

Proposed Bond Program Propositions and Projects

City Council

July 9, 2019

- Discuss the following items related to the recommended bond program:
 - The proposed propositions
 - The proposed projects
 - The potential impact on the debt portion of the tax rate if the voters approve the propositions
 - The schedule and process of activities leading up to the election
 - The education and advocacy roles
 - The communication plan

Recommended Projects

The logo for Addison, featuring the word "ADDISON" in a bold, blue, sans-serif font. The text is centered within a white circle, which is itself set against a blue background. The blue background is part of a larger graphic element on the right side of the slide, which includes diagonal white lines and a dark grey triangle in the top right corner.

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Committee Propositions/Projects

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Projects and Propositions Recommended by Bond Advisory Committee		
Proposition 1: Roads (East West)	Asset Management Score	\$ 22,900,000
Advanced Traffic Management System	N/A	\$ 600,000
Reconstruction of Keller Springs Road	RED	\$ 12,900,000
Reconstruction of Airport Parkway	RED	\$ 9,400,000
Proposition 2: Roads (North South)		\$ 33,602,000
Reconstruction of Quorum Drive	RED	\$ 26,302,000
Reconstruction of Montfort Drive	RED	\$ 7,300,000
Proposition 3: Buildings		\$ 7,395,000
Improvements Needed to Address Americans with Disabilities Act Compliance	YELLOW	\$ 1,500,000
Roof Replacements	RED & YELLOW	\$ 4,000,000
Police Gun Range Air Filtration System	RED	\$ 360,000
HVAC Replacements	RED & YELLOW	\$ 1,535,000
Proposition 4: Recreation and Lifestyle		\$ 6,723,002
Athletic Club Improvements –		
Locker Room Reconfiguration and Firewall Improvement	YELLOW	\$ 1,556,035
Gymnasium and Track Improvements	YELLOW	\$ 462,679
Pool Modernization	RED & YELLOW	\$ 1,009,453
Les Lacs Pond Improvements	YELLOW	\$ 3,282,110
Trail Rehabilitation, Expansion, and Addition of Wayfinding Elements	N/A	\$ 412,725
Proposition 5: Investment in the Future		\$ 15,000,000
Land Acquisition	N/A	\$ 15,000,000
Total all Propositions		\$ 85,620,002

15 Recommended Projects

Propositions 1, 2, 3:

1. Roads (East West)
 - a. Advanced Traffic Management System
 - b. Reconstruction of Keller Springs Road
 - c. Reconstruction of Airport Parkway
2. Roads (North South)
 - a. Reconstruction of Quorum Drive
 - b. Reconstruction of Montfort Drive
3. Buildings
 - a. Americans with Disabilities Act Compliance
 - b. Roof Replacements
 - c. Police gun range
 - d. HVAC Replacements

15 Recommended Projects

Propositions 4 and 5

4. Recreation and Lifestyle

- a. Locker Room Reconfiguration and Firewall Improvement
- b. Gymnasium and Track Improvements
- c. Pool Modernization
- d. Les Lacs Pond Improvements
- e. Trail Rehabilitation, Expansion, and Addition of Wayfinding Elements

5. Investment in the Future

- a. Land Acquisition

Proposition 1: Roads (East West)

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Proposition 1 – Roads (East West)

a. Advanced Traffic Management System (ATMS)

- Current system installed 12 years ago
- Expected life - 10 years
- Current system equipment is no longer available and is not supported by Motorola
- Expansion needed to meet the future bandwidth needs of the ATMS
- Upgrade will provide a reliable, scalable, and redundant communication system
- Proposed system will upgrade or replace the core infrastructure, the cellular units, and traffic signal preemption units
- Estimated Project Cost: \$600,000
- Asset Management Risk Factor: N/A

Proposition 1 – Roads (East West)

A blue circular logo with the word "ADDISON" in white capital letters.

b. Keller Springs Road - built in 1979

- Limits - Dallas North Tollway to Addison Road
 - Pavement Condition Index - 35 (Very Poor)
 - International Roughness Index - 343
- Replace asphalt roadway with concrete
- Upsize existing utilities
- Install Master Transportation Plan elements
- Acquire right-of-way for medians, sidewalks, landscaping
- Replace traffic signal
- Estimated Project Cost: \$12,900,000
- Asset Management Risk Factor: Red

