



CITY OF
IVANHOE
TEXAS



... *“Land of Lakes”*

City of Ivanhoe
Road Bond Proposition
9/25/18

Key Points

- Road Construction Cost Components
- Voting Rights
- The Bond
- The Grant
- Proposed Map
- Potential Outcomes

Road Construction Cost Components

Cost Per Mile to Re-pave a Previously Paved Core Road (20' Width)

Remix/rework Base	\$ 35,200
Add Flex-Base	\$ 46,263
Inverted Prime	\$ 13,892
Asphalt Top Coat	\$ 107,125
<u>Clean and Shape Ditches</u>	<u>\$ 60,000</u>
Total Per Mile	\$ 262,480

* More than city's total annual street maintenance budget

Cost Per Mile to Re-pave a Previously Paved Road (20' Width)

Remix/rework Base	\$ 35,200
Add Flex-Base	\$ 46,263
Inverted Prime	\$ 13,892
Two Course Seal Top	\$ 43,684
<u>Clean and Shape Ditches</u>	<u>\$ 60,000</u>
Total Per Mile	\$ 199,039

Cost Per Mile to Repave a Previously Unpaved Road (18' Width)

Add Flex-Base	\$ 41,636
Inverted Prime	\$ 12,503
Two Course Seal Top	\$ 39,316
<u>Clean and Shape Ditches</u>	<u>\$ 60,000</u>
Total Per Mile	\$ 153,455

Voting Rights

- Who can vote in the bond election?
 - Anyone who:
 1. Claims residence in the City of Ivanhoe Texas per section 1.015 of the Texas Election Code AND
 2. Is legally registered to vote **30 days** previous to the election
 - This **INCLUDES**, but may not be limited to:
 1. Full-time resident home owners
 2. Weekend/part-time second home owners
 3. Renters
 4. Anyone with a permanent address within the city. I.E., students and deployed military staff

The Bond

- What is a bond?
 - Promissory Note/Loan
 - Sold by a city in the public or private market
 - Repaid by property tax revenues
- What can bond proceeds be used for?
 - Only the purpose or purposes as stated in the election
 - Funds are kept in an audited account
 - Governed by state law
- What is a bond election?
 - A formal and legal vote by qualified/registered voters
 - The outcome grants or denies the City the authority to issue and sell bonds
- Who can vote in the bond election?
 - Anyone who:
 1. Claims residence in the City of Ivanhoe Texas per section 1.015 of the Texas Election Code AND
 2. Is legally registered to vote **30 days** previous to the election
 - This includes, but may not be limited to:
 1. Full-time resident home owners
 2. Weekend/part-time second home owners
 3. Renters
 4. Anyone with a permanent address within the city. I.E., students and deployed military staff

The Bond

- Will issuing/selling bonds raise my taxes?
 - Yes.
 - Bond repayment will add approximately \$.2707 per \$100 of appraised property value annually
- How much will my annual taxes increase?
 - For a home appraised at \$100,000 on the county tax roll, roughly \$270 per year
 - Final figures will vary based on bond rate and term secured at the time of bond sale

Appraised Value	Tax Increase Per Month
\$25,000	\$5.64
\$50,000	\$11.28
\$75,000	\$16.92
\$100,000	\$22.56




- When will I see an increase in my taxes?
 - Taxes will not increase until bonds are sold
 - Bonds may be sold incrementally, rather than all at once
 - If bonds are not sold all at once, taxes will only increase relative to the amount of bonds sold
- When will bonds be sold?
 - Not until the City's Harvey Grant application has been approved or denied
 - Not until a qualified project as defined by the bond ordinance requires it
 - Current projection for first bond sale if bond election passes is October 2019 - March of 2020
 - Nov 2018 – Bond passes
 - Sept 2019 – Budget set to include bond debt services
 - Oct 2019 – Potential opportunity to start drainage/culvert/ditch preparations
 - April 2020 – First available season for road surface application



9-13-18

Initial Proposed Road Bond Improvements

Map Legend:

-  Existing Roads
-  Proposed Road Improvement
-  Rooftop Estimates



Proposed Map – Street Selection

- Ivanhoe Drive (Gate to Charmaine) : Primary corridor for entire city
- Chanticleer (Ivanhoe Dr. to Lakewood) : Primary corridor for 2/3 of city
- Lakewood (Chanticleer to 26th) : Primary corridor for 2/3 of city
- Charmaine Dr. S/Sr Robert Burns/Ivanhoe Est. Dr : Secondary Corridor/emergency services route/evacuation route for 2/3 of city when Lakewood floods at Tristan dam
- 27th St. (Lakewood to Sir Jim) : Secondary corridor/emergency services route
- Ivanhoe Dr. W/Sr Cedric/Gawain : Secondary corridor/new infrastructure /emergency services
- Ivanhoe Dr. E/Saxon/Merlin/Tristan : Secondary corridor/new infrastructure

*The proposed street selections are based on current material and labor cost estimates as used by the State of Texas Department of Transportation for road construction budgeting. The proposed scope of work is dependent on securing these costs at the actual time of road construction.

The Grant

- What is the Grant?

- Grants are monies given to the city that do not have to be repaid
- They can only be used for the specific purpose specified in the application
- The “Harvey” grant is specifically for use in hazard and emergency mitigation
- The City roads provide emergency access and exits and so qualify for this grant
- The City intends to apply for ALL roads to be resurfaced and drainage upgraded
- This grant is reimbursement style and is 25% City funded and 75% Grant funded
- It provides funding only AFTER expenses have been incurred AND paid for
- Example:
 - The City spends \$1,000,000 of City (Bond) funds on road improvements
 - City sends proof of work and payment for the work to the grant oversight group
 - The grant fund reimburses the City \$750,000
 - The City ultimately spends \$250,000 for \$1,000,000 worth of road work
 - With \$2 million in bond approval, the City can apply for up to \$8 million in road improvements
 - \$8 million is estimated to be enough funding to resurface ALL streets in the city
- Without bond approval, the City cannot apply for this scale of grant funding

Potential Outcomes

1. The Bond passes AND Grant funds are secured
 - Use bond funds to complete proposed core infrastructure
 - Upgrade and recondition as many additional road ways as grant funding allows
 - Use existing road maintenance budget to maintain and improve remaining roads

2. The Bond passes but NO Grant funds are secured
 - Work with existing budget
 - Recondition arterial road ways, upgrade critical secondary road ways, and address critical drainage issues

3. The Bond does NOT pass
 - Work with the existing restricted budget
 - Grow Public Works Department if and when budget allows
 - Continue to improve our patching skills
 - Develop long term maintenance plan and schedule as roads continue to degrade