



City of Olathe

COUNCIL AGENDA ITEM

MEETING DATE: 1/22/2019

DEPARTMENT: Resource Management

STAFF CONTACT: Dianna Wright/Mary Jaeger/Amy Tharnish

SUBJECT: Consideration of Ordinance 19-03 and Resolution No. 19-1011 authorizing the issuance, delivery, form and details of approximately \$3,400,000 principal amount of Stormwater Revenue Bonds, Series 2019.

ITEM DESCRIPTION:

Consideration of Ordinance 19-03 and Resolution No. 19-1011 authorizing the issuance, delivery, form and details of approximately \$3,400,000 principal amount of Stormwater Revenue Bonds, Series 2019

SUMMARY:

As approved by the City Council on December 4, 2018, bids will be received by the City on January 22, 2019, from prospective buyers of the Stormwater Revenue Bond Series 2019. 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. 19-03 authorizing the issuance of the bonds. They have also prepared Resolution No. 19-1011, prescribing the form and details of and authorizing the delivery of the Stormwater 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 S&P Global Ratings. Revenue bonds are rated separately from general obligation bonds, because the source of repayment for the bonds comes from Stormwater operations rather than the full faith and credit of the City. S&P assigned the City its AA rating with a stable outlook.

FINANCIAL IMPACT:

The amount of Stormwater Revenue Bonds, Series 2019 is approximately \$3,400,000. The total outstanding revenue bonds will be \$3,400,000 after the sale of Series 2019. Series 2019 has a 20-year term, with the last of the bonds maturing in 2038.

ACTION NEEDED:

Approval of Ordinance No. 19-03 and Resolution No. 19-1011 to prescribe the form and details of and authorize issuance and delivery of approximately \$3,400,000 principal amount of Stormwater Revenue Bonds, Series 2019.

ATTACHMENT(S):

MEETING DATE: 1/22/2019

Bond Ordinance and Resolution