



CITY OF NORMAN, OK STAFF REPORT

MEETING DATE: 08/11/2026

REQUESTER: Joseph Hill, Streets Program Manager

PRESENTER: Scott Sturtz, Director of Public Works

ITEM TITLE: CONSIDERATION OF ADOPTION, REJECTION, AMENDMENT, AND/OR POSTPONEMENT OF RESOLUTION R-2627-18: A RESOLUTION OF THE COUNCIL OF THE CITY OF NORMAN, OKLAHOMA, AND THE NORMAN MUNICIPAL AUTHORITY APPROPRIATING \$411,814 FROM THE STREET MAINTENANCE BOND FUND BALANCE TO THE BOND ARBITRAGE PROJECT TO REPAY THE REBATE LIABILITY TO THE UNITED STATES TREASURY, INTERNAL REVENUE SERVICE (IRS), AS OUTLINED IN THE STAFF REPORT.

BACKGROUND:

On Tuesday, April 6, 2021, Norman residents voted to approve the 2021-2026 Street Maintenance Bond Program which includes the issuance of \$27 million in bonds to fund the resurfacing, rehabilitation and reconstruction of neighborhood streets. The five categories of street maintenance include (1) Urban Asphalt Pavement Street Rehabilitation, (2) Urban Concrete Street Rehabilitation, (3) Urban Road Reconstruction, (4) Rural Road Rehabilitation, and (5) Preventive Maintenance.

The City of Norman works with Arbitrage Compliance Specialists, Inc. to assist with the review of municipal bonds including the 2021- 2026 Street Maintenance Bond and provide reports for bond yield. Arbitrage Compliance Specialists, Inc. completed recent reports that reflect a positive arbitrage rebate liability of \$404,463.37 for the Series 2021 bonds. The Street Maintenance Bond has consistently come in on time and under budget, this has resulted in additional funds in interest.

DISCUSSION:

This item will transfer funds from the Street Maintenance Bond Fund Balance (Account No. 50-29000) to project Bond Arbitrage (Project BP0248, Account No. 50594697- 46201 Design) to repay the rebate liability to the United States Treasury, Internal Revenue Service (IRS) in the amount of \$411,814. This amount includes the amount due to the IRS (\$404,463.37) and fee (\$7,350) to Arbitrage Compliance Specialists, Inc. for their calculation.

RECOMMENDATION NO. 1:

Staff recommends appropriation of funds in the amount of \$411,814 from the 2021-2026 Street Maintenance Bond Fund Balance (Account No. 50-29000) to project Bond Arbitrage (Project BP0248, Account No. 50594697- 46201 Design).