
ORDINANCE NO. [275]

OF

THE CITY OF GOESSEL, KANSAS

PASSED

OCTOBER 16, 2017

**GENERAL OBLIGATION REFUNDING AND IMPROVEMENT BONDS
SERIES 2017**

(PUBLISHED IN THE *HILLSBORO STAR-JOURNAL* ON OCTOBER 25, 2017)

ORDINANCE NO. [275]

AN ORDINANCE AUTHORIZING AND PROVIDING FOR THE ISSUANCE OF GENERAL OBLIGATION REFUNDING AND IMPROVEMENT BONDS, SERIES 2017, OF THE CITY OF GOESSEL, KANSAS; PROVIDING FOR THE LEVY AND COLLECTION OF AN ANNUAL TAX FOR THE PURPOSE OF PAYING THE PRINCIPAL OF AND INTEREST ON SAID BONDS AS THEY BECOME DUE; AUTHORIZING CERTAIN OTHER DOCUMENTS AND ACTIONS IN CONNECTION THEREWITH; AND MAKING CERTAIN COVENANTS WITH RESPECT THERETO.

WHEREAS, the City of Goessel, Kansas (the "City") is a city of the Third class, duly created, organized and existing under the Constitution and laws of the State; and

WHEREAS, pursuant to the Constitution, particularly Article 12, Section 5 thereof, and laws of the State, including K.S.A. 12-101 *et seq.*, K.S.A. 12-631t, and K.S.A. 65-163d *et seq.*, as amended, and other provisions of the laws of the State of Kansas applicable thereto, by proceedings duly had, the City Council of the City (the "Governing Body") has previously authorized the following improvements (the "Improvements") to be made in the City, to-wit:

<u>Project Description</u>	<u>Res. No.</u>	<u>Authority</u>	<u>Amount</u>
Public Water Supply System Improvements	17-10	Kan Const. Art 12, § 5 K.S.A. 12-101, <i>et seq.</i> , K.S.A. 65-163d <i>et seq.</i>	\$340,902.26
Sanitary Sewer Improvements	17-11	Kan Const. Art 12, § 5 K.S.A. 12-101 <i>et seq.</i> , K.S.A. 12-631t	120,000.00
Total:			\$460,902.26

WHEREAS, the Issuer proposes to issue its general obligation bonds in order to permanently finance the costs of such Improvements and to retire the following loan agreements entered into for the purpose of providing initial financing for the Improvements (collectively, the "Loans"):

<u>Loan Description</u>	<u>Loan Number</u>	<u>Dated Date</u>	<u>Maturity Date</u>	<u>Original Amount</u>	<u>Outstanding Amount</u>	<u>Redemption Date</u> ¹
KDHE – KPWSLF	2059	02/21/2001	02/01/2023	\$325,000	\$122,754.95	11/17/2017
KDHE – KWPCRF	C20 1578 01	05/20/2004	09/01/2025	389,000	95,476.35	11/17/2017

¹ Or as soon thereafter as possible

WHEREAS, Article 12, §5 of the Constitution of the State of Kansas (the "Home Rule Amendment"): (a) empowers cities to determine their local affairs and government; and (b) provides that such power and authority granted thereby to cities: (1) shall be liberally construed for the purpose of giving to cities the largest measure of self-government and (2) shall be exercised by ordinance, subject only to: (i) enactments of the Kansas legislature of statewide concern applicable uniformly to all cities, (ii) other enactments of the legislature applicable uniformly to all cities, (iii) enactments of the legislature applicable uniformly to all cities of the same class limiting or prohibiting the levying of any tax, excise, fee, charge or other action and (iv) enactments of the legislature prescribing limits of indebtedness; and

WHEREAS, the City is a city within the meaning of the Home Rule Amendment; and

WHEREAS, the Kansas Supreme Court has considered the Home Rule Amendment and determined that: (a) home rule legislation should be permitted to stand unless an actual conflict exists between the home rule legislation and a state legislative enactment, or unless the legislature has clearly preempted the field so as to preclude municipal action; and (b) legislative intent to reserve to the state exclusive jurisdiction to regulate an area must be clearly manifested by statute before it can be held that the state has withdrawn from the cities the power to regulate in the field (*McCarthy v. City of Leawood*, 257 Kan. 566 (1995); *Junction City v. Lee*, 216 Kan. 495 (1975)); and