Proposition 1 – Roads (East West)

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c. Airport Parkway - built in 1978

- Limits - Dallas North Tollway to Addison Road
 - Pavement Condition Index - 44 (Poor)
 - International Roughness Index - 338
- Replace asphalt roadway with concrete roadway
- Upsize existing utilities
- Install Master Transportation Plan elements
- Acquire right-of-way for medians, sidewalks, landscaping
- Replace traffic signal
- Estimated Project Cost: \$9,400,000
- Asset Management Risk Factor: Red

Proposition 2: Roads (North South)

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Proposition 2 – Roads (North South)

- a. Quorum Road - built in 1980 and 1985
 - Limits - Dallas North Tollway to DART rail right-of-Way
 - Average Pavement Condition Index - 59 (Fair)
 - Average International Roughness Index - 375
 - Rebuild concrete roadway
 - Upsize existing utilities
 - Install Master Transportation Plan elements
 - Acquire right-of-way for medians, sidewalks, landscaping
 - Replace 3 traffic signals
 - Estimated Project Cost: \$26,302,000
 - Asset Management Risk Factor: Red

Proposition 2 – Roads (North South)

b. Montfort Drive - built in 1981

- Limits - Belt Line Road to Town of Addison city limits
 - Average Pavement Condition Index - 58 (Fair)
 - Average International Roughness Index - 392
- Rebuild concrete roadway
- Upsize existing utilities
- Install Master Transportation Plan elements
- Acquire right-of-way for medians, sidewalks, landscaping
- Estimated Project Cost: \$7,300,000
- Asset Management Risk Factor: Red

Proposition 3: Buildings

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Proposition 3 – Buildings

a. Americans with Disabilities Act (ADA) Compliance

- Estimated Project Cost: \$1,500,000
- Asset Management Risk Factor: Yellow and Green

Building	Improvement Needed
Town Hall	Parking lot modifications
Town Hall	Council entry
Conference Center	Pavilion ramp
Conference Center	Stone Cottage concrete
Central Fire	Parking lot modifacaitons
Central Fire	Locker rooms
Fire Station 2	Parking lot modifications
Fire Station 2	Locker rooms
Service Center	Front and rear parking lot modifications
Service Center	Locker rooms
Finance Building	Parking lot modifications
Finance Building	Entryway modifications
Police Building	Locker rooms

Proposition 3 – Buildings

b. Roof Replacements

- Replace 15- to 30-year-old roofs that have deferred maintenance issues
 - Stop damage to the interior of the buildings
 - Replace with built up roof membranes and Coal-Tar and white gravel
 - Replace all related roof elements: decking, flashing, joints, and coping
- Locations:
 - Addison Circle Pavilion - \$310,750
 - Athletic Club - \$1,367,500
 - Central Fire Station - \$580,500
 - Fire Station #2 - \$93,000
 - Police Building - \$490,000
 - Service Center - \$806,250
 - Surveyor Pump Station - \$80,000
 - Theatre Centre Lobby and Main Space - \$272,000
- Estimated Project Cost: \$4,000,000
- Asset Management Risk Factor: Red and Yellow

Proposition 3 – Buildings

c. Gun Range Air Filtration Replacement

- 6-lane gun range installed in 1984
- Current HVAC system is shared with the adjacent exercise area
- No air filtration between the two areas
 - Causes safety concerns due to the contamination from the lead and other toxins that are in the air in the gun range and pulled into the exercise room
- Propose to separate the systems and install a HEPA filtration systems that would filter out the contaminants
 - Will bring areas into compliance with National Institute of Occupational Safety and Health, Environmental Protection Agency, and Occupational Safety and Health Administration regulations
- Estimated Project Cost: \$360,000
- Asset Management Risk Factor: Red

Proposition 3 – Buildings

d. HVAC Replacements

- Estimated Project Cost: \$1,535,000
- Asset Management Risk Factor: Red and Yellow (High)

