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ORDINANCE NO. 1890

AN ORDINANCE OF THE GOVERNING BODY OF THE CITY OF RUSSELL, KANSAS, AUTHORIZING CERTAIN IMPROVEMENTS TO THE CITY'S PUBLIC WATER SUPPLY SYSTEM AND SANITARY SEWER SYSTEM; AND AMENDING AND SUPPLEMENTING BOND ORDINANCE NO. 1870 AND BOND RESOLUTION NO. 23-15 OF THE CITY, ADDING SUCH WATER SUPPLY SYSTEM AND SANITARY SEWER SYSTEM IMPROVEMENTS TO THE IMPROVEMENTS DESCRIBED THEREIN AND AUTHORIZING THE USE OF BONDS ISSUED THEREUNDER TO FINANCE SUCH ADDITIONAL IMPROVEMENTS.

WHEREAS, K.S.A. 65-163d through 65-163u, as amended, authorize any municipality to acquire, construct, reconstruct, improve, equip, rehabilitate or extend all or any part of a public water supply system and to issue general obligation bonds to pay all or part of any costs thereof; and

WHEREAS, the City of Russell, Kansas (the "City" and the "Issuer") is a municipality within the terms of K.S.A. 65-163d through 65-163u, and operates a public water supply system (the "Water System"); and

WHEREAS, the governing body of the City hereby finds and determines that it is necessary and advisable to improve the Water System by exploring and developing water supply sources (the "Water Supply Improvements"), and to provide for the payment of the costs thereof by the issuance of general obligation bonds; and

WHEREAS, K.S.A. 12-631a, as amended, provides, in part, that whenever, in the opinion of the governing body of any city in the state of Kansas it shall become necessary to alter, repair or reconstruct any existing sewer which serves two or more sewer districts, where sewer districts may have been created, or which serves a substantial portion of the city, the governing body of such city may provide for the alteration, repair or reconstruction of any such sewer; or if any such sewer, after having been constructed for twenty years or more, is found to be inadequate, and in the opinion of the governing body the inadequacy of such sewer can be corrected at a lesser cost by the construction of another sewer in the same watershed, the governing body of such city may provide for the construction of a supplemental sewer; and

WHEREAS, in order to pay for the construction of sewers pursuant to K.S.A. 12-631a, the governing body of such city may, if in the opinion of the governing body the cost of such alteration, repair, construction or reconstruction should be borne by the city at large, pay the cost thereof out of the general fund of said city, and if the general fund is insufficient to pay such cost, or if the governing body deems it necessary, such governing body may issue general improvement bonds in the manner provided by law to pay such cost; and

WHEREAS, the governing body of the City hereby finds and determines it to be necessary to authorize and provide for the alteration, repair, construction or reconstruction of sanitary sewer lines in the City (the “Sewer System Improvements”); and

WHEREAS, the Sewer System Improvements alter, repair, construct or reconstruct a sewer that was originally constructed 20 or more years ago that serves a substantial portion of the City and is inadequate at the present time; and

WHEREAS, there are not sufficient monies in the general fund of the City to pay the costs of the Sewer System Improvements and the governing body deems it necessary and advisable to issue general obligation bonds of the City pursuant to K.S.A. 12-631a in order to pay the costs of the Sewer System Improvements; and

WHEREAS, the governing body of the City hereby finds and determines that it is necessary and advisable to amend Ordinance No. 1870 of the City, to add the Water Supply Improvements and Sewer System Improvements to the “Improvements” described therein, and amend Resolution No. 23-15 of the City, and thereby allow Water Supply Improvements and Sewer System Improvements costs to be financed by the General Obligation Bonds, Series 2015-A (the “Bonds”), issued under such Ordinance and Resolution (jointly, the “Series 2015-A Ordinance”).

NOW, THEREFORE, BE IT RESOLVED BY THE GOVERNING BODY OF THE CITY OF RUSSELL, KANSAS:

Section 1. Project Authorization. The Water Supply Improvements and Sewer System Improvements are hereby authorized, ordered and directed.

Section 2. Project Financing. The costs of the Water Supply Improvements and Sewer System Improvements, including construction, engineering fees, acquisition of right-of-way and easements, contingencies, administrative expenses, interest on interim financing and associated financing costs, are payable from the proceeds of general obligation bonds of the Issuer.

Section 3. Amendment of Series 2015-A Ordinance. The definition of “Improvements,” as set forth in the Series 2015-A Ordinance is hereby amended to include the Water Supply Improvements and Sewer System Improvements, which will constitute “Substitute Improvements” under such Ordinance. Proceeds of the Bonds are hereby authorized to be expended to pay costs of the Water Supply Improvements and Sewer System Improvements.

Section 4. Effective Date. This Ordinance shall take effect and be in full force from and after its passage by the governing body of the City, approval by the Mayor and publication in the official City newspaper. City staff and the City’s Bond Counsel are hereby authorized and directed to take necessary actions to supplement the Transcript of Proceedings for the Bonds.

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PASSED by the governing body of the City on November 15, 2016 and **APPROVED AND SIGNED** by the Mayor.



Clerk



Mayor

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