

Mayor and Council Communication

DATE: 01/13/26

M&C FILE NUMBER: M&C 26-0013

LOG NAME: 13RESTATE TWDB SERIES 2025B WATER AND SEWER REVENUE BONDS

SUBJECT

(ALL) Adopt Appropriation Ordinance for the City of Fort Worth, Texas Water and Sewer System Revenue Bonds Eagle Mountain Project to Increase the Project Fund in the Amount of \$159,813.97 and Reduce Use of Commercial Paper Fund Capacity to Effect a Portion of Water's Contribution to the Fiscal Years 2026-2030 Capital Improvement Program

RECOMMENDATION:

It is recommended that the City Council:

1. Adopt the attached appropriation ordinance increasing estimated receipts and appropriations in the W&S Revenue Bonds Series 2025B SWIFT Fund for the City of Fort Worth, Texas Water and Sewer System Revenue Bonds in the Eagle Mountain Water Treatment Plant 35 MGD Expansion project (City Project No. 105176) in the amount of \$159,813.97, from additional available proceeds resulting from lower-than-anticipated reserve requirement, for a revised appropriation total of \$174,840,728.96 to effect a portion of Water's contribution to the Fiscal Years 2026-2030 Capital Improvement Program; and
2. Adopt the attached appropriation ordinance adjusting estimated appropriations in the Water & Sewer Commercial Paper Fund by decreasing estimated appropriations in the Eagle Mountain Water Treatment Plant 35 MGD Expansion project (City Project No. 105176) in the amount of \$174,840,728.96, and increasing estimated appropriations in the Commercial Paper project (City Project No. UCMLPR) by the same amount.

DISCUSSION:

The purpose of this Mayor and Council Communication (M&C) is to amend the appropriation associated with the Water and Sewer System Revenue Bonds, Series 2025B SWIFT (Eagle Mountain), in order to increase the project appropriation from additional available proceeds resulting from a lower-than-anticipated reserve requirement. The reserve funds had originally been appropriated in the Water Debt Reserve Fund, but that ordinance included a mechanism to reduce appropriations based on the actual figures at closing; so no amendment is needed. The M&C also revises use of the commercial paper fund for this project.

On October 21, 2025, M&C 25-0964 authorized the City to issue the Water and Sewer System Revenue Bonds, Series 2025B SWIFT (Eagle Mountain), in the aggregate amount of \$180,000,000.00 for the purpose of funding the Eagle Mountain Water Treatment Plant – 35 MGD Expansion project (City Project No. 105176) in an amount up to \$174,680,914.99 and the Water Debt Service Reserve Fund in an amount up to \$5,319,085.01. The bond transaction closed on November 17, 2025, with lower-than-expected financing costs due to recent Federal Reserve rate cuts. This reduced the Debt Service Reserve Fund requirement by \$159,813.97, making the same amount available for allocation to the project fund.

Also, on June 10, 2025, M&C 25-0516 appropriated funds from the Commercial Paper Fund to temporarily fund the Eagle Mountain Water Treatment Plant 35 MGD Expansion project until the SWIFT loan was executed. As the loan has been executed and proceeds have been recorded, this M&C will reduce the appropriations in the Commercial Paper Fund so these funds may be used to fund other Commercial Paper eligible projects.

Funding is budgeted in the W&S Revenue Bonds 2025B SWIFT Fund, the Water Debt Reserve Fund and in the EMWTP 35MGD EXP. project within the W&S Commercial Paper Fund for the purpose of funding the Eagle Mountain Water Treatment Plant 35 MGD Expansion project and reallocating funding to the Commercial Paper project within the W&S Commercial Paper Fund for use on future eligible projects.

A Form 1295 is not required because: This M&C does not request approval of a contract with a business entity.

FISCAL INFORMATION / CERTIFICATION:

The Director of Finance certifies that funds are currently available in the Water Debt Reserve Fund and in the EMWTP 35MGD EXP. project within the W&S Commercial Paper Fund and upon adoption of the attached ordinances, the sale of the City of Fort Worth, Texas Water and Sewer System Revenue Bonds, Series 2025B SWIFT (Eagle Mountain), occurred as required under the parameters set forth therein to record the appropriate and necessary transactions; funds will be available in the EMWTP 35MGD EXP. project within the W&S Revenue Bonds 2025B SWIFT Fund and in the Commercial Paper project within the W&S Commercial Paper Fund. Prior to any expenditures being incurred, the Water Department and the Financial Management Services Department are responsible for validating the availability of funds.

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