WHEREAS, the governing body of the City now further finds and determines that: (a) there are no enactments of the Kansas legislature of statewide concern applicable uniformly to all cities or applicable to the City relating to the issuance of general obligation bonds to prepay and retire the Loans; (b) no conflict would exist between this ordinance authorizing the issuance of general obligation bonds to prepay and retire the Loans and any legislative enactment applicable to the City; and (c) the legislature has not clearly preempted, or clearly manifested its intent to preempt, the field of municipal finance so as to preclude a City ordinance authorizing the issuance of general obligation bonds to prepay and retire the Loans; and

WHEREAS, due to the current interest rate environment, the Issuer has the opportunity to issue its general obligation refunding bonds in order to achieve an interest cost savings on all or a portion of the debt represented by such general obligation bonds described as follows (the "Refunded Bonds"):

<u>Description</u>	<u>Series</u>	<u>Dated Date</u>	<u>Years</u>	<u>Amount</u>
G.O. Bonds	2007	September 15, 2007	2020* to 2027	\$245,000

*Includes mandatory redemptions in 2018, 2019 and 2020

WHEREAS, all legal requirements pertaining to the Improvements have been complied with, and the Governing Body now finds and determines that the total costs of the Improvements, including the outstanding amount of the Loans and related expenses are at least \$220,325.77, such cost to be paid for by the issuance of general obligation bonds; and

WHEREAS, the Governing Body is authorized by law to issue general obligation bonds of the City to pay the costs of the Improvements, including retiring the Loans; and

WHEREAS, the City heretofore issued and has outstanding the Refunded Bonds and is authorized by K.S.A. 10-427 *et seq.* to issue general obligation refunding bonds of the City for the purpose of refunding the Refunded Bonds; and

WHEREAS, in order to achieve interest cost savings through early redemption of the Refunded Bonds, and provide an orderly plan of finance for the City, it has become desirable and in the best interest of the City and its inhabitants to refund the Refunded Bonds; and

WHEREAS, the Governing Body has advertised the sale of the Bonds in accordance with the law and at a meeting held in the City on this date awarded the sale of such Bonds to the best bidder.

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF GOESSEL, KANSAS, AS FOLLOWS:

Section 1. Definitions of Words and Terms. In addition to words and terms defined elsewhere herein, the following words and terms in this Ordinance shall have the meanings hereinafter set forth. Unless the context shall otherwise indicate, words importing the singular number shall include the

plural and vice versa, and words importing persons shall include firms, associations and corporations, including public bodies, as well as natural persons.

“Act” means the Constitution, particularly including Article 12, Section 5 thereof, and statutes of the State including K.S.A. 10-101 to 10-125, inclusive, K.S.A. 10-427 *et seq.*, K.S.A. 10-620 *et seq.*, K.S.A. 12-101 *et seq.*, K.S.A. 12-631t, and K.S.A. 65-163d *et seq.*, all as amended and supplemented from time to time.

“Bond and Interest Fund” means the Bond and Interest Fund of the City for its general obligation bonds.

“Bond Resolution” means the resolution to be adopted by the Governing Body prescribing the terms and details of the Bonds and making covenants with respect thereto.

“Bonds” means the City's General Obligation Refunding and Improvement Bonds, Series 2017, dated November 1, 2017, authorized by this Ordinance.

“City” means the City of Goessel, Kansas.

“Clerk” means the duly appointed and acting Clerk of the City or, in the Clerk's absence, the duly appointed Deputy, Assistant or Acting Clerk.

“Governing Body” means the City Council of the City.

“Loans” means collectively: (a) KDHE KPWSLF Loan No. 2059 between the Issuer and KDHE, effective as of February 21, 2001, and outstanding in the amount of \$122,754.95; and (b) KDHE KWPCRF Loan No. C20 1578 01 between the Issuer and KDHE, effective as of May 20, 2004, and outstanding in the amount of \$95,476.35, each as amended.

“Mayor” means the duly elected and acting Mayor of the City or, in the Mayor's absence, the duly appointed and/or elected Vice Mayor or Acting Mayor of the City.

“Ordinance” means this Ordinance authorizing the issuance of the Bonds.

“Refunded Bonds” means the Series 2007 Bonds maturing in the years 2020 to 2027, inclusive, in the aggregate principal amount of \$245,000.

“Series 2007 Bonds” means the City's General Obligation Bonds, Series 2007, dated September 15, 2007.

