

RESOLUTION NO. 26

A RESOLUTION DECLARING IT NECESSARY TO ISSUE WATER SYSTEM UTILITY REVENUE BONDS OF THE CITY OF PAWNEE ROCK, KANSAS, IN AN AMOUNT NOT TO EXCEED \$20,000,000, FOR THE PURPOSE OF PAYING A PORTION OF THE COST OF CONSTRUCTING A MUNICIPAL WATER SYSTEM FOR THE CITY AS HERETOFORE AUTHORIZED BY ORDINANCE NO. 240 OF THE CITY; AND PROVIDING FOR THE GIVING OF NOTICE OF SAID INTENTION IN THE MANNER REQUIRED BY LAW.

WHEREAS, the City of Pawnee Rock, Kansas (the "City"), is authorized under the laws of the State of Kansas to issue general obligation bonds to construct, reconstruct, alter, repair, extend, enlarge and improve a municipal Water System; and

WHEREAS, the Governing Body of the City has heretofore by Ordinance No. 240, duly adopted September 14, 1988 and published as required by law on September 23, 1988, authorized the construction of a municipal Water System (the System") in and for the City (the "Project"), at a total estimated cost of \$400,000, and provided that said cost be paid from the proceeds of \$100,000 of the City's General Obligation Water System Bonds, Series A, 1988, the issuance of which was approved by the electors on April 7, 1987, from the proceeds of a \$267,000 Community Development Block Grant awarded to the City by the Kansas Department of Commerce, and from \$33,000 of available funds of the City which were committed to the Project; and construction of the Project has commenced and is progressing and bids for the final phase of the construction have been received and opened by the Governing Body; and

WHEREAS, the Governing Body hereby finds and determines that the total final cost of the Project will exceed the \$400,000 estimated cost by approximately \$20,000,000, and that it is advisable and in the best interests of the residents of the City that revenue bonds be issued under the authority of K.S.A. 10-1201 et seq., as amended and supplemented, in order to provide the necessary funds to complete the Project and pay the remaining cost thereof.

THEREFORE, BE IT RESOLVED BY THE GOVERNING BODY OF THE CITY OF PAWNEE ROCK, KANSAS:

SECTION 1. It is hereby found and determined that the total final cost of constructing a municipal Water System in and for the City as heretofore authorized by Ordinance No. 240, is \$420,000.00.

SECTION 2. It is hereby determined and declared that the construction of such municipal Water System in the manner set forth

in said Ordinance No. 240 will not cause duplication of any existing water utility service furnished by a private utility in the City.


SECTION 3. It is hereby found and determined and is hereby declared to be necessary to issue Water System Utility Revenue Bonds of the City, in an amount which shall not exceed \$20,000.00, under the authority of K.S.A. 10-1201 et seq., as amended and supplemented, in order to pay a portion of the cost of the Project, which Revenue Bonds shall not be general obligations of the City payable from taxation, but which shall be paid from revenues derived from the operation of the Water System. The remaining cost of the Project is being paid from the proceeds of \$100,000 of General Obligation Water System Revenue Bonds which the City issued on November 1, 1988, from the proceeds of a \$267,000 Community Development Block Grant received from the Kansas Department of Commerce, and from \$33,000 of available funds of the City which are committed to the Project.


SECTION 4. It is hereby further found and determined to be necessary and it is hereby directed that before such Revenue Bonds can be issued, a Notice of the intention to issue such Revenue Bonds, such Notice to be in the form which is attached hereto and made a part hereof by reference as though fully set forth herein, shall be published One (1) time in the City's official newspaper as required by law; and that if, within Fifteen (15) days from and after the date of the aforesaid publication, there shall be filed in the Office of the City Clerk a written protest against the issuance of the Revenue Bonds, which protest is signed by not less than Twenty Percent (20%) of the qualified electors of the City, then the question of the issuance of the Revenue Bonds shall be submitted to the electors of the City at a special election which shall be called for that purpose as provided by law. If no sufficient protest to the issuance of the Revenue Bonds is filed within said Fifteen (15) day period, then the Governing Body shall have the authority to authorize and proceed with the issuance of the Revenue Bonds.

ADOPTED AND APPROVED by the Governing Body of the City of Pawnee Rock, Kansas, this 17th day of May, 1989.

(Seal)

ATTEST:


HOWARD W. BOWMAN, Mayor


DORIS BRYAN, City Clerk