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ORDINANCE NO. 19732

AN ORDINANCE INTRODUCED BY ACTING CITY MANAGER DANIEL R. STANLEY AUTHORIZING THE ISSUANCE OF \$22,045,000 AGGREGATE PRINCIPAL AMOUNT OF COMBINED UTILITY REFUNDING REVENUE BONDS, SERIES 2012-A, OF THE CITY OF TOPEKA, KANSAS, UNDER THE AUTHORITY OF K.S.A. 10-116a AND K.S.A. 10-1201 ET SEQ., AND ALL AMENDMENTS THERETO.

WHEREAS, the City of Topeka, Kansas, (the "City") has heretofore duly authorized, issued and delivered its \$46,180,000 principal amount of Combined Utility Improvement and Refunding Revenue Bonds, Series 2004-A, dated February 19, 2004, (the "Series 2004-A Bonds") pursuant to its Ordinance No. 18163 (the "Series 2004-A Bond Ordinance") and Resolution No. 7435 (the "Series 2004-A Bond Resolution") adopted January 20, 2004, in accordance with the requirements of K.S.A. 10-116a, and K.S.A. 10-1201 et seq., all as amended; and

WHEREAS, as hereinafter described, the City has heretofore currently refunded and paid those Series 2004-A Bonds maturing August 1, 2014, through and including, August 1, 2021, the August 1, 2023, term bond, and that portion of the August 1, 2029, term bond subject to mandatory redemption and payment August 1, 2024; and

WHEREAS, as of May 1, 2012, there remains outstanding of the Series 2004-A Bonds the principal amount of \$22,465,000 bearing interest payable semiannually on February 1 and August 1 each year and maturing on August 1, as follows:

SERIAL BONDS

MATURITY	PRINCIPAL	INTEREST
<u>(August 1)</u>	<u>AMOUNT</u>	<u>RATE</u>
2012	\$1,100,000	3.100%
2013	1,135,000	3.300

TERM BONDS

MATURITY	PRINCIPAL	INTEREST
<u>(August 1)</u>	<u>AMOUNT</u>	<u>RATE</u>
2029	\$10,190,000	4.50%
2033	10,040,000	4.50

42
43 **WHEREAS**, pursuant to Section 203 of the Series 2004-A Bond Resolution, the State
44 Treasurer of the State of Kansas, Topeka, Kansas, was designated as the City's Paying Agent and
45 Bond Registrar for the payment of the principal of and interest on the Series 2004-A Bonds; and
46

47 **WHEREAS**, pursuant to Section 301 of the Series 2004-A Bond Resolution, the Series
48 2004-A Bonds maturing on August 1, 2012, and thereafter, are subject to redemption and
49 payment at the option of the City on August 1, 2011, and thereafter in whole or in part on any
50 date, at the redemption price equal to the principal amount thereof with a redemption premium of
51 one percent of the principal amount redeemed, such redemption premium to decline one-half of
52 one percent (1/2 of 1%) each Interest Payment Date thereafter, plus accrued interest thereon to
53 the date fixed for redemption and payment; and
54

55 **WHEREAS**, the City has determined and hereby determines that it is in the best interest
56 of the City and the patrons and taxpayers thereof that the Series 2004-A Bonds maturing on
57 August 1, 2013, the outstanding balance of the August 1, 2029, term bond and the August 1,
58 2033, term bond (collectively outstanding in the aggregate principal amount of \$21,365,000) be
59 paid and redeemed on June 13, 2012, (the "Refunded Bonds") and that refunding revenue bonds
60 of the City payable from the revenues derived from the operation of its combined water, water
61 pollution control and stormwater utility system (the "System") of the City be issued in the
62 aggregate principal amount of \$22,045,000 to be utilized for such purpose; and
63

64 **WHEREAS**, such refunding would provide a more orderly plan of financing for the City
65 and result in a general restructuring of the debt service obligation of the City with respect to its
66 combined utility, as hereinafter defined; and
67

