.

---

**Fire/EMS Station Improvements - \$2,800,000**

This supports a plan to address three Fire/EMS stations in need of critical and urgent repair and renovation. This is the first sale related to this plan. These three stations include Fire Station 1/EMS station 6, Fire Station 3, and Fire Station 22/EMS 12. The improvements include a rebuild of Station 22 due to the extent of foundation and structural issues, a bay replacement at Station 3, and extensive electrical and structural repairs, lead and asbestos abatement at Fire Station 1/EMS Station 6. This funding source was approved as part of the Fiscal Year 2019-2020 Capital Budgets. The general obligation debt service fund is the funding source for the debt service payments and budget will be included in the Fiscal Year 2023-2024 proposed budget. Future issuances are anticipated.

**Street Improvements - \$5,200,000**

This funding supports the Jaine Lane and Meadow Lake Street projects. This includes extension, realignments, bike-lanes, sidewalks, drainage, and right-of-way acquisitions, transportation safety, signals, improved access to schools, traffic calming, and improved access to transit. The funding source consists of certificates of obligation which was approved as part of the Fiscal Year 2017-2018 Capital Budget. The general obligation debt service fund is the funding source for the debt service payments and budget will be included in the Fiscal Year 2023-2024 proposed budget. Future issuances are anticipated.

**Street and Roadway Improvement Projects - \$2,500,000**

This funding supports various street and roadway improvement projects that address transportation safety, signals, improved access to schools such as sidewalks, traffic calming, and improved access to transit. The funding source consists of certificates of obligation which was approved as part of the Fiscal Year 2017-2018 Capital Budget. The general obligation debt service fund is the funding source for the debt service payments and budget will be included in the Fiscal Year 2023-2024 proposed budget. Future issuances are anticipated.

The debt service costs for the currently proposed \$28,000,000 Certificates of Obligation Series 2023 issuance are estimated as follows:

	<b>Total Over 20 Years:</b>	<b>Average Per Year</b>
Principal	\$28,000,000	\$1,400,000
Interest	17,893,575	894,679
Total Debt Service	\$45,893,575	\$2,294,679