Building	Number of Units
Central Fire	13
Fire #2	5
Police and Courts	14
Police Substations	2
Town Hall	18
Finance	18
Service Center	33
Pump Stations	4
Stone Cottage	2
Events Pavilion	4
Vitruvian Restrooms	3
Athletic Club	Primary Boiler and Pool Dehumidifier

Proposition 4: Recreation and Lifestyle

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Proposition 4 – Recreation and Lifestyle

- a. Addison Athletic Club Improvements - \$3,028,167
 - Locker room renovation - Renovation and reconfiguration of existing locker rooms, firewall improvement, and addition of family changing rooms
 - Estimated project cost: \$1,556,035
 - Asset Management Risk Factor: Yellow
 - Gymnasium and track improvements - Replacement of lighting with energy efficient LED lighting, safety railing, track surfacing, and basketball goals
 - Estimated Project Cost: \$462,679
 - Asset Management Risk Factor: Yellow
 - Pool modernization - Addition of Ultra Violet filtration system, replacement of hot tub to include ADA access, addition of shade structure to the outdoor pool area, and replacement of the children's water play element
 - Estimated Project Cost: \$1,009,453
 - Asset Management Risk Factor: Red (Hot Tub Only); all other elements Yellow

Proposition 4 – Recreation and Lifestyle

A blue circular logo with the word "ADDISON" in white capital letters.

- b. Les Lacs Pond Improvements - \$3,282,110
 - Base project - Replacement of pond liner, ADA improvements, earthen pond edge, sod replacement, fountain replacement
 - Estimated Project Costs: \$1,358,750
 - Asset Management Risk Factor: Yellow
 - Preferred project enhancements - Addition of combined edge, landscape beds, retaining walls, rain garden, aquatic plants, fountain lights, and tree up-lights
 - Estimated Project Cost: \$1,923,360
 - Asset Management Risk Factor: N/A

Proposition 4 – Recreation and Lifestyle

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c. Trail Rehabilitation, Expansion, Wayfinding Elements

- Wayfinding and distance markers on Redding, Arapaho, Les Lacs, White Rock Creek and Beltway Trails
- Refurbish Redding Linear Trail - Replace wood retaining walls, address ADA issues, and improve drainage
- Extend Redding Linear Trail to future trail along Midway Road
- Add pedestrian way stop at Les Lacs Park and Belt Line Road
- Add shaded outdoor fitness station adjacent to Les Lacs Park
- Estimated Project Cost: \$412,725
- Asset Management Risk Factor: N/A

Proposition 5: Investment in the Future

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Proposition 5 – Invest in the Future

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- a. Land Acquisition - Ability to acquire property identified as having strategic value related to future developments when it becomes available
 - Estimated Project Cost: \$15,000,000
 - Asset Management Risk Factor: N/A

Bond Financing

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Debt Issuance Analysis Assumptions and Summary

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Town of Addison, Texas

Debt Issuance Analysis Assumptions & Summary - 2019 Bond Program

<u>A</u>	<u>B</u>	<u>C</u>	<u>D</u>	<u>E</u>
		<i>Debt</i>		
<i>"Committed" Projects</i>	<i>Funding Amount</i>	<i>Authorization</i>	<i>Issuance Date</i>	
Vitruvian Park	\$3,000,000	Future CO's	Aug-19	
Midway Road	\$15,000,000	Future CO's	Aug-19	
Midway Road	\$11,500,000	Future CO/2012 GO	Aug-20	
Midway Road	\$11,500,000	2012 GO	Aug-21	
Arts Land/Parking	\$3,000,000	2012 GO	Jun-22	
Addison Grove	\$3,250,000	Future CO's	May-23	
Vitruvian Park	\$6,500,000	Future CO/2012 GO	Aug-25	
Vitruvian Park	\$6,500,000	2012 GO	Aug-30	
Total "Committed" Projects:	\$60,250,000			

Assumptions:

(1) Future Taxable Assessed Values assume 4.1% growth through 2038 as supplied by Town officials.

(2) Tax Collection Percentage: 96.5%

(3) Interest Rate Assumptions:

2019 Sales assume 3.00% (current rates plus 0.25%)

2020 Sales assume 4.75%

2021 Sales and beyond assume 5.00%

Debt Issuance Analysis Assumptions and Summary

A blue circular logo with the word "ADDISON" in white capital letters.

