



Utility Revenue Bonds Delegation Ordinance

Legistar #25-0729

**City Council Meeting
June 10, 2025**



Financing of Capital Projects

- Capital Improvement Projects (CIP) and funding are approved in the City's Capital Budget
 - Reimbursement resolutions were approved by City Council on December 20, 2022 and January 30, 2024 to begin using funds for the projects
 - Capital Budget staff assesses funding needs for next 12-18 months to determine what debt needs to be issued to fund current and prior year approved projects
 - **Today** - First reading of an ordinance delegating the authority to certain city staff to approve the sale of Utility Revenue Bonds within stated parameters
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Summary of Financial Transactions

- Issuance of Utility System Revenue Bonds in an amount not to exceed \$181,000,000 for water, wastewater, gas and storm water utility improvements
- Potential refunding of up to \$162,385,000 of existing Utility System Revenue Bonds for savings



Projects to be Funded - Water

- Water Sources –
 - Wesley Seal Dam Instrumentation Rehabilitation
 - Wesley Seale Dam Dewatering System & Spillway Gate Rehab
 - Water Supply Lines –
 - Mary Rhodes Phase I System Improvements
 - Nueces River Raw Water Pump Station Transmission Main
 - Water Treatment –
 - ON Stevens Water Treatment Clearwell No. 3
 - ON Stevens Filtration System Hydraulic Improvements
 - ON Stevens Raw Water Influx/Chemical Facility
 - Water Distribution Lines –
 - Citywide Water Line Repair / Replacement
 - Water Utility Support for Street Construction Projects
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Projects to be Funded - Wastewater

- Wastewater Treatment Plants-
 - Allison WWTP Improvements
 - Broadway WWTP Rehab
 - Oso WRP Process Upgrades
- Wastewater Lift Station-
 - Airline Lift Station Upgrades
 - Citywide Lift Station Repairs
- Wastewater System Maintenance-
 - Wastewater System Collection Lines Maintenance
 - Wastewater Collection Capacity Remediation
 - Wastewater SCADA Improvements
- Wastewater Utility Support for Street Construction Projects



Projects to be Funded - Stormwater

- La Volla Creek Improvements
 - Citywide Curb and Gutter Replacements
 - Bay Water Quality Improvements
 - Storm Water Bridge and Channel Ditch Rehab
 - Citywide Stormwater Infrastructure Rehabilitation
 - Stormwater Utility Support for Street Construction Projects
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Projects to be Funded - Gas

- New Gas Line Under Ship Channel
- Citywide Gas Infrastructure Improvements
- Gas Department Building Improvements
- Gas Utility Support for Street Construction Projects
- Acquisition of Rockport Gas Utility



Steps for Issuance

Specific steps must be followed per state law for the issuance of Utility Revenue Bonds:

- **June 10, 2025** - First Reading of ordinance to authorize delegation of authority
 - **June 17, 2025** - Second reading and adoption of ordinance authorizing delegation of authority
 - **June 26, 2025** – Sale of Utility System Revenue bonds
 - **July 17, 2025** – Closing Date for Utility System Revenue Bonds
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City of Corpus Christi, Texas



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Utility System Revenue Bonds Financing Overview per Approved Budget

- Ordinance #25-0729 will allow for the issuance of Utility System Revenue and Refunding Bonds to fund scheduled, planned, projects and to refinance existing debt for minimum PV savings ratio of 2.5%.

PLANNED ISSUANCE*

1) Utility System Revenue Improvement & Refunding Bonds, Series 2025

- Not to exceed \$181,000,000 to fund planned projects
- Not to exceed \$162,385,000 to pursue an Escrow to Maturity Refinancing of the Series 2015, 2015A and 2015C Taxable

PRELIMINARY USE OF PROCEEDS

In Millions (\$)

Project	Revenue Bonds
Water	\$79.0
Wastewater	59.0
Stormwater	30.0
Gas	13.0
Total	\$181.0

METHOD OF SALE

- Open market financing through a negotiated sale process

** Preliminary, subject to change.*



QUESTIONS ?