

**RESOLUTION NO. 22-22**

**A RESOLUTION AMENDING RESOLUTION NO. 20-11 WHICH DECLARED IT NECESSARY TO REPAIR, ALTER, EXTEND, RECONSTRUCT, ENLARGE OR IMPROVE THE WATER UTILITY SYSTEM OF CITY OF MCPHERSON, KANSAS; TO ISSUE WATER SYSTEM REVENUE BONDS FOR THE PURPOSE OF PAYING ALL OR A PORTION OF THE COSTS THEREOF AND RELATED BOND RESERVES AND FINANCING COSTS; AND PROVIDING FOR THE GIVING OF NOTICE OF SAID INTENTION.**

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**WHEREAS**, the City of McPherson, Kansas, is a municipal corporation and city of the second class duly created, organized and existing under the laws of the State of Kansas (the “City”); and

**WHEREAS**, by statute and Charter Ordinances of the City, the ownership of the Water System serving the City and its inhabitants (the “System”) is owned by the City and the Board of Public Utilities of the City of McPherson, Kansas (the “Board”), and the management of the System has been transferred to the Board; and

**WHEREAS**, the Board has heretofore determined it advisable to repair, alter, extend, reconstruct, enlarge or improve the System and has requested that the City finance the same by the issuance of utility revenue bonds; and

**WHEREAS**, the City is authorized under the provisions of the laws of the state of Kansas to issue general obligation bonds to repair, alter, extend, reconstruct, enlarge or improve the System; and

**WHEREAS**, pursuant to the request of the Board, the City adopted Resolution No. 20-11 on November 2, 2020 (the “Prior City Resolution”), under the authority granted in K.S.A. 10-1201 *et seq.* (the “Act”), which: (a) deemed and declared it to be necessary to repair, alter, extend, reconstruct, enlarge or improve the System by acquiring and developing an additional source of water to supplement the existing water sources of the System and construct, furnish and equip improvements related thereto (the “Project”) at an estimated cost of \$27,620,000; and (b) authorize the issuance of Water System Revenue Bonds of the City in an amount not to exceed \$29,750,000 to pay the costs of the Project and related engineering, bond reserves and financing costs, and notice of the Project and the issuance of such Water System Revenue Bonds of the City was published one time in the *McPherson Sentinel* on November 8, 2020, and no sufficient protest was filed with the City Clerk under the Act; and

**WHEREAS**, due to increased costs of the Project caused by inflation and supply constraints, the Board has further requested that the City finance the Project costs, as amended, by issuing its utility revenue bonds; and

**WHEREAS**, the governing body of the City hereby finds and determines it to be necessary to repair, alter, extend, reconstruct, enlarge or improve the System as requested by the Board, and that the costs thereof should be financed by the issuance of utility revenue bonds of the City, under authority of the Act and by amending *Sections 1, 2 and 3* of the Prior City Resolution.

**THEREFORE, BE IT RESOLVED BY THE GOVERNING BODY OF CITY OF MCPHERSON, KANSAS:**

**SECTION 1.** *Sections 1, 2 and 3* of the Prior City Resolution are hereby amended to read as follows:

**SECTION 1.** It is hereby deemed and declared to be necessary to repair, alter, extend, reconstruct, enlarge or improve the System by acquiring and developing an additional source of water to supplement the existing water sources of the System and construct, furnish and equip improvements related thereto (the "Project") at an estimated cost of \$39,620,000.

**SECTION 2.** The Project will not cause duplication of any existing water utility service furnished by a private utility in the boundaries of the City.

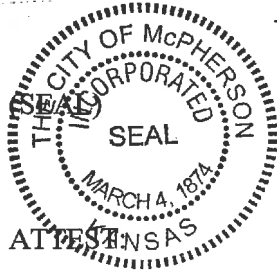
**SECTION 3.** It is necessary to issue one or more series of Water System Revenue Bonds of the City in an aggregate amount not to exceed \$43,750,000 (collectively the "Bonds"), under authority of the Act, to pay all or a portion of the costs of the Project and related engineering, bond reserves and financing costs. The Bonds may be issued to reimburse expenditures made on or after the date which is 60 days before the date of the Prior City Resolution, pursuant to Treasury Regulation 1.150-2.

**SECTION 2.** *Sections 1, 2 and 3* of the Prior City Resolution are hereby repealed and the rest and remainder thereof is hereby ratified and confirmed.

**SECTION 3.** Before issuing the Bonds, there shall be published one (1) time in the official newspaper of the City, a notice of the intention of the governing body to undertake the Project and to issue the Bonds; and if within fifteen (15) days after the publication of such notice, there shall be filed with the Clerk, a written protest against the Project or the issuance of the Bonds, signed by not less than twenty percent (20%) of the qualified electors of the City, the governing body shall thereupon submit such proposed Project, as amended, and the proposed Bonds to the electors of the City at a special election to be called for that purpose as provided by the Act. If no sufficient protest is filed with the Clerk within the period of time hereinbefore stated, then the governing body of the City shall proceed to authorize the Project, as amended, and to issue the Bonds. The result of any sufficient protest filed with the Clerk pursuant to the Act will not have the effect to invalidate any previously issued Bonds of the City for the Project which are currently outstanding.

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**ADOPTED** by the governing body of City of McPherson, Kansas, on November 22, 2022.



Thomas A. Brown, Mayor

Britta Erkelenz, City Clerk