

Memorandum



CITY OF DALLAS

DATE April 3, 2020

TO Honorable Mayor and Members of the City Council

SUBJECT **Upcoming Agenda Item #17, Dallas Water Utilities (DWU) Bond Issuance and Sale**

On Wednesday, April 8, 2020, the City Council will consider agenda item #17, ordinances authorizing the issuance and sale of City of Dallas, Texas Waterworks and Sewer System Revenue Bonds, Series 2020A, in the amount of \$22,000,000.00, and City of Dallas, Texas Waterworks and Sewer System Revenue Bonds, Series 2020B, in the amount of \$44,000,000.00, to the Texas Water Development Board; approving the execution of the agreements in connection with the sale of the bonds; and all other matters related thereto.

In order to properly manage DWU's infrastructure and maintain service delivery for our customers, DWU replaces and/or rehabilitates approximately 72 miles of small diameter water and wastewater pipelines annually. In an effort to reduce overall costs in replacing our pipeline assets, DWU receives low cost financial assistance from the Texas Water Development Board (TWDB). This year represents the third year of a five-year commitment from the TWDB. This commitment will save DWU approximately \$879,000 per year in financing costs over the life of the 30-year loans. In order to receive the financial assistance by the May 31, 2020 TWDB deadline, Dallas City Council approval of the bond ordinances is necessary on April 8, 2020. This work is critical to the utility and is included in the Dallas 365 Performance Measures.

If you have any questions or concerns, please contact Terry Lowery, Director of Dallas Water Utilities, at terry.lowery@dallascityhall.com.

A handwritten signature in blue ink, appearing to read 'Majed Al-Ghafry'.

Majed Al-Ghafry, P.E.
Assistant City Manager

c: T.C. Broadnax, City Manager
Chris Caso, City Attorney (Interim)
Mark Swann, City Auditor
Billerae Johnson, City Secretary
Preston Robinson, Administrative Judge
Kimberly Bizer Tolbert, Chief of Staff to the City Manager
Jon Fortune, Assistant City Manager

Joey Zapata, Assistant City Manager
Nadia Chandler Hardy, Assistant City Manager
Dr. Eric A. Johnson, Chief of Economic Development and Neighborhood Services
M. Elizabeth Reich, Chief Financial Officer
Laila Aleqresh, Chief Innovation Officer
M. Elizabeth (Liz) Cedillo-Pereira, Chief of Equity and Inclusion
Directors and Assistant Directors