



**AGENDA ITEM REQUEST FORM
CITY OF JOHNSON CITY, TEXAS
CITY COUNCIL**

ITEM NO. 20

MEETING DATE: November 2, 2021

AGENDA PLACEMENT:

- Ceremonial
- Consent
- Individual
- Closed Session

CAPTION:

Discussion of and action on a Resolution of the City Council of the City of Johnson City, Texas approving a Financing Agreement between Government Capital Corporation and the City for the purpose of modernizing and repairing the City's existing SCADA system and purchasing related equipment in an amount not to exceed One Hundred Eight-Five Thousand, Five Hundred Dollars and No Cents (\$185,500.00) for a term of four (4) or five (5) years.

STRATEGIC WORK PLAN:

- Not Applicable
- Goal 1: Increase Housing Diversity
- Goal 2: Expand Quality Lodging
- Goal 3: Improve Code Enforcement
- Goal 4: Improve Streetscaping & Signage
- Goal 5: Improve Fire Safety
- Goal 6: Improve Streets
- Goal 7: Increase Publicity & Promotion of the Community
- Goal 8: Increase Economic Development Activities

EXECUTIVE SUMMARY:

In FYE 2021, the City Council authorized an expenditure of \$37,937.00 to upgrade the City's existing SCADA software system. The upgrade is complete.

In FYE 2022, City Staff desires to upgrade SCADA system components in the field. To City Staff's knowledge, no significant upgrades to the in-field components have occurred since SCADA implementation in the early 2000s.

Deliverables:

West Well Site

1. Furnish and install two (2) FVNR N3R Combination Motor Starters for West Well No. 3 and West Well No.4.

2. Furnish and install two (2) 480V/3P Surge Suppression at each of the West Well starters. Surge protector will be mounted at the starter cabinet.
3. Furnish and install one (1) 4-inch Siemens Magnetic Flow Meter and display for West Well No.3. Flow meter signal wire will be re-pulled from the proposed meter display back the existing RTU located onsite.
4. Furnish and install one (1) 4-inch Siemens Magnetic Flow Meter and display for West Well No.4. Flow meter signal wire will be re-pulled from the proposed meter display back the existing RTU located onsite.
5. Furnish required flexible conduit and wire between existing well and proposed combination motor starters.
6. Furnish and install 120V surge suppression at the existing RTU enclosure.
7. Furnish and install new UPS for RTU. UPS will be mounted within the existing RTU.
8. Furnish and install 120V isolation relays for each of the existing RTU inputs. Isolation relays will assist in protecting the RTU with incoming field voltage spikes.
9. Provide and install new enclosure back panels, PLC, and panel equipment to upgrade existing RTU.
10. Labor for RTU software programming for new magnetic flow meters.
11. Update radio firmware.
12. Start-up and training as required

Danz Well & Pump Station Site

1. Furnish and install one (1) FVNR N3R Combination Motor Starter for the Danz Well No. 2.
2. Furnish and install one (1) 480V/3P Surge Suppression at the Well starter. Surge protector will be mounted at the starter cabinet.
3. Furnish and install relay junction box located the well starter rack.
4. Furnish and install 480V/3P/N3R Disconnect for the well starter.
5. Furnish and install one (1) 2-inch Siemens Magnetic Flow Meter and display for the Danz Well No. 2. Flow meter signal wire will be re-pulled from the proposed meter display back the existing RTU located onsite.
6. Furnish required flexible conduit and wire between existing well and proposed combination motor starter and disconnect.
7. Furnish and install one (1) 6-inch Siemens Magnetic Flow Meter and display for metered watered from the West Wells. Flow meter signal wire will be re-pulled from the proposed meter display back the existing RTU located onsite.
8. Furnish and install one (1) 10-inch Siemens Submersible Rated Magnetic Flow Meter and display for station effluent flow. Flow meter signal wire will be re-pulled from the proposed meter display back the existing RTU located onsite.
9. Furnish and install 120V surge suppression at the existing RTU enclosure.
10. Furnish and install new UPS for RTU. UPS will be mounted within the existing RTU.
11. Furnish and install 120V isolation relays for each of the existing RTU inputs. Isolation relays will assist in protecting the RTU with incoming field voltage spikes.
12. Provide and install new enclosure back panels, PLC, and panel equipment to upgrade existing RTU.
13. Labor for RTU software programming for new magnetic flow meters.
14. Update radio firmware.
15. Start-up and training as required.

