2013 - 2018 Capital Improvement Program (CIP) & 2013 Bond Sale Overview

City Council Study Session

April 11, 2013

Presented by the Office of Management and Budget
Agenda

- CIP Overview
- 2013 Bond Sale
- Utilities CIP Project Overview
CIP Overview
Project Types

Projects fall into one of three types.

1. *Funded*: These projects have funding sources identified and have been programmed within the five years.

2. *Planned*: These projects do not have funding authorized, but they are identified as projects that should be completed within the next five years.

3. *Future*: These projects do not have funding authorized. The programming of these projects is dependent on growth/service demand, financial resources available and the sustainability of related operations.
Funded Project Examples

Mesa High Regional Aquatics Center
- 2012 Parks General Obligation Bonds

Power Rd: San Tan Freeway to Pecos Rd
- 2008 Streets General Obligation Bonds
- 2006, 2010 Utility Revenue Bonds
# Five-Year CIP

<table>
<thead>
<tr>
<th>Funding Source</th>
<th>FY 13/14</th>
<th>5-Year CIP</th>
</tr>
</thead>
<tbody>
<tr>
<td>General Obligation Bonds</td>
<td>22,356,780</td>
<td>71,369,316</td>
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<tr>
<td>Utility Revenue Bonds</td>
<td>66,268,177</td>
<td>99,883,911</td>
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<tr>
<td>Excise Tax Bonds</td>
<td>52,837,030</td>
<td>52,837,030</td>
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<tr>
<td>Grants</td>
<td>6,159,229</td>
<td>17,650,007</td>
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<tr>
<td>Local Revenues</td>
<td>21,806,506</td>
<td>37,615,971</td>
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<tr>
<td><strong>Total</strong></td>
<td>169,427,722</td>
<td>279,356,235</td>
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</tbody>
</table>
Estimated G.O. Debt Service by Sec Prop Tax Levy Authorization

- 2008 Authorization
- 2012 Authorization
Planned Project Examples

Fire Station 203 Relocation
- Eligible for future Public Safety General Obligation Bonds

Mesa Drive & Broadway Intersection
- Eligible for future Streets General Obligation Bonds
- Eligible for future Utility Revenue Bonds
Planned Needs Summary

Five-Year CIP

FY 13/14

All projects planned for next fiscal year have identified funding.

Five-Year Total

- General Obligation Bonds: 45.3%
- Utility Revenue Bonds: 50.2%
- Local Revenues: 3.5%
- Grants: 1.0%
# 2. Planned Needs Summary

## Five-Year CIP

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<tr>
<th>Funding Source</th>
<th>FY 13/14</th>
<th>5-Year CIP</th>
</tr>
</thead>
<tbody>
<tr>
<td>General Obligation Bonds</td>
<td>-</td>
<td>275,911,938</td>
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<tr>
<td>Utility Revenue Bonds</td>
<td>-</td>
<td>306,204,703</td>
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<td>Excise Tax Bonds</td>
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<td>-</td>
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<tr>
<td>Grants</td>
<td>-</td>
<td>6,200,000</td>
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<tr>
<td>Local Revenues</td>
<td>-</td>
<td>21,634,288</td>
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<td></td>
<td>-</td>
<td>609,950,929</td>
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</tbody>
</table>
Future Project Examples

• Warner Rd; Power to Sossaman
• Fire Stations: New, Expansion, Remodel
• Signal Butte Water Treatment Plant
• Northeast Police Substation
Series 2013 Bond Sales

General Obligation (G.O.)
& Utility Revenue
Existing Bond Obligations

Outstanding Principal:

General Obligation (G.O.) Bonds: $290,270,000
Utility Revenue Bonds: $954,992,975
Street & Highway User Revenue (HURF) Bonds: $121,395,000
General Obligation (G.O.) Bonds - 2013 Sale
General Obligation (G.O.) Bonds - 2013 Sale

Total G.O. Bond Sale: $59,960,000

Bonds Authorized in 2008: $42,650,000
- Public Safety $  6,900,000
- Streets $35,750,000

- Exhausts 2008 Streets Bond Authorization
- Balance of 2008 Authorization (Public Safety $1.5M)

Bonds Authorized in 2012: $17,310,000
- Parks/Recreation $17,310,000

- Balance of 2012 Authorization (Parks $52.7M)
General Obligation (G.O.) Projects in 2013 Sale

Public Safety Projects include:
- Fiesta District Police Substation
- Fire Station 203 – Land Acquisition

Streets Projects include:
- Fiesta District Improvements
- Mesa Dr., Southern Ave. to U.S. 60
- Power Rd., San Tan Freeway to Pecos Rd.

Parks Projects include:
- Riverview Park
- Buckhorn Baths – Land Acquisition
Utility Revenue Bonds - 2013 Sale
Utility Revenue Bonds - 2013 Sale

Total Utility Systems Bond Sale: $47,290,000

– Electric System $ 4,370,000
– Natural Gas System $ 5,335,000
– Water System $ 29,610,000
– Wastewater System $ 7,975,000

- Utility Bonds Authorized in 2006 & 2010
- Balance of Bond Authorization: $100.9M
  – Electric System $ 3.3M
  – Natural Gas System $ 19.1M
  – Water System $ 28.6M
Utility Systems Revenue Projects in 2013 Sale

Electric Projects include:
- Overhead Distribution and Circuit Conversion

Natural Gas Projects include:
- Gas Line Extensions and Replacements
- Regulator Station – Thomas and Power Rd.

Water Projects include:
- Improvements to Pasadena Reservoir and Pump Station
- Sossaman Rd. – Half-mile North of Williams Field Rd. to Pecos Rd.

Wastewater Projects include:
- Northwest Water Reclamation Plant Facilities Upgrade
General Obligation (G.O.): $ 59,960,000
Utility Revenue: $ 47,290,000
Series 2013 Total: $107,250,000
Series 2013 Bond Sale Schedule

April 15 – Authorize Sale of Bonds
May 15 – Receive Bids for Bonds
May 16 – Special Council Meeting to Accept Bond Bids
June 5 – Bond Issues Close
Utility Bond Program Overview