“State” means the State of Kansas.

Section 2. Authorization of the Bonds. There shall be issued and hereby are authorized and directed to be issued the General Obligation Refunding and Improvement Bonds, Series 2017, of the City in the principal amount of \$485,000*, for the purpose of providing funds to: (a) pay a portion of the costs of the Improvements, including retiring the Loans; (b) pay costs of issuance of the Bonds; and (c) refund the Refunded Bonds.

Section 3. Security for the Bonds. The Bonds shall be general obligations of the City payable as to both principal and interest in part from special assessments levied upon the property benefited by the construction of the improvements financed by the Refunded Bonds and, if not so paid, from ad

valorem taxes which may be levied without limitation as to rate or amount upon all the taxable tangible property, real and personal, within the territorial limits of the City. The balance of the principal and interest on the Bonds is payable from ad valorem taxes which may be levied without limitation as to rate or amount upon all the taxable tangible property, real and personal, within the territorial limits of the City. The full faith, credit and resources of the City are hereby irrevocably pledged for the prompt payment of the principal of and interest on the Bonds as the same become due.

Section 4. Terms, Details and Conditions of the Bonds. The Bonds shall be dated and bear interest, shall mature and be payable at such times, shall be in such forms, shall be subject to redemption and payment prior to the maturity thereof, and shall be issued and delivered in the manner prescribed and subject to the provisions, covenants and agreements set forth in the Bond Resolution hereafter adopted by the Governing Body.

Section 5. Levy and Collection of Annual Tax. The Governing Body shall annually make provision for the payment of principal of, premium, if any, and interest on the Bonds as the same become due by levying and collecting the necessary taxes and/or assessments upon all of the taxable tangible property within the City in the manner provided by law.

The taxes and/or assessments above referred to shall be extended upon the tax rolls in each of the several years, respectively, and shall be levied and collected at the same time and in the same manner as the general ad valorem taxes of the City are levied and collected, shall be used solely for the payment of the principal of and interest on the Bonds as and when the same become due and the fees and expenses of the Paying Agent. The proceeds derived from said taxes and/or assessments shall be deposited in the Bond and Interest Fund.

If at any time said taxes and/or assessments are not collected in time to pay the principal of or interest on the Bonds when due, the Treasurer is hereby authorized and directed to pay said principal or interest out of the general funds of the City and to reimburse said general funds for money so expended when said taxes and/or assessments are collected.

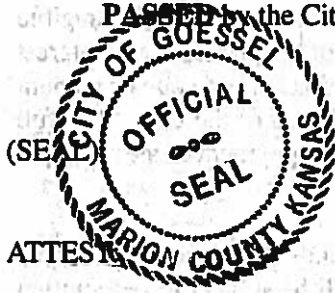
Section 6. Further Authority. The Mayor, Clerk and other City officials are hereby further authorized and directed to execute any and all documents and take such actions as they may deem necessary or advisable in order to carry out and perform the purposes of the Ordinance, and to make alterations, changes or additions in the foregoing agreements, statements, instruments and other documents herein approved, authorized and confirmed which they may approve, and the execution or taking of such action shall be conclusive evidence of such necessity or advisability.


Section 7. Governing Law. This Ordinance and the Bonds shall be governed exclusively by and construed in accordance with the applicable laws of the State.

Section 8. Effective Date. This Ordinance shall take effect and be in full force from and after its passage by the Governing Body and publication of the Ordinance or a summary thereof in the official City newspaper.

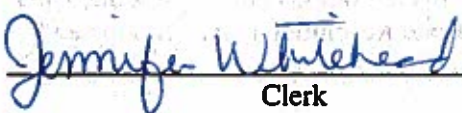
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PASSED by the City Council on October 16, 2017 and SIGNED by the Mayor.





Mayor



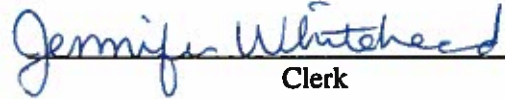
Clerk

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CERTIFICATE

I hereby certify that the foregoing is a true and correct copy of the original ordinance; that said Ordinance was passed on October 16, 2017; that the record of the final vote on its passage is found on page ____ of journal ____; and that the Ordinance or a summary thereof was published in the *Hillsboro Star-Journal* on October 25, 2017.

DATED: OCTOBER 25, 2017.



Clerk

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