



City of Olathe

COUNCIL AGENDA ITEM

MEETING DATE: 5/21/2024

FOCUS AREA: Economy

STAFF CONTACT: Jamie Robichaud/Briana Burrichter/John Page

SUBJECT: Consideration of Resolution No. 24-1018 authorizing the public sale of Water and Sewer System Improvement Bonds, Series 2024.

TITLE:

Consideration of Resolution No. 24-1018 authorizing the public sale of Water and Sewer System Improvement Bonds, Series 2024.

SUMMARY:

The City's bond counsel, Gilmore & Bell, has prepared Resolution No. 24-1018 authorizing the sale of Water and Sewer System Revenue Bonds, Series 2024, in the approximate principal amount of \$16,295,000. The proposed Revenue Bond issuance will provide funding for the following projects:

- West Cedar Creek Sewer Interceptor Phase I
- Lift Station Replacements
- Sanitary Sewer Manhole Lining & Rehabilitation Project
- Sanitary Sewer Rehabilitation (I&I)
- Neighborhood Sanitary Sewer Rehabilitation
- Remote Facilities Improvements
- Water Meter Replacement Project
- Black Bob #2 Recoating
- WTP2: Chemical Feed Modifications
- WTP2: Electrical Modification Improvements
- Fire Hydrant Replacement
- WTP2: Residuals Handling Expansion
- 151st and Black Bob Waterline Replacement
- Waterline Rehabilitation

Project expenditures funded by this bond issue total \$15,929,250. The remaining amount of issuance covers debt service requirements related to debt service reserve fund and costs of issuance.

Revenue Bonds are secured by future user fee revenues, rather than the City's ability to levy taxes. Series 2024 has a 20-year term.

The City is tentatively scheduled to accept bids on June 12th, 2024. The Mayor is authorized the award the sale of the Series 2024 Bonds to the submitter of the best proposal or reject all proposals per Resolution No. 24-1018, provided that the principal amount does not exceed \$17,750,000 and the true interest cost of the Series 2024 Bonds does not exceed 5.00%.

FINANCIAL IMPACT:

MEETING DATE: 5/21/2024

The amount of Water and Sewer Revenue Bonds, Series 2024, is approximately \$16,295,000.

ACTION NEEDED:

Approval of Resolution No. 24-1018 to authorize the sale of Water and Sewer System Improvement Revenue Bonds, Series 2024.

ATTACHMENT(S):

A: Draft Sale Resolution

B: Draft Summary Term Sheet