Town of Addison, Texas

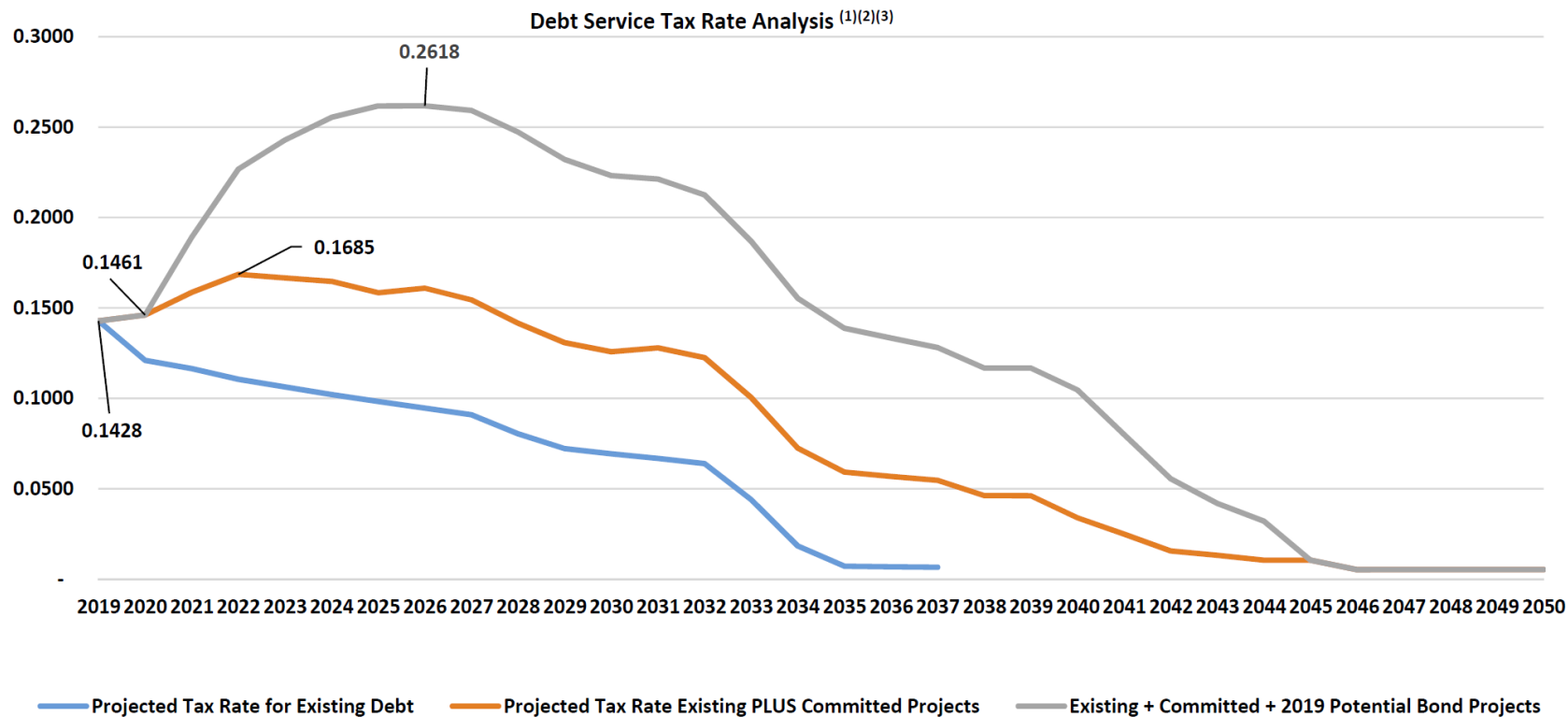
Debt Issuance Analysis Assumptions & Summary - 2019 Bond Program

