



City of Olathe

COUNCIL AGENDA ITEM

MEETING DATE: 3/5/2019

DEPARTMENT: Resource Management

STAFF CONTACT: Dianna Wright/Mary Jaeger/Amy Tharnish

SUBJECT: Consideration of Resolution No. 19-1022 authorizing the public sale of Water and Sewer System Improvement and Refunding Revenue Bonds, Series 2019.

ITEM DESCRIPTION:

Consideration of Resolution No. 19-1022 authorizing the public sale of Water and Sewer System Improvement and Refunding Revenue Bonds, Series 2019

SUMMARY:

Gilmore & Bell, the City's bond counsel, has prepared Resolution No. 19-1022 authorizing the sale of Water and Sewer System Revenue Bonds, Series 2019 in the approximate amount of \$17,725,000. This proposed revenue bond issuance will provide funding for the following projects and refund a portion of Series 2009. Project descriptions are available on Attachment B.

Project Number	Project Descriptions
5-C-030-19	Fire Hydrants
1-R-100-19	Neighborhood Sanitary Sewer
1-C-026-18	Sanitary Sewer Manhole Lining
5-C-031-18	Vertical Well Field Improvements
5-R-000-19	Waterline Rehab
1-C-020-15	Lift Station Replacements
5-C-004-16	WTP2: Alternative Disinfection
5-C-025-16	WTP2: Basin Modifications
5-C-029-15	WTP 2: Lime Feed Building
5-C-049-18	WTP 2: Above-ground Clearwell
1-C-011-17	103rd Lift Station and FM
1-C-024-18	Lakeview Avenue

Project expenditures funded by this bond issue total \$14,494,189.28. The remaining amount of issuance covers refunding Series 2009 in the amount of \$1,875,000 and \$1,270,810.72 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 2018 has a 20-year term, with the last bonds of the series maturing in 2039. The refunded portion has a 10-year term with a maturity date of 2029. The resolution sets Tuesday, April 2, 2019 as the sale date. A tabulation of bids and recommendation of award will be presented at the City Council meeting on the same date.

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FINANCIAL IMPACT:

The amount of Water and Sewer Revenue Bonds, Series 2019 is approximately \$17,725,000. After these bonds are sold the outstanding balance of revenue bonds for the Water & Sewer Fund will be approximately \$102,655,000.

ACTION NEEDED:

Approval of Resolution No. 19-1022 to authorize the sale of Water and Sewer System Improvement and Refunding Revenue Bonds, Series 2019.

ATTACHMENT(S):

A: Resolution No. 19-1022

B: Project Descriptions