68 **WHEREAS**, it is necessary at this time that the City proceed forthwith to sell and deliver
69 its Combined Utility Refunding Revenue Bonds, Series 2012-A, in the principal sum of
70 \$22,045,000 (the "Bonds"), for the purpose of providing funds to (1) refund the Refunded Bonds
71 and (2) pay the costs of issuing the Bonds, under the authority of K.S.A. 10-116a, K.S.A. 10-
72 1201 et seq. and Article 1 of Chapter 10, Kansas Statutes Annotated, all as amended; and
73

74 **WHEREAS**, as previously herein recited, the City on February 19, 2004, issued its
75 Series 2004-A Bonds in the amount of \$46,180,000 which, in part, currently refunded the City's
76 outstanding Series 1998A Water and Water Pollution Control Utility Refunding Revenue Bonds
77 dated June 1, 1998; and
78

79 **WHEREAS**, the City on December 8, 2005, issued its Combined Utility Improvement
80 Revenue Bonds, Series 2005-A in the amount of \$14,875,000 (the "Series 2005-A Bonds"); and
81

82 **WHEREAS**, as previously herein recited, the City on October 18, 2006, issued its
83 Combined Utility Refunding Revenue Bonds, Series 2006-A in the amount of \$32,375,000 (the
84 "Series 2006-A Bonds") which currently refunded all of the City's outstanding Series 1998B
85 Water and Water Pollution Control Utility Revenue Bonds dated June 1, 1998; and
86

87 **WHEREAS**, the City on October 18, 2006, issued its Combined Utility Refunding
88 Revenue Bonds, Series 2006-B Bonds in the amount of \$22,600,000 (the “Series 2006-B
89 Bonds”) which advanced refunded the City’s outstanding Series 2001-A Water and Water
90 Pollution Control Utility Revenue Bonds maturing in the years 2009 through and including 2031;
91 and
92

93 **WHEREAS**, the City on July 17, 2007, issued its Combined Utility Improvement and
94 Refunding Revenue Bonds, Series 2007-B in the amount of \$5,210,000 (the “Series 2007-B
95 Bonds”) which, in part, currently refunded the August 1, 2007, maturities of the City’s
96 outstanding (1) Series 2001-A Water and Water Pollution Control Utility Revenue Bonds, (2)
97 Series 2004-A Combined Utility Improvement and Refunding Revenue Bonds, (3) Series 2005-
98 A Combined Utility Improvement Revenue Bonds, and (4) Series 2006-B Combined Utility
99 Refunding Revenue Bonds; and
100

101 **WHEREAS**, the City on July 17, 2007, issued its Taxable Combined Utility
102 Improvement Revenue Bonds, Series 2007-C in the amount of \$2,140,000 (the “Series 2007-C
103 Bonds”); and
104

105 **WHEREAS**, the City on September 22, 2010, issued its (1) Taxable Combined Utility
106 Improvement Revenue Bonds (Build America Bonds – Direct Payment to Issuer) Series 2010-A
107 in the amount of \$985,000, (the “Series 2010-A Bonds”) (2) Taxable Combined Utility
108 Improvement Revenue Bonds (Recovery Zone Economic Development Bonds) Series 2010-B in
109 the amount of \$9,155,000, (the “Series 2010-B Bonds”) and (3) Taxable Combined Utility
110 Improvement Revenue Bonds, Series 2010-C in the amount of \$85,000 (the “Series 2010-C
111 Bonds”); and
112

113 **WHEREAS**, the City on September 29, 2011, issued its Combined Utility Improvement
114 and Refunding Revenue Bonds, Series 2011-A in the amount of \$18,900,000 (the “Series 2011-
115 A Bonds”) which, in part, currently refunded the Series 2004-A Bonds maturing on August 1,
116 2014, through and including, August 1, 2021, the August 1, 2023 term bond and \$1,770,000 of
117 the August 1, 2029 term bond subject to mandatory redemption and payment on August 1, 2024;
118 and
119

120 **WHEREAS**, the Bonds are parity obligations of the City’s System and, as such shall
121 have equal lien status with the outstanding Series 2004-A Bonds; the Series 2005-A Bonds, the
122 Series 2006-A Bonds, the Series 2006-B Bonds, the Series 2007-B Bonds, the Series 2007-C
123 Bonds, the Series 2010-A Bonds, the Series 2010-B Bonds, the Series 2010-C Bonds and the
124 Series 2011-A Bonds; and
125

