



## CITY OF NORMAN, OK STAFF REPORT

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**MEETING DATE:** 03/28/2023

**REQUESTER:** Anthony Francisco, Director of Finance

**PRESENTER:** Anthony Francisco, Director of Finance

**ITEM TITLE:** CONSIDERATION AND AWARDDING, ACCEPTANCE, REJECTION, AMENDMENT, AND/OR POSTPONEMENT OF THE BID FOR THE PURCHASE OF \$26,000,000 GENERAL OBLIGATION BONDS, SERIES 2023A OF THE CITY OF NORMAN, OKLAHOMA, AND VOTE TO AWARD SAID BONDS TO THE LOWEST BIDDER COMPLYING WITH THE NOTICE OF SALE AND INSTRUCTIONS TO BIDDERS OR TO REJECT ALL BIDS.

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### **BACKGROUND:**

On April 2, 2019, the voters of Norman approved the issuance of \$72,000,000 in General Obligation bonds (GO Bonds) to widen and improve major arterial streets in Norman, continuing a program of transportation system bonds authorized by the voters in 2006 and 2012. This transportation system improvement program contemplated issuing the authorized bonds in 2-3 sales, set to approximately coincide with the construction schedules of the transportation projects.

On April 9, 2019, the City Council approved Ordinance 1819-42 on emergency, authorizing the issuance of the \$20,000,000 City of Norman General Obligation Bonds, Series 2019B. Proceeds of this bond issuance have provided funding for the first projects anticipated in the voter-approved 2019 Transportation Bond program.

On April 6, 2021, the voters of Norman approved Ordinance O-2021-29, authorizing the issuance of \$27,000,000 in General Obligation bonds (GO Bonds) for "reconstructing, repairing, improving and rehabilitating existing streets, roads and intersections in the City of Norman..." This was the fourth time the voters of Norman authorized a recurring five-year program to provide funding for maintaining residential asphalt, concrete and rural roads throughout Norman.

On May 25, 2021, the City Council approved Ordinance 2021-48 on emergency, authorizing the issuance of the \$13,500,000 City of Norman General Obligation Bonds, Series 2021. Proceeds of this bond issuance have provided funding for the first projects anticipated in this fourth round of voter-approved, short-term Street Maintenance Bonds.

On February 28, 2023, the City Council approved Resolutions R-2223-99 and R-2223-100, giving Notice of Sale and Setting a Sale Date of March 28, 2023 for the \$26,000,000 Series 2023A General

Obligation Bonds (second issuance of the road construction bonds authorized in 2019) and \$13,500,000 Series 2023B General Obligation Bonds (second and final authorized bond issuance for street maintenance of 2021).

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).

### **DISCUSSION:**

Pursuant to procedures set out in the Oklahoma Statutes, public notice of the sale of the Series 2023A and 2023B 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 distributed pursuant to the Notice to Bidders, bids will be received on March 28, 2023 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 take advantage of favorable 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 Ordinances are recommended to be approved on an emergency basis.

The Ordinances also authorize 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 March 28, 2023 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.