Recommendations

Consider adopting Resolution No. 7356 authorizing various public improvements and the issuance of general obligation bonds and/or temporary notes to finance all or a portion of the costs of certain improvements.

Executive Summary

The 17th & Alabama Drainage Improvement project (MS-21-0009) and 19th Street Reconstruction from Harper to O'Connell (MS-21-0002) project have both been included in previous Capital Improvement Plans and identified to utilize general obligation debt.

In order to use tax-exempt financing, the City must adopt a resolution and publish notice of the City's intent to issue tax-exempt general obligation bonds to pay for said improvements. However, this action does not obligate the City to issue debt for the project.

On January 5, 2021, the City Commission approved Resolution No. 7351 which authorized these projects to use general obligation debt. However, that resolution did not capture the full project costs and therefore needs to be updated to align with the current project estimates.

Alignment to Strategic Plan

Infrastructure, Asset Management, and Connectivity

Fiscal Impact

This project was identified through the budget process and repayment of bonds was included in the FY2021 budget.

Action Requested

Adopt Resolution No. 7356.

Previous Agenda Reports:

January 5, 2021: Bond Authorizing Resolution

Attachments

Resolution No. 7356
RESOLUTION NO. 7356

A RESOLUTION OF THE CITY OF LAWRENCE, KANSAS, AMENDING A PORTION OF RESOLUTION NO. 7351 RELATING TO CERTAIN IMPROVEMENTS AND AUTHORIZING THE ISSUANCE OF GENERAL OBLIGATION BONDS TO FINANCE ALL OR A PORTION OF THE COSTS OF SUCH IMPROVEMENTS.

WHEREAS, on January 5, 2021, the City of Lawrence, Kansas (the “City”) adopted Resolution No. 7351 authorizing various public improvements, including the 17th and Alabama Drainage Improvement MS-21-0009 (Previously PW19S1CIP) and 19th Street Reconstruction – Harper to O’Connell MS-21-0002 (Previously PW17E3CIP) (together, the “Projects”) pursuant to Charter Ordinance No. 46, as more fully described therein; and

WHEREAS, the estimated costs of the Projects have been determined, and such amount exceeds the amounts set forth in Resolution No. 7351; and

WHEREAS, it is necessary to (a) increase the estimated cost of the Projects and (b) increase the amount of general obligation bonds and/or temporary notes authorized to be issued for the Projects, all as further provided herein.

NOW THEREFORE, BE IT RESOLVED BY THE GOVERNING BODY OF THE CITY OF LAWRENCE, KANSAS, AS FOLLOWS:

SECTION 1. The City is authorized and empowered pursuant to Charter Ordinance No. 46 to undertake the Projects and to issue general obligation bonds therefore, all as more specifically set forth below. The portions of Exhibit A to Resolution No. 7351 relating to the Projects are hereby amended as follows:

17th and Alabama Drainage Improvement MS-21-0009 (Previously PW19S1CIP)

Prior Authorizing Resolution: Resolution Nos. 7293 and 7351

Anticipated Life Cycle: 50 Years

Estimated Total Project Cost: $6,330,000

General Obligation Bond Authorization Amount: $6,330,000 plus capitalized interest on any temporary financing and costs of issuance.

Statutory Authority: Charter Ordinance No. 46

Project Description: Improvements to the City’s storm sewer system, including design, alteration, repair, reconstruction, remodel, renovation, replacement, or making additions to, the City’s storm sewer system, at the following locations:
  • Alabama Street from 17th Street to 20th Street;
  • Missouri Street from 18th Street to 19th Street;
  • Maine Street from 19th Street to 20th Street; and
  • 20th Street from Alabama Street to Naismith Drive.

Summary of Changes: Resolution No. 7293 gave authorization to improve 17th and Alabama Drainage in an amount not to exceed $2,500,000 plus issuance costs and interest. Resolution No.
7351 gave authorization to increase the amount not to exceed to $3,000,000 plus issuance costs and interest. The increased authorization aligns with the current estimated project estimates.

**19th Street Reconstruction—Harper to O’Connell MS-21-0002 (Previously PW17E3CIP)**

*Prior Authorizing Resolution:* Resolution Nos. 7280 and 7351

*Anticipated Life Cycle:* 20 years

*Estimated Total Project Cost:* $3,625,000

*General Obligation Bond Authorization Amount:* $2,450,000 plus capitalized interest on any temporary financing and costs of issuance.

*Statutory Authority:* Charter Ordinance No. 46

*Project Description:* Reconstruction of 19th Street from Harper to O’Connell Street, including but not limited to construction, curbing, guttering, paving, sidewalk and pedestrian path construction, drainage improvements, pavement marking, signing, and all related design, engineering and inspection work, and all necessary and related improvements.

*Summary of Changes:* Resolution No. 7280 gave authorization to improve 19th Street from Harper to O’Connell in an amount not to exceed $1,775,000 plus issuance costs and interest. Resolution No. 7351 gave authorization to improve 19th Street from Harper to O’Connell in an amount not to exceed $2,200,000 plus issuance costs and interest. The increased authorization includes the proportion of the project initially requested to be paid for by the County.

**SECTION 2.** The City expects to design, construct and to make additional capital expenditures on and after the date of adoption of this resolution in connection with the Projects set forth in this resolution, and the City intends to reimburse itself for such expenditures with the proceeds of general obligation bonds and/or temporary notes in the maximum principal amount not to exceed $8,780,000, plus costs of issuance and interest on any temporary financing.

**SECTION 3.** The Mayor, City Clerk, City Manager, Finance Director, and the other officers and representatives of the City are hereby authorized and directed to take such action, expend such funds and execute such documents, certificates and instruments as may be necessary or desirable to carry out and comply with the intent of this Resolution.

**SECTION 4.** The provisions of this Resolution amend any contrary provisions related to the Projects contained in Resolution No. 7351. The balance of Resolution No. 7351 is hereby ratified and confirmed.

**SECTION 5.** This Resolution shall be effective from and after adoption by the governing body.

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ADOPTED by the governing body of the City of Lawrence, Kansas, on March 16, 2021 and APPROVED AND SIGNED by the Mayor.

(Seal)

APPROVED:

_________________________________
Bradley R. Finkeldei, Mayor

ATTEST:

_________________________________
Sherri Riedemann, City Clerk