126 **WHEREAS**, the City has authorized certain loans in the maximum authorized amount of
127 \$141,322,785 from the Kansas Department of Health and Environment revolving fund loan
128 program (the “Permitted Loans”) and pledged the revenues from the System to the payment of
129 such Permitted Loans and any additional loans which would constitute Permitted Loans under
130 the Resolution hereinafter provided for; and
131

132 **WHEREAS**, the lien of the Permitted Loans upon the revenues of the System is superior
133 to the lien of the City's outstanding Series 2004-A Bonds, Series 2005-A Bonds, Series 2006-A
134 Bonds, Series 2006-B Bonds, Series 2007-B Bonds, Series 2007-C Bonds, Series 2010-A Bonds,
135 Series 2010-B Bonds, Series 2010-C Bonds, Series 2011-A Bonds and the Bonds hereby
136 authorized and directed to be issued.
137
138

139 **NOW, THEREFORE, BE IT ORDAINED BY THE COUNCIL OF THE CITY OF**
140 **TOPEKA, SHAWNEE COUNTY, KANSAS:**
141

142 **Section 1.** That there is hereby authorized and directed to be issued Combined Utility
143 Refunding Revenue Bonds, Series 2012-A, of the City in the aggregate principal amount of
144 \$22,045,000 for the purposes of providing funds to (1) refund the Refunded Bonds and (2) pay
145 the costs of issuing the Bonds, as provided by Article 1 of Chapter 10, Kansas Statutes
146 Annotated, K.S.A. 10-116a and Article 12 of Chapter 10 of the Kansas Statutes Annotated, all as
147 amended. The Bonds shall be dated and bear interest, shall mature and be payable at such times,
148 shall be in such form, shall be subject to redemption and payment prior to the maturity thereof
149 and shall be issued in the manner prescribed and subject to the provisions, covenants and
150 agreements set forth in a resolution of the Governing Body of the City adopted the same date as
151 the date of the passage and approval of this Ordinance (the "Resolution").
152

153 **Section 2.** That the Mayor and City Clerk are hereby authorized to prepare and execute
154 the Bonds and when so executed, the Bonds shall be registered as required by law and the
155 Governing Body shall annually make provisions for the payment of the principal of, redemption
156 premium, if any, and interest on the Bonds as the same shall become due from the revenues
157 derived by the City from the rates, fees or charges collected by the City from the operation of the
158 System, including all improvements, extensions and enlargements thereto hereafter constructed
159 or acquired by the City and not from any other fund or source. The Bonds shall constitute a lien
160 upon the revenues produced from the System of the City.
161

162 **Section 3.** That the City shall, and the officers, agents and employees of the City are
163 hereby authorized and directed to, take such action and execute such other documents,
164 certificates and instruments as may be necessary or desirable to carry out and comply with the
165 provisions of this Ordinance and to carry out, comply with and perform the duties of the City
166 with respect to the Bonds and the Resolution all as necessary to carry out and give effect to the
167 transaction contemplated hereby and thereby.
168

169 **Section 4.** That if any portion or provision of this Ordinance or the Bonds shall for any
170 reason be held to be invalid or unenforceable, the invalidity or unenforceability of such portion
171 or provisions shall not affect any of the remaining provisions of this Ordinance or the Bonds, but
172 this Ordinance and said Bonds shall be construed and enforced as if such illegal or invalid
173 provision had not been contained herein.
174

175 **Section 5.** That the Bonds shall be issued and sold to the purchaser thereof in accordance
176 with both its bid for the purchase thereof and the terms and conditions of this Ordinance.
177

Section 6. That this Ordinance shall take effect and be in force from and after its passage and publication in the official City newspaper.

Passed and approved by the governing body of the City of Topeka, Kansas, this 15th day of May, 2012.

CITY OF TOPEKA, KANSAS

ATTEST:

William W. Bunten, Mayor

Brenda Younger, City Clerk

(SEAL)

I, BRENDA YOUNGER, City Clerk of the City of Topeka, Shawnee County, Kansas, do hereby certify that the above and foregoing is a true and correct copy of Ordinance No. 19732 adopted and approved by the City Council on May 15, 2012.

Brenda Younger, City Clerk