POTENTIAL 2019 BOND AUTHORIZATION

<i>2019 Bond - Project</i>	<i>Funding Amount</i>	<i>Initial Issuance Date</i>	<i>Estimated Tax Rate Impact⁽¹⁾⁽²⁾⁽³⁾</i>	<i>Annual Impact On Average Home Value⁽⁴⁾</i>
Advanced Traffic Management	\$600,000	Jun-20	\$0.0010	\$3.16
Keller Springs Road	\$12,900,000	Jun-20	\$0.0204	\$65.16
Airport Parkway	\$9,400,000	Jun-22	\$0.0140	\$44.68
Quorum Road	\$26,302,000	Jun-22	\$0.0336	\$107.28
Montfort Drive	\$7,300,000	Jun-23	\$0.0104	\$33.19
Trail Expansion	\$412,725	Jun-20	\$0.0007	\$2.14
ADA Improvements	\$1,500,000	Jun-21	\$0.0023	\$7.40
Roof Replacement	\$4,000,000	Jun-20	\$0.0059	\$19.01
Police Gun Range Improvements	\$360,000	Jun-21	\$0.0005	\$1.72
HVAC Replacement	\$1,535,000	Jun-20	\$0.0022	\$6.98
Athletic Club Locker Room	\$1,556,035	Jun-21	\$0.0024	\$7.61
Athletic Club Gym and Track	\$462,679	Jun-21	\$0.0007	\$2.34
Athletic Club Pool	\$1,009,453	Jun-21	\$0.0016	\$4.97
Les Lacs Pond	\$3,282,110	Jun-22	\$0.0045	\$14.32
Land Acquisition	\$15,000,000	Jun-20	\$0.0236	\$75.44
	<u>\$85,620,002</u>			

Estimated Impact of 2019 Bond Election

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Estimated I&S Tax Rate Impact ⁽¹⁾⁽²⁾⁽³⁾

FYE	Existing	"Committed"	2019 Bond Projects	Total Projected
2019	\$ 0.1428	\$ -	\$ -	\$ 0.1428
2020	0.1210	0.0251	-	0.1461
2021	0.1164	0.0422	0.0305	0.1892
2022	0.1105	0.0580	0.0582	0.2268
2023	0.1063	0.0603	0.0763	0.2429
2024	0.1021	0.0626	0.0907	0.2554
2025	0.0983	0.0601	0.1033	0.2617
2026	0.0946	0.0663	0.1009	0.2618
2027	0.0909	0.0636	0.1047	0.2592
2028	0.0804	0.0611	0.1057	0.2473
2029	0.0721	0.0586	0.1013	0.2321
2030	0.0693	0.0564	0.0974	0.2232
2031	0.0668	0.0611	0.0934	0.2213
2032	0.0639	0.0586	0.0900	0.2125
2033	0.0440	0.0564	0.0864	0.1868
2034	0.0183	0.0541	0.0830	0.1554
2035	0.0071	0.0521	0.0796	0.1388
2036	0.0068	0.0500	0.0765	0.1333
2037	0.0066	0.0480	0.0734	0.1280
2038	-	0.0461	0.0706	0.1168
2039	-	0.0461	0.0706	0.1167
2040	-	0.0339	0.0707	0.1046
2041		0.0249	0.0551	0.0800
2042		0.0156	0.0399	0.0555
2043		0.0132	0.0287	0.0419
2044		0.0105	0.0216	0.0321
2045		0.0105	-	0.0105
2046		0.0052	-	0.0052
2047		0.0053	-	0.0053
2048		0.0052	-	0.0052
2049		0.0053	-	0.0053
2050		0.0053	-	0.0053

Assumptions:

(1) Future Taxable Assessed Values assume 4.1% growth through 2038 as supplied by Town officials.

