

ORDINANCE NO. 1048

AN ORDINANCE AUTHORIZING THE CITY OF CHAPMAN, KANSAS, TO SELL, ISSUE AND DELIVER ITS GENERAL OBLIGATION BOND, SERIES 2022, IN THE AGGREGATE PRINCIPAL AMOUNT OF \$3,368,000.00, THE PROCEEDS FROM WHICH WILL BE USED TO PAY A PORTION OF THE COSTS OF CITY SEWER SYSTEM IMPROVEMENTS; PRESCRIBING THE FORM AND DETAILS OF SAID BOND; PROVIDING FOR THE LEVY AND COLLECTION OF AN ANNUAL TAX FOR THE PURPOSE OF PAYING THE PRINCIPAL OF AND INTEREST ON SAID BOND AS THEY BECOME DUE; AND AUTHORIZING CERTAIN OTHER DOCUMENTS AND ACTIONS IN CONNECTION THEREWITH., ALL PURSUANT TO *K.S.A. §§10-101 et seq., & 10-620 et seq., K.S.A. §12-631a*, AND ARTICLE 1 OF CHAPTER 10 OF THE KANSAS STATUTES ANNOTATED, ALL AS AMENDED AND SUPPLEMENTED.

Whereas, the City of Chapman, Kansas (the “City”) operates a sewer system (the “System”) and pursuant to *K.S.A. §12-631a*, heretofore passed and approved Ordinance No. 455 authorizing improvements to the System (the “Improvements”); and

Whereas, the Improvements are ready for permanent financing with a \$3,368,000 loan made available therefore from the United States Department of Agriculture, Rural Development (the “USDA”), and a Community Development Block (CDBG) grant in the amount of \$527,681; and

Whereas, the City Council deems it prudent and necessary to issue City of Chapman, Kansas, General Obligation Bond, Series 2022 in the aggregate principal amount of \$3,368,000 (the “Bond”) to permanently finance a portion of the Improvements; and

Whereas, pursuant to *K.S.A. §§10-103(b) & 10-106*, the City may sell the Bond to the USDA on a negotiated basis with a 40 year term; and

Whereas, the Council deems it prudent to sell the Bond to the USDA in conformity with the USDA Letter of Conditions dated July 8, 2020 and USDA Closing Letter of March 12, 2021.

NOW THEREFORE BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF CHAPMAN, KANSAS:

Section 1. Definitions. All words and phrases not otherwise defined herein shall have the meanings set forth in the City’s Bond Resolution hereinafter authorized and approved unless a different meaning clearly appears in context.

Section 2. Authorization of Financing. It is hereby declared and determined that the purpose of this Ordinance is to provide for the permanent financing of the Improvements.

Section 3. Authorization of the 2022 Bond. The City’s General Obligation Bond, Series 2022 (the “2022 Bond”) is hereby authorized to be issued in the principal amount of \$3,368,000.00 to permanently finance the Improvements.

Section 4. Authorization for Issuance of the 2022 Bond; Execution of said Bond. For the purpose of providing funds necessary for the purposes authorized herein there is hereby authorized to be issued and delivered pursuant to *K.S.A. §10-101 et seq., K.S.A. §10-620 et seq., K.S.A. §12-631a,*

Article 1 of Chapter 10 of the Kansas Statutes Annotated, and this Ordinance, "City of Chapman, Kansas, General Obligation Bond, Series 2022" in the aggregate principal amount of \$3,368,000.00. The 2022 Bond shall be dated, shall mature on the dates, shall bear interest payable on the dates and at the interest rates, shall be subject to optional or mandatory redemption and shall be in the form as set forth and specified in a City Resolution specifying the same (the "2022 Bond Resolution"). The Mayor and the City Clerk are hereby authorized to execute the 2022 Bond by their manual or facsimile signatures, and the City Clerk is hereby further authorized and directed to register said Bond.

Section 5. Sale of the 2022 Bond. The Bond shall be sold and delivered to the USDA.

Section 6. Further Authority. The Mayor is hereby further authorized and directed to execute any and all documents and agreements required to be executed or necessary or convenient, including any and all documents and agreements with respect to the investment of the funds and accounts created pursuant to the 2022 Bond Resolution, and any additional agreements, documents or certificates necessary and incidental to the delivery of the 2022 Bond, including such agreements as may be necessary to consummate the sale of the Bond. The Mayor, the City Clerk and other officers of the City, its attorneys and other agents, consultants or employees are hereby authorized and directed to do and perform all acts and things required of them by the provisions of this Ordinance, the 2022 Bond Resolution and as is otherwise necessary or incidental for the purpose of implementing and carrying out the issuance and delivery of the 2022 Bond, and for the full, punctual and complete performance of all of the terms, covenants, provisions and agreements set forth herein and in the 2022 Bond Resolution.

Section 7. Severability. If any section, paragraph, clause or provision of this Ordinance shall for any reason be held to be invalid or unenforceable, the invalidity or unenforceability of such section, paragraph, clause or provision shall not affect any remaining provisions of this Ordinance.

Section 9. Effective Date. This Ordinance shall be in full force and effect from and after its adoption and is to be published once in the City's official newspaper.

Passed and approved this 9th day of February 2022.

CITY OF CHAPMAN, KANSAS


Howard Battishill, Mayor

ATTEST:


Bill Flanery, City Clerk
{SEAL}

EXCERPT OF MINUTES OF A MEETING
OF THE GOVERNING BODY OF
CITY OF CHAPMAN, KANSAS
HELD ON FEBRUARY 9, 2022

The governing body of the City of Chapman, Kansas (the "City"), met in session at the usual meeting place in the City, with the Mayor and the following Council members present and participating: Council members:

Tim Jury, Rick Johnson, Christy Loy
Mary Monasmith

Absent: Jim Bell

An Ordinance was presented entitled:

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Council Member Tim Jury moved that the Ordinance be adopted. The motion was seconded by Council Member Mary Monasmith. The Ordinance was read and considered, and upon being put, the motion for the adoption of the Ordinance was carried by the vote of the governing body, the vote being as follows:

Aye: 4

Nay: 0

(Other Proceedings)

On motion made and seconded, the meeting was adjourned.

(SEAL)

Billy Flanery
Bill Flanery, City Clerk