



MEMORANDUM

Council Agenda
Item No. IX.D.1&2.
2/3/2015

The City of OKLAHOMA CITY

TO: Mayor and City Council

FROM: James D. Couch, City Manager

1. Public hearing.
2. Resolution providing for the sale and issuance of general obligation refunding bonds in the sum of not to exceed \$75,000,000 by The City of Oklahoma City, State of Oklahoma, for the purpose of refunding certain outstanding general obligation bonds including portions of the series 2005 general obligation refunding bonds and the series 2006 general obligation bonds of the City; waiving competitive bidding for the bonds; prescribing form of bonds; providing for a bond issue designated "General Obligation Refunding Bonds, Series 2015"; providing for registration thereof; designating the registrar for the issue; providing levy of an annual tax for payment of principal and interest on the bonds; approving a continuing disclosure agreement; fixing other details of the issue; and approving an escrow agreement.

(Six affirmative votes required to incur indebtedness.)

(Seven affirmative votes required to waive competitive bidding.)

Background

The City currently has outstanding general obligation bonds from the Series 2005 refunding and 2006 issues. Tax-exempt interest rates have continued to stay at historical lows and as maturities get closer to their 10-year call date, refunding the outstanding bonds becomes more economically feasible. Public Financial Management (PFM), the City's financial advisor, has identified the outstanding 2005 refunding and 2006 bond series as candidates for refunding. The refunding measures would not impact the approved projects for which the original bonds were intended and it will not extend their maturity dates. General Obligation bonds are refunded using a negotiated sale.

Attached is a resolution providing for the issuance of the bonds in the sum not to exceed \$75,000,000. The resolution provides the form of the bonds, prescribes redemption provisions, appoints a registrar (paying agent), provides for the levy of an annual tax for payment of principal and interest, provides an agreement for continuing disclosure and fixes other details of the bond issue.

To waive competitive bidding, a three-fourths affirmative vote is required. In order to incur indebtedness, a two-thirds affirmative vote is required. The attached resolution and content of the bonds themselves have been prepared and approved by Bond Counsel.

Review

Finance Department

Recommendation: Public hearing be held and resolution be adopted.

Attachment