



City of Olathe

COUNCIL AGENDA ITEM

MEETING DATE: 4/7/2020

DEPARTMENT: Resource Management

STAFF CONTACT: Dianna Wright/Mary Jaeger/Amy Tharnish

SUBJECT: Consideration of Resolution No. 20-1027 authorizing the public sale of Water and Sewer System Improvement and Refunding Revenue Bonds, Series 2020.

ITEM DESCRIPTION:

Consideration of Resolution No. 20-1027 authorizing the public sale of Water and Sewer System Improvement and Refunding Revenue Bonds, Series 2020.

SUMMARY:

Gilmore & Bell, the City's bond counsel, has prepared Resolution No. 20-1027 authorizing the sale of Water and Sewer System Revenue Bonds, Series 2020 in the approximate amount of \$14,260,000. This proposed revenue bond issuance will provide funding for the following projects and refund a portion of Series 2010A and 2010B.

Project Number	Project Descriptions
5-C-030-20	Fire Hydrant Replacement
1-C-020-15	Lift Station Replacements
1-R-100-20	Sanitary Sewer Rehabilitation
1-R-000-20	Sanitary Sewer I&I
5-R-000-20	Waterline Rehab
5-C-031-18	Vertical Well Field Improvements

Project expenditures funded by this bond issue total \$3,916,125. The remaining amount of issuance covers refunding Series 2010A in the amount of \$3,830,000, refunding Series 2010B in the amount of \$5,850,000, and \$663,875 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 2020 has a 20-year term, with the last bonds of the series maturing in 2040. The refunded portion for Series 2010A has a 10-year term with a maturity date of 2030 and the refunded portion for Series 2010B has a 15-year term with a maturity date of 2035. The bond sale is set for Tuesday, May 5, 2020. A tabulation of bids and recommendation of award will be presented at the City Council meeting on the same date.

FINANCIAL IMPACT:

The amount of Water and Sewer Revenue Bonds, Series 2020 is approximately \$14,260,000.

ACTION NEEDED:

Approval of Resolution No. 20-1027 to authorize the sale of Water and Sewer System Improvement

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and Refunding Revenue Bonds, Series 2020.

ATTACHMENT(S):
Resolution No. 20-1027