

(Published in The Topeka Metro News on August 15, 2016.)

ORDINANCE NO. 20014

AN ORDINANCE INTRODUCED BY CITY MANAGER JIM COLSON AUTHORIZING THE ISSUANCE OF \$24,945,000 AGGREGATE PRINCIPAL AMOUNT OF COMBINED UTILITY IMPROVEMENT AND REFUNDING REVENUE BONDS, SERIES 2016-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, pursuant to K.S.A. 10-1201 et seq., as amended, (the "Act") the governing body of the **City of Topeka, Shawnee County, Kansas**, (the "City") by its Ordinances Nos. 19794, 19850, 19886, and 19937, all published as required by law, and its Resolutions Nos. 8625, 8626, 8664, 8755, and 8756, which ordinances and resolutions were adopted by two-thirds vote of the members thereof, expressed its intent to improve the City's stormwater, wastewater and water supply systems (collectively, the "System") by making certain stormwater collection, sanitary sewer and water distribution improvements together with all things necessary and incidental thereto (the "Improvements") and authorizing that notice of the City's intention to make the Improvements and finance the costs thereof be given in accordance with the requirements of the Act; and

WHEREAS, pursuant to the Act, the City did cause to be published in its official newspaper, a paper of general circulation in the City, its Notices of Intention to complete the Improvements and finance the cost thereof by issuing revenue bonds of the City, in the maximum principal amount of \$27,975,708, to pay all or part of the cost of the Improvements incurred or to be incurred by the City in connection with the Improvements; and

WHEREAS, a sufficient protest against the making of the Improvements and the issuance of revenue bonds of the City in the maximum principal amount of \$27,975,708 to pay the cost thereof was not received by the City Clerk within fifteen (15) days of the date of the publication of the City's Notice(s) of Intention; and

WHEREAS, the governing body of the City has heretofore duly authorized, issued and delivered its \$5,210,000 principal amount of Combined Utility Improvement and Refunding Revenue Bonds, Series 2007-B, dated July 17, 2007, (the "Series 2007-B Bonds") pursuant to its Ordinance No. 18906 (the "Series 2007-B Bond Ordinance") and Resolution No. 7963 (the "Series 2007-B Bond Resolution") adopted June 19, 2007, 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 of August 1, 2016, there remains outstanding of the Series 2007-B Bonds the principal amount of \$480,000 bearing interest payable semiannually on February 1 and August 1 each year and maturing on August 1, as follows:

TERM BONDS

2027	\$160,000	4.625%
2029	95,000	4.750
2037	225,000	4.750

WHEREAS, the Series 2007-B Bonds were a multipurpose issue issued to (1) finance construction of new projects in the City and (2) currently refund certain then outstanding current refunding and construction issues of the City including the City's Combined Utility Improvement and Refunding Revenue Bonds, Series 2004-A (the "Series 2004-A Bonds") and Combined Utility Refunding Revenue Bonds, Series 2006-B (the "Series 2006-B Bonds"). The Series 2004-A Bonds were a multipurpose issue issued to (1) finance construction of new projects in the City and (2) currently refund an outstanding current refunding of the City, a portion of which advance refunded certain prior issues of the City. The Series 2006-B Bonds advance refunded the City's Water and Water Pollution Control Utility Revenue Bonds, Series 2001-A; and

WHEREAS, pursuant to the City's Ordinance No. 19932 adopted on December 9, 2014, and published as required by law, the City issued its Combined Utility Improvement and Refunding Revenue Bonds, Series 2014-A in part to advance refund that portion of the Series 2007-B Bonds allocable on a pro-rata basis to construction and current refunding purposes maturing on August 1, 2027, August 1, 2029 and August 1, 2037 (i.e., \$4,730,000) on August 1, 2015; and

WHEREAS, pursuant to Section 203 of the Series 2007-B Bond Resolution, the State Treasurer of the State of Kansas, Topeka, Kansas, was designated as the City's Paying Agent and Bond Registrar for the payment of the principal of and interest on the Series 2007-B Bonds; and

WHEREAS, pursuant to Section 301 of the Series 2007-B Bond Resolution, the Series 2007-B Bonds or portions thereof either maturing or subject to mandatory redemption and payment on or after August 1, 2016, are subject to redemption and payment at the option of the City on August 1, 2015, and thereafter in whole or in part on any date, at the redemption price equal to 100% of the principal amount thereof, plus accrued interest thereon to the date fixed for redemption and payment; and

WHEREAS, it is necessary at this time that the City proceed forthwith to sell and deliver its Combined Utility Improvement and Refunding Revenue Bonds, Series 2016-A, in the principal sum of \$24,945,000 (the “Bonds”), for the purpose of (1) providing funds to permanently finance the costs of making the Improvements (i.e., \$9,623,680.49); (2) currently refund the outstanding balance of the Series 2007-B Bonds maturing on August 1, 2027, August 1, 2029, and August 1, 2037, (i.e., \$480,000) on September 7, 2016; (3) fund, to the extent required, a debt service reserve fund for the Bonds and (4) pay the costs of issuing the Bonds,

under the authority of K.S.A. 10-116a, K.S.A. 10-1201 et seq. and Article 1 of Chapter 10, Kansas Statutes Annotated, all as amended; and

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

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

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

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

WHEREAS, the City on June 12, 2012, issued its Combined Utility Refunding Revenue Bonds, Series 2012-A in the amount of \$22,045,000 (the “Series 2012-A Bonds”) which currently refunded on June 13, 2012, the outstanding Series 2004-A Bonds maturing on and after August 1, 2013; and