(2) Tax Collection Percentage: 96.5%

(3) Interest Rate Assumptions:

2019 Sales assume 3.00% (current rates plus 0.25%)

2020 Sales assume 4.75%

2021 Sales and beyond assume 5.00%

Tax Rate Impacts of Each Proposition and Project

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- Proposition 1 - Roads (East West) - \$0.0345
 - a. Advanced Traffic Management System - \$0.0010
 - b. Reconstruction of Keller Springs Road - \$0.0204
 - c. Reconstruction of Airport Parkway - \$0.0140
- Proposition 2 - Roads (North South) - \$0.0440
 - a. Reconstruction of Quorum Drive - \$0.0336
 - b. Reconstruction of Montfort Drive - \$0.0104
- Buildings - \$0.0109
 - a. Americans with Disabilities Act Compliance - \$0.0023
 - b. Roof Replacements - \$0.0059
 - c. Police Gun Range - \$0.0005
 - d. HVAC Replacements - \$0.0022

- Proposition 4 - Recreation and Lifestyle - \$0.0099
 - a. Locker Room Reconfiguration and Firewall Improvement - \$0.0024
 - b. Gymnasium and Track Improvements - \$0.0007
 - c. Pool Modernization - \$0.0016
 - d. Les Lacs Pond Improvements - \$0.0045
 - e. Trail Rehabilitation, Expansion, and Addition of Wayfinding Elements - \$0.0007
- Proposition 5 - Investment in the Future - \$0.0236
 - a. Land Acquisition - \$0.0236

Bond Election Schedule, Cost, and Process

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Bond Election Schedule

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Action

Call bond election

Publish notice of election

Post notice of election

Early voting

Election Day

Canvass election

Bond Sale

November 2019 Proposed Election Date

August 7 - 19

October 6 - 22

October 15

October 21 - Nov 1

November 5

November 8 - 18

December

Bond Election Cost and Process

- Approximately \$20,000 - \$25,000
- Costs are determined by the cost of the election divided by the number of governmental entities sharing the expense
 - Election workers, machines, supplies
- Process:
 - City Secretary prepares a Calling and Posting of the Notice on Election
 - Posted outside Town Hall and sent to Dallas County Election Board (DCEB)
 - Bond counsel assists in writing ballot format
 - City Secretary sends ballot format to DCEB for programming into voting machines
 - Early voting/Election Day location - Voting Centers
 - Council will need to discuss Addison voting locations

Bond Election Roles and Restrictions

The logo for Addison Community College, featuring the word "ADDISON" in blue capital letters inside a white circle, which is set against a blue background with diagonal white lines.

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Council's Role – To Advocate and Encourage

- Council, bond advisory committee, residents, and business leaders can:
 - Speak at community meetings, such as:
 - Homeowner association meetings, rotaries, Mayor's coffee
 - Town Hall meeting
 - Advocate for the outcome of a bond program
 - Encourage voters to vote "Yes"

Staff's Role – To Educate and Inform

- Section 255.003 of the Texas Election Code prohibits an employee of a political subdivision, such as a city, from spending or authorizing the spending of public funds for political advertising.
- Political Advertising is a communication that advocates a particular outcome in an election and includes statements made in writing or orally.
- This does not apply to a communication that factually describes the purposes of a measure if it does not advocate the passage or defeat of the measure.

Staff's Role – To Educate and Inform

- It is permissible to use public funds to produce explanatory material about what is at stake in an election measure.
 - Proposed project and costs
 - Tax rate impacts
 - Voting times and locations

Bond Election Communication Plan

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Bond Election Communications Plan

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Communication Channels

Website

Postcards/mailers

Utility bill stuffers

Weekly Newsletter

Social Media

Nextdoor

Media relations (including Addison Magazine)

Town Meetings

Community Meetings (HOAs, Business Groups, Rotaries, Neighborhood groups, Arbor Foundation, Addison Parents Groups , Mayor's Coffee)

Targeted meetings with community leaders / impacted groups

PEG Channel

Email Blasts to targeted groups (business registrations list, hotels, building managers, etc.)

Internal Meetings (employees, Planning & Zoning, Citizen's Academy Grads, Volunteers)

Bond Election Communications Plan

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Communication Tools Might Include

Bond-specific microsite

Video

Printed brochure (mailed or distributed at meetings) with bond specifics

Postcards (providing voting information, directing citizens to resources for more information)

Email template that can be targeted to specific audiences


Presentation for meetings (powerpoint presentation/banner stands or boards)

Yard signs with informational messaging/bond website

Asset folder on One Drive with all creative, brochures, talking points to share with interested groups

* All activities will be approved by bond counsel prior to starting.

Questions / Discussion

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