



CITY OF KINGMAN COMMUNICATION TO COUNCIL

TO: Honorable Mayor and City Council

FROM: Tina Moline

MEETING DATE: April 7, 2026

AGENDA SUBJECT: Approval of Resolution No. 5602 - Authorizing the Execution and Delivery of an Agreement, a Trust Agreement, a Continuing Disclosure Certificate, a Purchase Contract and Other Necessary Agreements and Approving the Sale, Execution and Delivery of Excise Tax Revenue Obligations; Delegating Authority to the City Manager and Deputy City Manager/Finance Director to Determine the Method of Sale for the Obligations; Delegating Authority to the Mayor, City Manager and Deputy City Manager/Finance Director to Determine Certain Terms with Respect to the Acceptance and Award of a Bid for the Purchase of the Obligations as well as Approving the Final Form of an Official Statement; and Authorizing the Taking of and Ratifying of all Other Actions Necessary

SUMMARY:

The City of Kingman ("City") is undertaking street improvements along Airway Avenue (from Prospector Street to Flying Fortress Parkway) and Flying Fortress Parkway (from Grand Canyon Road to Airway Avenue) as part of the Flying Fortress Parkway Traffic Interchange Project. The construction contract for this project is anticipated to be awarded at tonight's Council meeting.

Not including original design costs, to date the City has incurred approximately \$2.571 million in project-related costs, including \$2.1 million for pre-cast box culverts, \$300K for construction management services, and \$171K in design change orders. These costs, together with the forthcoming construction contract, will be financed. In addition, staff recommends including a \$1.5 million contingency to address potential change orders resulting from unforeseen site conditions, material cost fluctuations, or project modifications.

The City has retained Gust Rosenfeld as Special Counsel and Columbia Capital as Municipal Advisor to prepare the necessary financing documents, including the Preliminary Official Statement, in anticipation of issuing the Obligations in May 2026.

The draft financing schedule is as follows: (1) Week of March 30 – credit rating agency calls; (2) April 7 – Council consideration of Resolution No. 5602 authorizing issuance; (3) Week of April 27 – receipt of credit ratings; (4) May 4 – distribution of the Preliminary Official Statement; (5) May 14 – competitive sale of the Obligations; (6) Week of May 18 – distribution of the Final Official Statement; and (7) June 4 – closing and delivery of proceeds.

To ensure sufficient funding for project costs, contingency reserves, issuance expenses, and the underwriter's discount, staff recommends authorizing a total principal amount not to exceed \$25,000,000.

Debt service on the Obligations will be secured by excise tax revenues, including franchise fees, transaction privilege taxes, state-shared revenues, licenses and permit fees, and fines and forfeitures. The Obligations will be structured with a 21-year repayment term to maintain affordability.

Attachments include:

1. Resolution No. 5602 - Authorizes the Issuance of the Obligations
2. Purchase Agreement - Agreement with UMB Bank to serve as the Trustee for executing and delivering the Obligations and using the proceeds to provide funds for the project
3. Trust Agreement - Agreement with UMB Bank to serve as the Trustee for administering the City's annual debt service payments
4. Continuing Disclosure Certificate - Certificate asserting that the City will comply with the Securities and Exchange Commission Rule 15c2-12(b)(5)
5. Preliminary Official Statement - a document prepared to disclose the Obligation's redemption terms, pledged revenues for repayment, and covenants for the benefit of investors.

FISCAL IMPACT:

There will be an annual fiscal impact to the General Fund as follows:

FY27 – approx. \$1.1M

FY28 through FY47 – approx. \$1.9M

STAFF RECOMMENDATION:

Approve Resolution No. 5602

SUGGESTED MOTION:

Approve Resolution No. 5602

ATTACHMENTS:

[RES 5602 - Authorizing Resolution - Kingman ETRO Sr 2026](#)

[AGR - Kingman ETRO Sr 2026 - Purchase Agreement](#)

[AGR - Kingman ETRO Sr 2026 - Trust Agreement](#)

[CER - Kingman - ETRO Sr 2026 - Continuing Disclosure Cert Series 2026 Preliminary Official Statement](#)