



CITY OF NORMAN, OK STAFF REPORT

MEETING DATE: 02/27/2024

REQUESTER: Anthony Francisco

PRESENTER: Anthony Francisco, Director of Finance/NUA Treasurer

ITEM TITLE: CONSIDERATION OF ADOPTION, REJECTION, AMENDMENT AND/OR POSTPONEMENT OF ORDINANCE O-2324-44 UPON FIRST, SECOND AND FINAL READING: AN ORDINANCE PROVIDING FOR THE ISSUANCE OF GENERAL OBLIGATION BONDS, SERIES 2024A IN THE SUM OF \$16,000,000 BY THE CITY OF NORMAN, OKLAHOMA, AUTHORIZED AT AN ELECTION DULY CALLED AND HELD FOR SUCH PURPOSE; PRESCRIBING FORM OF BONDS; PROVIDING FOR REGISTRATION THEREOF; DESIGNATING THE REGISTRAR FOR THE ISSUE; PROVIDING FOR LEVY OF AN ANNUAL TAX FOR THE PAYMENT OF PRINCIPAL AND INTEREST ON THE BONDS AND FIXING OTHER DETAILS OF THE ISSUE; APPROVING THE FORMS OF A CONTINUING DISCLOSURE AGREEMENT AND AN OFFICIAL STATEMENT; AUTHORIZING EXECUTIONS AND ACTIONS NECESSARY FOR THE ISSUANCE AND DELIVERY OF THE BONDS; AND DECLARING AN EMERGENCY

BACKGROUND:

On October 10, 2023, the voters of Norman authorized the issuance of up to \$50,000,000 in General Obligation bonds (GO Bonds) for “constructing, reconstructing, repairing, improving and rehabilitating bridges in the city (including lighting, sidewalks/bike paths, landscaping, drainage improvements, driveway reconstruction and other related improvements)”. The authorized bonds were anticipated to be issued in phases, to coincide with the design and construction schedules for the bridge improvement projects.

Pursuant to the Oklahoma Bond Proceeds Act, the sale of General Obligation Bonds must be done competitively, using a set process that begins with an open solicitation for bidders through a Notice of Sale of the bonds and an award of the bid to the qualified bidder (firm) who proposes to purchase the bonds at the lowest True Interest Cost to the City (issuer).

On January 23, 2024 the Council approved Resolution R-2324-110, giving Notice of Sale and Setting a Sale Date of February 27, 2024 for the \$16,000,000 Series 2024A General Obligation Bonds (first issuance of the bridge reconstruction bonds authorized in 2023).

DISCUSSION:

Pursuant to procedures set out in the Oklahoma Statutes, public notice of the sale of the Series 2024A General Obligation Bonds was made in electronic financial media, the *Norman Transcript* and other publications. Bid packages were sent to qualified firms in Oklahoma and in the surrounding region. As noted in the Notice to Bidders, bids will be received on February 27, 2024 for the purchase of the Bonds, and the bidder with the lowest true interest cost is recommended to be approved to purchase the Bonds.

In order to comply with Statutory requirements for the sale of General Obligation bonds, to respond to constantly changing municipal bond market conditions, and to complete the bond sale in a timely fashion to continue to move the approved projects forward in the expeditious manner that is desired by the Council, the attached Ordinance is recommended to be approved on an emergency basis.

The Ordinance also authorizes the Mayor or Mayor Pro Tem and other City officials to execute relevant documents to complete the bond sale. These documents include, without limitation, the following:

Continuing Disclosure Agreement;

Arbitrage Certification;

Non-Litigation Certification;

Official Statement/Prospectus

The Council will receive a tabulation of the bids received and recommendations for the successful purchasers (underwriters) in advance of the February 27, 2024 Council meeting.

RECOMMENDATION:

It is recommended that the Ordinance be approved on an emergency basis and the Mayor or Mayor Pro Tem, City Clerk or Deputy City Clerk, City Manager, City Attorney and the Finance Director be authorized and empowered to execute the documents at the time of the closing of the sale, or as necessary.