Eagle Pump Station Site

1. Furnish and install conduit and wire from the existing Chlorine Leak Detector and RTU.
2. Furnish and install one (1) 2-inch Siemens Magnetic Flow Meter and display for the Eagle Well No. 5. Flow meter signal wire will be re-pulled from the proposed meter display back the existing RTU located onsite.
3. Furnish and install one (1) 3-inch Siemens Magnetic Flow Meter and display for the Eagle Well No. 6. Flow meter signal wire will be re-pulled from the proposed meter display back the existing RTU located onsite.
4. Furnish and install one (1) 12-inch Siemens Magnetic Flow Meter and display for plant effluent flow. Flow meter signal wire will be re-pulled from the proposed meter display back the existing RTU located onsite.
5. Furnish and install new coax cable and surge protector from the existing antenna to the RTU.
6. Furnish and install 120V surge suppression at the existing RTU enclosure.
7. Furnish and install analog surge suppression for each existing analog input to the RTU.
8. Furnish and install new UPS for RTU. UPS will be mounted within the existing RTU.
9. Furnish and install 120V isolation relays for each of the existing RTU inputs. Isolation relays will assist in protecting the RTU with incoming field voltage spikes.
10. Provide and install new enclosure back panels, PLC, and panel equipment to upgrade existing RTU.
11. Labor for RTU software programming for new magnetic flow meters.
12. Update radio firmware.
13. Start-up and training as required,

Deer Creek Lift Station Site

1. Furnish and install Submersible Level Transducer as required for wet well monitoring.
2. Furnish and install new antenna mast, antenna, coax and coax surge suppression. After reviewing the site, it is recommended that the existing tree limbs be trimmed to help with radio communication. Tree trimming is excluding from this proposal and provided by others.
3. Furnish and install 120V surge suppression at the existing RTU enclosure.
4. Furnish and install analog surge suppression for each existing analog input to the RTU.
5. Furnish and install new UPS for RTU. UPS will be mounted within the existing RTU.
6. Furnish and install 120V isolation relays for each of the existing RTU inputs. Isolation relays will assist in protecting the RTU with incoming field voltage spikes.
7. Provide and install new enclosure back panels, PLC, and panel equipment to upgrade existing RTU.
8. Update radio firmware.
9. Training as required.

Gonzalez Lift Station Site

1. Furnish and install new antenna mast, antenna, coax and coax surge suppression. After reviewing the site, it is recommended that the existing tree limbs be trimmed to help with radio communication. Tree trimming is excluding from this proposal and provided by others.
2. Furnish and install 120V surge suppression at the existing RTU enclosure.
3. Furnish and install analog surge suppression for each existing analog input to the RTU.
4. Furnish and install new UPS for RTU. UPS will be mounted within the existing RTU.

5. Furnish and install 120V isolation relays for each of the existing RTU inputs. Isolation relays will assist in protecting the RTU with incoming field voltage spikes.
6. Provide and install new enclosure back panels, PLC, and panel equipment to upgrade existing RTU.
7. Training as required.
8. Update radio firmware.

Elevated Storage Tank

1. Provide and install new enclosure back panels, PLC, and panel equipment to upgrade existing RTU.
2. Labor for antenna and coax inspection for proper radio communication.
3. Update radio firmware
4. Excludes replacement of materials which would be provided on a cost-plus basis (see exclusions)

City Hall

1. Furnish labor as required for HMI programming updates to include the following:

- Operational tank level and lockout setpoints
- Well pump remote control with Hand - Off -Auto
- Remote HSP control to include Hand - Off - Auto
- Integration and alarming of Eagle CL2 leak detection
- Meter totalization (available is existing meter is changed)
- Reprogram radios for City Hall to be the master instead of Danz.
- Standardization of programming convention for future service efficiency.

2. Provide and install new enclosure back panels, PLC, and panel equipment to upgrade existing MTU.
3. Update radio firmware.
4. Furnish and install omni antenna for radio communication.

FINANCIAL:

See attached Government Capital Corporation proposal. The City's SCADA vendor provided a financing proposal to the City, as well; however, the vendor's proposed interest rate was prime + 1%, or approximately 4.25%.

Payments from the Water and Wastewater Utility Fund would commence one year from signing in FYE 2023.

ATTACHMENTS:

- Proposed Resolution; and
- Government Capital Corporation proposal.

SUGGESTED ACTION:

Motion to approve a Resolution of the City Council of the City of Johnson City, Texas approving a Financing Agreement between Government Capital Corporation and the City for the purpose of modernizing and repairing the City's existing SCADA system and purchasing related equipment in an amount not to exceed One Hundred Eight-Five Thousand, Five Hundred Dollars and No Cents (\$185,500.00) for a term of four (4) or five (5) years.

