



City of Olathe

Legislation Details (With Text)

File #: G19-685

Type: New Business-Administration **Status:** Passed

File created: 3/22/2019 **In control:** City Council

On agenda: 4/2/2019 **Final action:** 4/2/2019

Title: Consideration of Ordinance No. 19-11 and Resolution No. 19-1027 authorizing the issuance, delivery, form and details of approximately \$17,760,000 principal amount of Water and Sewer System Improvement and Refunding Revenue Bonds, Series 2019.

Sponsors: Dianna Wright, Mary Jaeger, Amy Tharnish

Indexes:

Code sections:

Attachments: 1. Bond Ordinance Resolution

Date	Ver.	Action By	Action	Result
4/2/2019	1	City Council	approved	Pass

DEPARTMENT: Resource Management

STAFF CONTACT: Dianna Wright/Mary Jaeger/Amy Tharnish

SUBJECT: Consideration of Ordinance No. 19-11 and Resolution No. 19-1027 authorizing the issuance, delivery, form and details of approximately \$17,760,000 principal amount of Water and Sewer System Improvement and Refunding Revenue Bonds, Series 2019.

ITEM DESCRIPTION:

Consideration of Ordinance No. 19-11 and Resolution No. 19-1027 authorizing the issuance, delivery, form and details of approximately \$17,760,000 principal amount of Water and Sewer System Improvement and Refunding Revenue Bonds, Series 2019

SUMMARY:

As approved by the City Council on March 5, 2019, bids will be received by the City on April 2, 2019, from prospective buyers of the Water and Sewer System Revenue Bond Series 2019. The issuance includes the refunding of Series 2009 in the amount of \$1,875,000. The refunded portion has a 10-year term with a maturity date of 2029.

Accordingly, the best bid rates will be provided at the City Council meeting.

In addition to the best bid approval required above, the City's bond counsel, Gilmore & Bell, has prepared Ordinance No. 19-11 authorizing the issuance of the bonds. They have also prepared Resolution No. 19-1027, prescribing the form and details of and authorizing the delivery of the Water and Sewer System Revenue Bonds, Series 2019.

Draft copies of the above-mentioned ordinance and resolution are attached. The final versions of these documents will be presented at the City Council meeting once the bids have been received and the best bid has been determined.

The City has applied for a rating from Standard and Poor's Corporation. Revenue bonds are rated separately from general obligation bonds, because the source of repayment for the bonds comes from Water and Sewer operations rather than the full faith and credit of the City. Standard and Poor's affirmed the City's AA rating with a stable outlook.

FINANCIAL IMPACT:

The amount of Water and Sewer System Revenue Bonds, Series 2019 is approximately \$17,760,000. The total outstanding revenue bonds will be \$102,720,000 after the sale of Series 2019. Series 2019 has a 20-year term, with the last of the bonds maturing in 2039.

ACTION NEEDED:

Approval of Ordinance No. 19-11 and Resolution No. 19-1027 to prescribe the form and details of and authorize issuance and delivery of approximately \$17,760,000 principal amount of Water and Sewer System Revenue Bonds, Series 2019.

ATTACHMENT(S):

Attachment A: Bond Ordinance and Resolution