



City of Olathe

COUNCIL AGENDA ITEM

MEETING DATE: 6/16/2020

DEPARTMENT: Resource Management

STAFF CONTACT: Dianna Wright/Amy Tharnish

SUBJECT: Consideration of Resolution No. 20-1045 authorizing the issuance and delivery of the principal amount of General Obligation Temporary Notes, Series 2020-A.

ITEM DESCRIPTION:

Consideration of Resolution No. 20-1045 authorizing the issuance and delivery of the principal amount of General Obligation Temporary Notes, Series 2020-A.

SUMMARY:

As approved by the City Council on May 19, 2020, the City entered into an agreement with JP Morgan to serve as underwriter for the General Obligation Temporary Notes, Series 2020-A.

The temporary notes will be used to provide project funding, including redeeming a portion of the Series 2019-A Notes, in the approximate amount of \$76,465,527. Temporary note Series 2020-A provides funding for 18 capital improvement projects and has a maturity of August 1, 2021. The projects with the largest funding amount are I-35 & 119th Street Interchange; Santa Fe & Ridgeview Geometric Improvements; Lone Elm Road Old 56 Highway to 151st Street; Woodland Road K-10 to College Blvd Improvements; Fire Station #8 and Park Maintenance Facilities.

The City's bond counsel, Gilmore & Bell, has prepared Resolution No. 20-1045 that sets the form and details of, and serves to authorize the issuance and delivery of Temporary Note Series 2020-A.

A draft copy of the above-mentioned resolution is attached. The final version of this document will be available at the City Council meeting once the bids have been received and the best bids have been determined.

Standard and Poor's Corporation and Fitch have assigned the City a rating of SP-1+ and F1+, respectively, for short term financing.

FINANCIAL IMPACT:

Series 2019-A Notes in the amount of \$53,955,000 will mature on August 1, 2020. The balance of outstanding temporary notes, which includes the sale of Series 2020-A Notes, will be approximately \$76,465,527.

ACTION NEEDED:

Approval of Resolution No. 20-1045 to authorize issuance and delivery of the principal amount of General Obligation Temporary Notes, Series 2020-A.

ATTACHMENT(S):

Draft Resolution

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