WHEREAS, the City on May 21, 2013, issued its Combined Utility Refunding Revenue Bonds, Series 2013-A in the amount of \$35,985,000 (the “Series 2013-A Bonds”) which (1) currently refunded the August 1, 2013, maturity of the Series 2005-A Bonds, Series 2006-B Bonds, and Series 2012-A Bonds and (ii) advanced refunded all of the remaining outstanding Series 2006-A Bonds on August 1, 2014; and

WHEREAS, the City on December 23, 2014, issued its Combined Utility Improvement and Refunding Revenue Bonds, Series 2014-A in the amount of \$45,510,000 (the “Series 2014-A Bonds”) which (1) currently refunded all of the remaining outstanding Series 2006-B Bonds on December 24, 2014, (ii) advanced refunded all of the remaining outstanding Series 2005-A Bonds on August 1, 2015, and (iii) advance refunded a portion of the Series 2007-B Bonds,

allocable on a pro-rata basis to construction and current refunding purposes maturing on August 1, 2027, August 1, 2029, and August 1, 2037, (i.e., \$4,730,000); and

WHEREAS, the City is issuing simultaneously with the Bonds, a series of Taxable Combined Utility Refunding Revenue Bonds, Series 2016-B in the amount of \$1,745,000 (the "Series 2016-B Bonds") which will currently refund all of the outstanding Series 2007-C Bonds on September 7, 2016; and

WHEREAS, the Bonds are parity obligations of the City's System and, as such shall have equal lien status with the outstanding the Series 2007-B Bonds, the Series 2007-C Bonds, the Series 2010-A Bonds, the Series 2010-B Bonds, the Series 2010-C Bonds, the Series 2011-A Bonds, the Series 2012-A Bonds, the Series 2013-A Bonds, the Series 2014-A Bonds and the Series 2016-B Bonds; and

WHEREAS, the City has authorized certain loans in the outstanding amount of \$49,465,402 from the Kansas Department of Health and Environment revolving fund loan program (the "Permitted Loans") and pledged the revenues from the System to the payment of such Permitted Loans and any additional loans which would constitute Permitted Loans under the Resolution hereinafter provided for; and

WHEREAS, the lien of the Permitted Loans upon the revenues of the System is superior to the lien of the City's outstanding Series 2007-B Bonds, Series 2007-C Bonds, Series 2010-A Bonds, Series 2010-B Bonds, Series 2010-C Bonds, Series 2011-A Bonds, Series 2012-A Bonds, Series 2013-A Bonds, Series 2014-A Bonds, Series 2016-B Bonds and the Bonds hereby authorized and directed to be issued.

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

Section 1. That there is hereby authorized and directed to be issued Combined Utility Improvement and Refunding Revenue Bonds, Series 2016-A, of the City in the aggregate principal amount of \$24,945,000 for the purposes of providing funds to (1) permanently finance the costs of making the Improvements; (2) currently refund the outstanding balance of the City's Series 2007-B Bonds (i.e., \$480,000) on September 7, 2016; (3) fund, to the extent required, a debt service reserve fund for the Bonds; and (4) pay the costs of issuing the Bonds, as provided by Article 1 of Chapter 10, Kansas Statutes Annotated, K.S.A. 10-116a and Article 12 of Chapter 10 of the Kansas Statutes Annotated, all as amended. 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 the maturity thereof and shall be issued in the manner prescribed and subject to the provisions, covenants and agreements set forth in a resolution of the Governing Body of the City adopted the same date as the date of the passage and approval of this Ordinance (the "Resolution").

Section 2. That the Mayor and City Clerk are hereby authorized to prepare and execute the Bonds and when so executed, the Bonds shall be registered as required by law and the Governing Body shall annually make provisions for the payment of the principal of, redemption

181 premium, if any, and interest on the Bonds as the same shall become due from the revenues
182 derived by the City from the rates, fees or charges collected by the City from the operation of the
183 System, including all improvements, extensions and enlargements thereto hereafter constructed
184 or acquired by the City and not from any other fund or source. The Bonds shall constitute a lien
185 upon the revenues produced from the System of the City.
186

187 **Section 3.** That the City shall, and the officers, agents and employees of the City are
188 hereby authorized and directed to, take such action and execute such other documents,
189 certificates and instruments as may be necessary or desirable to carry out and comply with the
190 provisions of this Ordinance and to carry out, comply with and perform the duties of the City
191 with respect to the Bonds and the Resolution all as necessary to carry out and give effect to the
192 transaction contemplated hereby and thereby.
193

194 **Section 4.** That if any portion or provision of this Ordinance or the Bonds shall for any
195 reason be held to be invalid or unenforceable, the invalidity or unenforceability of such portion
196 or provisions shall not affect any of the remaining provisions of this Ordinance or the Bonds, but
197 this Ordinance and said Bonds shall be construed and enforced as if such illegal or invalid
198 provision had not been contained herein.
199

200 **Section 5.** That the Bonds shall be issued and sold to the purchaser thereof in accordance
201 with both its bid for the purchase thereof and the terms and conditions of this Ordinance.
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203 **Section 6.** That this Ordinance shall take effect and be in force from and after its passage
204 and publication in the official City newspaper.
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207

208 Passed and approved by the governing body of the City of Topeka, Kansas, this 9th day
209 of August, 2016.

210
211 **CITY OF TOPEKA, KANSAS**
212

213
214 **ATTEST:**

215 _____
216 **Larry E. Wolgast, Mayor**

217 _____
218 **Brenda Younger, City Clerk**

219
220 **(SEAL)**
221

222 **I, BRENDA YOUNGER,** City Clerk of the City of Topeka, Shawnee County, Kansas,
223 do hereby certify that the above and foregoing is a true and correct copy of Ordinance No. 20014
224 adopted and approved by the City Council on August 9, 2016.
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226
227
228 _____
229 **Brenda Younger, City Clerk**