



CITY OF HOUSTON - CITY COUNCIL

Meeting Date: 10/14/2025

Item Creation Date:

FIN - CUS 2025 TWDB (2)

Agenda Item#: 47.

Background:

RECOMMENDATION:

Approve an Ordinance supplementing the City of Houston, Texas Master Ordinance authorizing the issuance of City of Houston, Texas Combined Utility System First Lien Revenue Bonds, Series 2025A.

SPECIFIC EXPLANATION:

The Texas Water Development Board (the "TWDB") administers a program, the State Water Implementation Fund of Texas ("SWIFT"), that provides below market, low-interest rate loans to provide financing for eligible political subdivisions. The City of Houston (the "City") applied to the TWDB for loans of \$966,090,000 to be issued over a multi-year period, which application was approved by the TWDB. This proposed ordinance will authorize the City's Combined Utility System First Lien Revenue Bonds, Series 2025A ("CUS Series 2025A Bonds") to be issued in the amount of \$350 million.

On August 20, 2025 City Council approved ordinance no. 2025-695 and authorized a financing agreement, as a requirement to receive funding under the TWDB SWIFT program, between the City and TWDB for the design and construction of the East Water Plant Enhancement Project. The Finance Working Group ("FWG") recommends that the City issue the CUS Series 2025A Bonds with the proceeds to be used to fund approved projects in the City's adopted Capital Improvement Plan and pay costs of issuance. This Council action approves the updated interest rates and the maturity dates and amounts in that financing agreement.

The CUS Series 2025A bonds will be privately placed with the TWDB, which eliminates the need for underwriters. The closing is scheduled for November 14, 2025.

This transaction was presented to the Budget and Fiscal Affairs Committee on July 29, 2025.

DocuSigned by:


76B4CD915D404C7... Chief Business Officer/Director of Finance

Signed by:


58A54327117A4AE... City Controller

Prior Council Action:

Ordinance No. 2004-299
Ordinance No. 2025-695

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