

(Published in *The Neodesha Derrick* on February 20, 2020)

ORDINANCE NO. 1727

AN ORDINANCE OF THE GOVERNING BODY OF THE CITY OF NEODESHA, KANSAS, DECLARING IT NECESSARY TO REPLACE THE NATURAL GAS DISTRIBUTION; AND AUTHORIZING AND DIRECTING THE ACQUISITION AND CONSTRUCTION OF SAID IMPROVEMENTS AND PROVIDING FOR THE PAYMENT OF THE COSTS THEREOF.

WHEREAS, the governing body of the City of Neodesha, Kansas (the “City”) is authorized under the laws of the State of Kansas, to own, operate and maintain a gas utility system and the City has previously acquired, constructed and maintains such a gas utility system (the “Gas Utility System”); and

WHEREAS, pursuant to Article 12, § 5 of the Constitution of the state of Kansas (the “Home Rule Amendment” and Charter Ordinance No. 16 of the City (“Charter Ordinance No. 16”), the City is authorized to issue its general obligation bonds for the purpose of supplying its inhabitants with gas and making certain gas utility improvements, including but not limited to the replacement of the natural gas distribution system and related appurtenances (the “Project”); and

WHEREAS, the City is authorized by the Home Rule Amendment and Charter Ordinance 16, (collectively the “Project Act”), to acquire, construct and install the Project; to issue the City’s general obligation bonds for the purpose of paying all or part of any costs thereof.

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

Section 1. Authorization of Project. It is hereby found and determined to be necessary and advisable to acquire, construct and install the Project (as defined above) in accordance with certain plans and specifications as previously approved by the governing body of the City.

Section 2. Payment of Project Costs. It is hereby authorized, ordered and directed that the Project be acquired, constructed and installed, all as hereinbefore described, at a total estimated cost of Two Million Three Hundred Sixty-Six Thousand Dollars (\$2,366,000).

Section 3. Temporary Notes. It is hereby further authorized, ordered and directed that in order to temporarily finance the estimated costs of the Project until the issuance of the Bonds as hereinbefore provided, there may be issued temporary improvement notes (the “Notes”), such Notes to be issued from time to time upon subsequent resolution or resolutions of the City which shall provide and set forth the details of the Notes, including the fixing of the dates, terms, denominations, interest rates and maturity dates. Such Notes may be issued and provision may be made therefor as funds are needed and required for the orderly acquisition, construction and installation of the Project; and the Mayor and City Administrator/City Clerk are hereby authorized, ordered and directed to prepare and execute each of such Notes in accordance with the terms of this Ordinance and the terms of the subsequent resolution or resolutions providing for same; and shall deliver the Notes to persons

having claims against the City in connection with the Project, or may sell the Notes at private or public sale and apply the proceeds therefrom to the payment of the actual costs and expenses of the Project. Any Notes issued under the authority of this Section shall be issued under and will contain a recital that they are issued under the authority of the Home Rule Amendment and Charter Ordinance No. 16 (both as defined above), and shall contain all other usual and required recitals and covenants and be in the form required therefor by said K.S.A. 10-123; and said Notes may be issued in combinations with any other temporary notes being issued by the City as shall be determined by the governing body at the time of such issuance to be in the City's best interest.

Section 4. General Obligation Bonds. It is hereby further authorized, ordered and directed that the costs of acquiring, constructing and installing the Project shall be paid from the proceeds of a Community Development Block Grant in the amount of \$600,000 and the balance of the costs of the Project shall be payable by the city-at-large and paid through the issuance of general obligation bonds of the City which shall not exceed \$1,766,000. The City shall continue to seek and review the best possible methods of permanent financing as it proceeds with the Project.

Section 5. Reimbursement. The obligations authorized by this Ordinance are authorized to reimburse expenditures made by the City 60 days before the date of this Ordinance and thereafter, as provided in United States Treasury Regulation § 1.150-2.

Section 6. Effective Date. This Ordinance shall be in full force and take effect from and after its adoption and approval, and its publication one time in the official newspaper of the City.

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PASSED, ADOPTED AND APPROVED by the governing body of the City of Neodesha, Kansas on February 18, 2020.

CITY OF NEODESHA, KANSAS

[seal]

By /s/ Devin Johnson
Devin Johnson, Mayor

ATTEST:

By /s/ Stephanie Fyfe
Stephanie Fyfe, City Clerk

EXCERPT OF MINUTES

The governing body of the City of Neodesha, Kansas met in special session duly noticed, at the usual meeting place in said City, on February 18, 2020, at 12:00 p.m., with Mayor Devin Johnson presiding, and the following members of the governing body present:

J.D. Moffatt, Commissioner
Tom Nichol, Commissioner

and the following members absent:

n/a

Among other business, there came on for consideration and discussion the following:

AN ORDINANCE OF THE GOVERNING BODY OF THE CITY OF NEODESHA, KANSAS, DECLARING IT NECESSARY TO REPLACE THE NATURAL GAS DISTRIBUTION; AND AUTHORIZING AND DIRECTING THE ACQUISITION AND CONSTRUCTION OF SAID IMPROVEMENTS AND PROVIDING FOR THE PAYMENT OF THE COSTS THEREOF.

After discussion, upon motion by Commissioner Moffatt, seconded by Commissioner Nichol, the Ordinance was passed by a majority of the members elect.

A majority of the members elect having voted in favor of the passage of said Ordinance, it was designated Ordinance No. 1727 was directed to be signed by the Mayor and attested by the City Clerk.

CITY CLERK'S
CERTIFICATION OF EXCERPT OF MINUTES

I hereby certify that the foregoing is a true and correct Excerpt of Minutes of the February 18, 2020 regular meeting of the governing body of the City of Neodesha, Kansas.

[seal]

/s/ Stephanie Fyfe
Stephanie Fyfe, City Clerk

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