



City Council Communication

AGENDA DATE: March 2, 2026

LEGISTAR ITEM #: Ordinance 2765

PRESENTER: Valerie Lucero

DEPARTMENT: Finance

<input checked="" type="checkbox"/> Ordinance	<input type="checkbox"/> Resolution	<input type="checkbox"/> Public Hearing
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REQUEST

Approve an ordinance to amend ordinance 2725 authorizing the refunding of the City's 2015 Sales and Use Tax Revenue Bonds to generate savings over the remaining life of this long-term debt.

BACKGROUND

The City issued Series 2015 Sales and Use Tax Revenue bonds on April 2, 2015, in the amount of \$52,645,000. These bonds were issued to refinance the 2005 S&U Tax Revenue Bonds (\$14,530,000) and the 2006 S&U Tax Revenue Bonds (\$39,995,000). They are currently scheduled to mature on August 1, 2036. On December 31, 2025, the outstanding balance was \$30,995,000. This debt was originally issued to fund Prairie Gateway Infrastructure.

Ordinance 2025 was brought to Council on December 15, 2025 to authorize the refinancing of the 2015 Sales and Use Tax bonds. It was approved on 2nd reading on January 5, 2026.

In early February 2026, bond counsel discovered that the 2015 Bond Ordinance 2725, approved by council on January 5, 2026, did not include the parameters required under the Supplemental Public Securities Act. This error was due to a miscommunication between staff and bond counsel. This will only delay pricing and issuance of the bonds and does not have an adverse effect.

CITY COUNCIL COMMUNICATION CONTINUED

JUSTIFICATION

<input type="checkbox"/> Council Goal	<input type="checkbox"/> Strategic Plan	<input checked="" type="checkbox"/> Work Plan	<input type="checkbox"/> Legal
Citation	As part of duties relating to managing the City's various debt issuances, Finance staff work with the City Attorney's Office, Bond Counsel, and Municipal Advisor to monitor interest rate environments and refunding opportunities. Refunding opportunities are periodically recommended during favorable interest rate environments to realize potential savings on future debt payments.		

AVAILABLE ACTIONS

<ul style="list-style-type: none">• Available Action #1. Approve Ordinance 2765 authorizing the amendment to Ordinance 2725 for refinancing of the 2015 Sales & Use Tax Revenue Bonds.• Available Action #2. Decline to approve Ordinance 2765 and forgo refunding savings.• Available Action #3. Provide staff alternative direction.
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STAFF RECOMMENDATION

Staff recommends Action #1, approval of the item.
