

(Published in *The Marysville Advocate* on March 12, 2015)

ORDINANCE NO. 1829

AN ORDINANCE AUTHORIZING THE CITY OF MARYSVILLE, KANSAS TO MAKE WATER SYSTEM IMPROVEMENTS; PREPAY CERTAIN OUTSTANDING LOANS AND AUTHORIZING THE CITY TO ISSUE ITS GENERAL OBLIGATION BONDS IN THE AMOUNT NECESSARY TO PAY COSTS OF SUCH ACTIONS

WHEREAS, pursuant to K.S.A. 65-162a *et seq.*, and particularly K.S.A. 65-163d through 65-163u (the “Act”), the City of Marysville, Kansas (the “City”) is a municipality that operates and maintains a public water supply system, as defined in the Act, and the City is authorized to acquire, construct, reconstruct, improve, equip, rehabilitate and extend all or any part of the public water supply system; provided such improvement is not related to the diversion or transportation of water acquired through a water transfer, as defined by K.S.A. 82a-1501; and

WHEREAS, the governing body of the City finds it necessary to improve the City’s public water supply system by acquiring and constructing a new 500,000 gallon elevated water tower, rehabilitating an existing round water storage tank and constructing a new public water supply well and control system, all to serve the City’s public water supply system, and all things necessary and incidental thereto (the “Water System Improvements”); and

WHEREAS, the estimated costs of the Water System Improvements to be financed by the City is \$2,003,000.00, plus necessary costs of issuing temporary and permanent financing to fund the Water System Improvements; and

WHEREAS, the Water System Improvements is not related to the diversion or transportation of water acquired through a water transfer defined in K.S.A. 82a-1501; and

WHEREAS, it is necessary to pay costs of the Water System Improvements by issuing general obligation bonds of the City; and

WHEREAS, the City has previously entered into a loan agreement with the Kansas Department of Health and Environment to finance the Water System Improvements (the “Loan”) as follows:

<u>Loan</u>	<u>Original Loan Amount</u>	<u>Balance Outstanding</u>
KPWSLF Loan #2435 (Water Tower & Related Structures)	\$2,002,987.98	\$1,675,015.58

WHEREAS, the City has determined it can achieve substantial interest cost savings by issuing general obligation bonds to finance the Water System Improvements financed by the Loan and prepaying the Loan as permitted by the loan agreement between the City and KDHE; and

WHEREAS, pursuant to Article 12, §5 of the Kansas Constitution (the “Home Rule Amendment”), the City is authorized to determine its local affairs and government except when limited or prohibited by an enactment of the state legislature applicable uniformly to all cities of the same class; and

WHEREAS, no statutory authority exists to limit or prohibit the exercise of the City’s authority under the Home Rule Amendment to authorize issuance of its general obligation bonds to pre-pay the Loan; and

WHEREAS, it is necessary and desirable for the City to issue its general obligation bonds to finance the Water System Improvements and to prepay the Loan.

NOW, THEREFORE, BE IT ORDAINED BY THE GOVERNING BODY OF THE CITY OF MARYSVILLE, KANSAS:

Section 1. The Water System Improvements are authorized and directed to be completed pursuant to the Act.

Section 2. To provide funds to pay costs of the Water System Improvements, and as authorized by the Act, the City authorizes the issuance of its general obligation bonds in an estimated amount of \$1,690,000, plus necessary costs of issuing temporary and permanent financing.

Section 3. Pursuant to the Act and the Home Rule Amendment the City authorizes issuance of its general obligation bonds in an amount necessary to prepay the outstanding balances of the Loan, and pay costs of issuing such bonds. The estimated principal amount of such bonds is \$1,690,000.

Section 4. The Mayor and City Clerk are authorized and directed to take such other action, including the execution of documents, as may be necessary to proceed with the intent of this Ordinance. The City ratifies and confirms the Mayor’s authority and actions in signing and delivering a notice to the Kansas Department of Health and Environment, complying with the Loan Agreement, stating the City’s intention to prepay the Loan.

Section 5. This Ordinance shall be in full force and effect after it is passed and approved by the City governing body and published one time in the official City newspaper.

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PASSED AND APPROVED by the governing body of the City of Marysville, Kansas on March 9, 2015.

CITY OF MARYSVILLE, KANSAS

[seal]

By _____
Bill Phillipi, Mayor

ATTEST:

By _____
Debbie Price, City Clerk

EXCERPT OF MINUTES

The governing body of the City of Marysville, Kansas, met in regular session at the usual meeting place in the City on March 9, 2015, at 7:00 p.m., with Mayor Bill Phillipi presiding and the following members of the governing body present:

Gross, Frye, Grund, Price, Beikman and Cohorst

The following members were absent:

Schwindamann and Schroller

Among other business, the governing body considered an Ordinance entitled:

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TO MAKE WATER SYSTEM IMPROVEMENTS; PREPAY CERTAIN
OUTSTANDING LOANS AND AUTHORIZING THE CITY TO ISSUE ITS
GENERAL OBLIGATION BONDS IN THE AMOUNT NECESSARY TO PAY
COSTS OF SUCH ACTIONS

The Ordinance was considered and discussed and on motion of CM Grund, seconded by CM Frye, the Ordinance was adopted by a majority vote of the members of the governing body, and assigned No. 1829.

CITY CLERK'S
CERTIFICATION OF EXCERPT OF MINUTES

I hereby certify that the foregoing is a true and correct Excerpt of Minutes of the March 9, 2015 meeting of the governing body of the City of Marysville, Kansas.

[seal]

Debbie Price, City Clerk