PREPARED BY: City Staff

DATE SUBMITTED: 10/29/21

RESOLUTION _____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF JOHNSON CITY, TEXAS APPROVING A FINANCING AGREEMENT BETWEEN GOVERNMENT CAPITAL CORPORATION AND THE CITY FOR THE PURPOSE OF MODERNIZING AND REPAIRING THE CITY'S EXISTING SCADA SYSTEM AND PURCHASING RELATED EQUIPMENT IN AN AMOUNT NOT TO EXCEED ONE HUNDRED EIGHT-FIVE THOUSAND, FIVE HUNDRED DOLLARS AND NO CENTS (\$185,500.00) FOR A TERM OF FOUR (4) OR FIVE (5) YEARS.

WHEREAS, the City of Johnson City desires to enter into a certain Financing Agreement, by and between Government Capital Corporation and the City of Johnson City, for the purpose of modernizing and repairing the City's existing SCADA System and purchasing related equipment. The City of Johnson City desires to designate this Agreement as a "qualified tax-exempt obligation" of the City of Johnson City for the purposes of Section 265 (b) (3) of the Internal Revenue Code of 1986, as amended. The City of Johnson City desires to designate the Mayor as an authorized signer of the Agreement.

NOW THEREFORE, BE IT RESOLVED BY THE COUNCIL OF THE CITY OF JOHNSON CITY:

Section 1. That the City of Johnson City enters into a Financing Agreement with Government Capital Corporation for the purpose of modernizing and repairing the City's existing SCADA System and purchasing related equipment.

Section 2. That the Financing Agreement, by and between the City of Johnson City and Government Capital Corporation, is designated by the City of Johnson City as a "qualified tax-exempt obligation" for the purposes of Section 265 (b) (3) of the Internal Revenue Code of 1986, as amended.

Section 3. That the City of Johnson City designates the Mayor as an authorized signer of the Financing Agreement, by and between the City of Johnson City and Government Capital Corporation.

Section 4. That should the need arise, if applicable, the City will use loan proceeds for reimbursement of expenditures related to the Property, within the meaning of Treasury Regulation § 1.150-2, as promulgated under the Internal Revenue Code of 1986, as amended

This Resolution has been PASSED and APPROVED by the Council of the City of Johnson City in a meeting held on the 2nd day of November, 2021.

City of Johnson City	Witness Signature
<p>X</p> <hr/> <p>Mayor Signature</p>	<p>X</p> <hr/> <p>City Secretary Signature</p>
<p><u>Printed Name:</u> Rhonda Stell</p> <p><u>Title:</u> Mayor</p>	<p><u>Printed Name:</u> Whitney Walston</p> <p><u>Title:</u> City Secretary</p>



GOVERNMENT CAPITAL
CORPORATION

October 22, 2021

Mr. Rick Schroder
Johnson City City Hall
(830) 868-7111
rschroder@johnsoncitytx.org

Dear Mr. Schroder,

Thank you for the opportunity to present proposed financing for the City of Johnson City. I am submitting for your review the following proposed structure:

ISSUER:	City of Johnson City, Texas	
FINANCING STRUCTURE:	Public Property Finance Contract issued under Local Government Code Section 271.005	
EQUIPMENT COST:	\$ 185,500	
TERM:	4 Annual Payments	5 Annual Payments
INTEREST RATE:	3.461%	3.534%
PAYMENT AMOUNT:	\$ 50,514.05	\$ 41,172.81
PAYMENTS BEGINNING:	One year from signing, annually thereafter	

Here are a few of the perks of working with Government Capital:

Texas based company
No liens on your equipment
Deferred Payments up to a full year
We have flexible terms/options and do not require voter approval.

The above proposal is subject to audit analysis, assumes bank qualification and mutually acceptable documentation. The terms outlined herein are subject to change and rates are valid for fourteen (14) days from the date of this proposal. If funding does not occur within this time period, rates will be indexed to markets at such time.

Our finance programs are flexible and as always, my job is to make sure you have the best possible experience every time you interact with our brand. We're always open to feedback on how to make your experience better. If you have any questions regarding other payment terms, frequencies or conditions, please do not hesitate to call.

Blessings,

Drew

Drew Whittington
Client Services
Main: 817-421-5400

The transaction described herein is an arm's length, commercial transaction between you and Government Capital Corporation ("GCC"), in which GCC: (i) is acting solely for its own financial and other interests that may differ from yours; (ii) is not acting as your municipal advisor or financial advisor, and has no fiduciary duty to you with respect to this transaction; and (iii) is not recommending that you take an action with respect to this transaction.