CITY OF EL PASO, TEXAS
AGENDA ITEM
DEPARTMENT HEAD'S SUMMARY FORM

DEPARTMENT: **Sun Metro Department**
Financial Services Department

AGENDA DATE: **April 2, 2013**

CONTACT PERSON NAME AND PHONE NUMBER: **Jay Banasiak, Sun Metro Director 915-534-5811**
Carmen Arrieta-Candelaria, CFO, 915-541-4293

DISTRICT(S) AFFECTED: **Citywide**

SUBJECT:
Discussion and action to amend the 2009 Capital Improvement Program as adopted on December 2, 2008, and subsequently amended on February 14, 2012, by increasing the authorization by $2.950 million to $76,078,137, plus associated bond issuance costs, to be funded by Certificates of Obligation and paid for by Sun Metro revenues to accordingly reflect an increase in bus shelter appropriations, pursuant to the City's Debt Management Policy; and to authorize the City Manager to establish funding sources and execute any and all documents necessary for the execution of these projects

BACKGROUND / DISCUSSION:
On December 2, 2008 City Council approved the City's 2009 CIP program including the initial 2008 debt authorization for $73,128,137. This plan included approval to fund 3 years of bus shelter purchases at $2,000,000 annually but only included $2 million of the total $6 million amount needed. In February 2010, City Council approved the 2010-2012 Short-Term CIP plan of $40 million which included additional monies for bus shelters. This plan, as amended, allotted $1.050 million for bus shelters.

In order to fund the full $6 million in bus shelter improvements, the remaining amount of $2.950 million is being requested by amending (increasing) the 2009 CIP Program. Sun Metro revenues will pay for all of these improvements.

PRIOR COUNCIL ACTION:
On December 2, 2008, City Council approved the Capital Improvement Program of 2009 and authorized required funding; which included 1st Year funding of the Bus Shelter Acquisition.

AMOUNT AND SOURCE OF FUNDING:
Bus shelters will be funded by revenue bonds payable from Sun Metro revenue.

BOARD / COMMISSION ACTION:

N/A

**********REQUIRED AUTHORIZATION**********

DEPARTMENT HEAD: Jay Banasiak

RESOLUTION

WHEREAS, the El Paso City Council approved its revised Debt Management Policy on November 27, 2012, which sets forth the parameters for issuing new debt for the City of El Paso; and

WHEREAS, the Debt Management Policy establishes the types of bonds that may be used to fund capital improvement projects at the lowest costs possible and states that Certificates of Obligation are an appropriate debt instrument for infrastructure-related capital projects (and non-quality of life projects) at a cumulative value of $100 million or less; and

WHEREAS, the El Paso City Council has directed that issuances for proposed capital projects and utilizing Certificates of Obligation be brought forward annually starting in 2010 and thereafter; and

WHEREAS, on December 2, 2008, City Council approved adopted the 2009 Captial Improvement Program that included various projects totaling $73,128,137, attached hereto as Exhibit A, for which the City would need to issue long term debt; and

WHEREAS, City Staff recommends increasing the Mass Transit Department (Sun Metro) portion of the December 2, 2008 Capital Plan ("Capital Program") as amended on February 14, 2012, by increasing the 2008 authorization by adding $2,950,000.00, equaling a total of $76,078,137.00, plus associated bond issuance costs, to be funded by Certificates of Obligation and paid for by Sun Metro revenues or other sources for the Capital Program to provide for improvements to bus shelters pursuant to the City's Debt Management Policy.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF EL PASO, TEXAS THAT:

A) The City of El Paso 2009 Capital Improvement Plan is revised to increase the Mass Transit Department (Sun Metro) Capital Plan ("Capital Program") as adopted on December 2, 2008, and as amended on February 14, 2012, by adding $2,950,000.00, for a total of $76,078,137.00 plus associated bond issuance costs to provide for improvements to bus shelters; and

B) The use of a combination of Certificates of Obligation and paid for by Sun Metro revenues or other sources for the Capital Program pursuant to the City's Debt Management Policy is authorized; and

D) The City Manager is directed to pursue the actions and execute documents necessary to implement the project, subject to annual budgeting requirements and final Council approvals.

PASSED AND APPROVED this _____ day of _____ 2013.

CITY OF EL PASO

_____
John F. Cook, Mayor

ATTEST:

_____
Richarda Duffy Momsen
City Clerk

APPROVED AS TO FORM:

_____
Kristen L. Hamilton
Assistant City Attorney

APPROVED AS TO CONTENT:

_____
Carmen Arrieta-Candelaria
Chief Financial Officer

_____
Irene Ramirez, Director
City Engineer