



City of Olathe

COUNCIL AGENDA ITEM

MEETING DATE: 3/3/2020

DEPARTMENT: Resource Management

STAFF CONTACT: Dianna Wright/Mary Jaeger/Amy Tharnish

SUBJECT: Report on authorizing improvements to the Water and Sewer System and Revenue Bond Process.

ITEM DESCRIPTION:

Report on authorizing improvements to the Water and Sewer System and Revenue Bond Process.

SUMMARY:

To start the financing portion of the process, staff is presenting projects to Council, based on the adopted CIP Plan, for consideration and authorization.

The projects listed below are those that staff is presenting to Council for consideration and authorization. The amount reported is the total project cost and does not represent the amount that will be financed through Water and Sewer Revenue Bonds. The projects will also utilize cash funding. See Attachment A for a detailed description of each project.

Project Number	Project Name	Total Project
5-C-002-20	Remote Facilities Improvements	\$ 5,608,5
5-C-048-20	Ridgeview Rd Watermain Improvements, College and Ridgeview	1,287,0
5-C-028-20	WTP2: Electrical/Backup Power	10,246,0
5-C-026-20	WTP2: Chemical Feed Modifications	3,525,0
5-B-007-20	Lone Elm Booster Pump Station and Main	14,283,9
		\$ 35,050,4

Staff expects to complete many of the listed projects in phases. Staff will also issue multiple series of revenue bonds over the next several years to finance the projects. The timing of bond issued is based on the cash flow needs of the projects.

In two weeks, staff would like to continue the revenue bond process and present to Council a resolution for consideration. The resolution would authorize the projects listed above and declare the City's intent to proceed with the design and construction of the specified projects. That would also further authorize the City Clerk to give public notice of the City's intent to finance all or a portion of the costs of the projects through the issuance of Water and Sewer Revenue Bonds. See Attachment B for the outline of the Water and Sewer Revenue Bond Process.

The resolution does not approve design and construction contracts for the projects, nor does it specifically approve the issuance of revenue bonds. Staff will return to Council at later dates for

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authority to enter into design and construction contracts and to authorize the issuance of revenue bonds.

FINANCIAL IMPACT:

Total project costs \$35,050,423 plus bond issuance costs and interest for the portion financed by revenue bonds.

ACTION NEEDED:

Receive report on Water and Sewer projects requesting authorization and the revenue bond process.

ATTACHMENT(S):

A: Project Descriptions

B: Water & Sewer Revenue Bond Process