TO: Mayor and City Council

SUBJECT: Notice of Intent to Use Debt Financing Amendment Tenant Funded Improvements Wichita Dwight D. Eisenhower National Airport

INITIATED BY: Department of Airports

AGENDA: Consent

Recommendation: Adopt the Amending Resolution.

Background: The Airport Authority relies on the City of Wichita for the issuance of general obligation bonds and/or notes for capital projects. In order to use debt financing for a project, it is necessary to declare the intent to utilize general obligation bond funding for expenditures made on or after the date which is 60 days before the notice of said intent. The actual issuance of the bonds/notes will require a separate authorization from the City Council. Debt financing can be in the form of temporary notes for durations as short as six months for timing considerations or in the form of general obligation bonds for long term financing.

Resolution 15-082 was adopted on March 24, 2015, authorized the issuance of general obligation bonds for the improvement identified as Tenant Funded Improvements at an estimated cost of $1,000,000.

Analysis: In a concurrent agenda item, the City Council, sitting as the Wichita Airport Authority, took action on a request to increase a capital budget for tenant funded improvements related to the completion of the office suite for the Transportation Security Administration. To correspond with that action, this Amending Resolution reflects the revised estimated project cost to be financed through the issuance of general obligation debt.

Financial Considerations: The project budget approved is $1,700,000 (exclusive of interest on financing and administrative and financing costs) which will be financed with the proceeds of general obligation bonds/notes. If the debt is issued, the source of repayment for the bonds/notes will be Airport revenues.

Legal Considerations: The Law Department has approved the Amending Resolution as to form.

Recommendation/Action: It is recommended that the City Council adopt the Amending Resolution and authorize the necessary signatures.

Attachment: Amending Resolution.