

ORDINANCE NO. 2537

AN ORDINANCE AUTHORIZING THE ISSUANCE AND DELIVERY OF \$855,000 PRINCIPAL AMOUNT OF GENERAL OBLIGATION BONDS, SERIES 2016B (TAXABLE UNDER FEDERAL LAW), OF THE CITY OF GARDNER, KANSAS, AND PROVIDING FOR THE LEVY AND COLLECTION OF AN ANNUAL TAX FOR THE PURPOSE OF PAYING THE PRINCIPAL OF AND INTEREST ON THE BONDS AS THEY BECOME DUE.

WHEREAS, the City of Gardner, Kansas (the “City”), is a city of the second class, created, organized and existing under the laws of the State of Kansas (the “State”);

WHEREAS, pursuant to Article 12, Section 5, of the Kansas Constitution and Charter Ordinance No. 12 of the City, all as amended or supplemented, and other provisions of the laws of the State applicable thereto, by proceedings had, the Governing Body of the City has authorized certain improvements to the electric utility system owned and operated by the City, consisting of the replacement of Transformer No. 1, including the installation of a replacement breaker and breaker controls, the removal and disposition of the existing transformer and breakers, engineering and all related appurtenances (the “Improvements”) to be made in the City;

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

WHEREAS, all legal requirements pertaining to the Improvements have been complied with, and the Governing Body of the City now finds and determines that the total cost of the Improvements and related expenses are at least \$855,000, and it is necessary to issue general obligation bonds in the aggregate principal amount of \$855,000 to pay the costs of the Improvements;

WHEREAS, the Governing Body of the City has advertised the sale of its general obligation 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 lowest bidder; and

WHEREAS, the Governing Body of the City hereby finds and determines that it is desirable and necessary for the City to authorize the issuance and delivery of its general obligation bonds in the principal amount of \$855,000 to provide funds for the Improvements including the costs of issuance;

NOW, THEREFORE, BE IT ORDAINED BY THE GOVERNING BODY OF THE CITY OF GARDNER, KANSAS, AS FOLLOWS:

Section 1. Definitions of Words and Terms.

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

“**Bonds**” means the City’s General Obligation Bonds, Series 2016B (Taxable Under Federal Law), authorized by this Ordinance in the aggregate principal amount of \$855,000, and dated December 29, 2016.

“**City**” means the City of Gardner, Kansas.

“**City Clerk**” means the appointed and acting City Clerk or, in the City Clerk’s absence, the appointed acting City Clerk of the City.

“**City Treasurer**” means the appointed and acting City Treasurer or, in the City Treasurer’s absence, the appointed acting City Treasurer of the City.

“**Improvements**” means the improvements referred to in the recitals to this Ordinance or any Substitute Improvements, as defined in the Resolution.

“**Mayor**” means the elected and acting Mayor of the City or, in the Mayor’s absence, the appointed acting Mayor of the City.

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

“**Resolution**” means the Resolution of the City containing the terms and details of the Bonds.

“**State**” means the State of Kansas.

Section 2. Authorization of and Security for the Bonds. There shall be issued and are authorized and directed to be issued the Bonds of the City in the principal amount of \$855,000, for the purpose of providing funds to pay the costs of the Improvements including payment of the costs of issuance of the Bonds.

The Bonds shall be general obligations of the City payable as to both principal and interest 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 irrevocably pledged for the prompt payment of the principal of and interest on the Bonds as the same become due.

Section 3. 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 form, shall be subject to redemption and payment prior to maturity and shall be issued and delivered in the manner prescribed and subject to the provisions, covenants and agreements set forth in the Resolution adopted by the Governing Body of the City.

Section 4. Levy and Collection of Annual Tax. The Governing Body of the City 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, and the proceeds derived from the taxes and/or assessments shall be deposited in the Bond and Interest Fund.

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

Section 5. Further Authority. The Mayor, Finance Director, City Clerk and other City officials are 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 this Ordinance and to make alterations, changes or additions in the agreements, statements, instruments and other documents 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 6. Governing Law. This Ordinance and the Bonds shall be governed exclusively by and construed in accordance with the applicable laws of the State.

Section 7. Effective Date. This Ordinance shall take effect and be in full force from and after its passage by the Governing Body of the City and publication in the official City newspaper.

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PASSED by the Governing Body of the City and approved by the Mayor on December 5, 2016.

CITY OF GARDNER, KANSAS

/s/ Chris Morrow
Chris Morrow, Mayor

(Seal)

ATTEST:

/s/ Jeanne Koontz
Jeanne Koontz, City Clerk