

ORDINANCE NO. 2019-12**AN ORDINANCE AUTHORIZING THE ISSUANCE AND DELIVERY OF \$1,285,000 PRINCIPAL AMOUNT OF GENERAL OBLIGATION BONDS, SERIES 2019A, PROVIDING FOR THE LEVY AND COLLECTION OF AN ANNUAL TAX FOR THE PURPOSE OF PAYING THE PRINCIPAL OF AND INTEREST ON SAID BONDS AS THEY BECOME DUE; AND MAKING CERTAIN COVENANTS WITH RESPECT THERETO.**

WHEREAS, the city of St. George, Kansas (the "City"), is a city of the third class, duly created, organized and existing under the laws of the State of Kansas; and

WHEREAS, pursuant to K.S.A 12-6a01 *et seq.*, as amended and supplemented, the City by its Resolutions Nos. 2017-05, 2017-06 and 2017-07, all dated August 3, 2017, and Resolutions 2018-05, No. 2018-06 and 2018-07, all dated May 10, 2018, has authorized certain improvements as defined and described in said Resolutions (the "Improvements"); and

WHEREAS, all applicable legal requirements pertaining to the Improvements have been complied with, and the governing body of the City now finds and determines that the total cost of said Improvements and related necessary expenses for which payment of special assessments therefor have not been paid to and received by the City are \$1,285,000, all of which costs are to be paid in part by the issuance and sale of General Obligation Bonds, Series 2019A, of the City; and

WHEREAS, the City is authorized by law to issue general obligation bonds of the City to pay a portion of the costs of the Improvements including payment for the early redemption and retirement of the City's Refunded Notes as herein defined; and

WHEREAS, the governing body of the City has provided for the sale of its Series 2019A General Obligation Bonds in the principal amount of \$1,285,000, to be dated September 26, 2019, in accordance with the laws of Kansas, and at a meeting held in the City on September 12, 2019, awarded the sale of said bonds to the Original Purchaser, as hereinafter defined; and

WHEREAS, the governing body of the City hereby finds, determines and deems it necessary for the City to authorize the issuance and delivery of its General Obligation Bonds, Series 2019A, dated September 26, 2019, in the principal amount of \$1,285,000 to pay a portion of the costs of the Improvements and in part to redeem and retire the City's outstanding Refunded Notes.

NOW, THEREFORE, BE IT ORDAINED BY THE GOVERNING BODY OF THE CITY OF ST. GEORGE, KANSAS, AS FOLLOWS:

Section 1. Definitions of Words and Terms.

"Act" means the Constitution and statutes of the State including K.S.A. 10-101 to 10-125, inclusive, K.S.A. 10-620 *et seq.* and K.S.A. 12-6a01 *et seq.*, all as amended and supplemented from time to time.

"Bond and Interest Fund" means the Bond and Interest Fund of the City for its general obligation bonds.

“**Bond Resolution**” means that certain resolution of the City passed and adopted by the Governing Body pursuant to **Section 3** of this Ordinance.

“**Bonds**” shall mean, collectively, the Series 2019A Bonds

“**City**” means the City of St. George, Pottawatomie County, Kansas.

“**Clerk**” means the duly appointed and acting Clerk or, in the Clerk's absence, the duly appointed and/or elected Deputy Clerk or Acting Clerk of the City.

“**Code**” means the Internal Revenue Code of 1986, as amended, and the applicable regulations proposed or promulgated there under of the United States Department of the Treasury.

“**Grand Oak Addition, Unit One, Improvements**” means collectively certain sanitary sewer, street and water line improvements, including all things necessary and incidental thereto, provided for and serving certain City of St. George Sanitary Sewer, Street and Water Line Improvement Districts created for Lots 1a, 1b, 2a, 2b, 3a, 3b, 4a, 4b, 5a, 5b, 6a, 6b, 7a, 7b, 8a, 8b, 9a, 9b, 10a, 10b, 11a, 11b, 12a, 12b, Grand Oak Addition, Unit One, in the City of St. George, Kansas, and described in Resolutions Nos. 2018-05, No. 2018-06 and 2018-07, all dated May 10, 2018.

“**Improvements**” means collectively the Riverview Hills, Unit Three, Phase Two and Riverview Hills, Unit Four, Additions, Improvements and the Grand Oak Addition, Unit One, Improvements.

“**Mayor**” means the duly elected and acting Mayor of the City or, in the Mayor's absence, the duly appointed and/or Acting Mayor of the City.

“**Ordinance**” means this Ordinance No. 2019-12 authorizing the issuance of the Bonds.

“**Original Purchaser**” means the means the Original Purchaser of the Bonds, Kaw Valley Bank & Trust Co., P. O. Box 245, Wamego, Kansas 66547.

“**Refunded Notes**” means the Series 2019-1, Temporary Renewal Notes of the City dated June 1, 2019, in the principal amount of \$756,000; Series 2019-2, Temporary Renewal Notes of the City dated June 1, 2019, in the principal amount of \$571,000.

“**Riverview Hills, Unit Three, Phase Two and Riverview Hills, Unit Four, Additions, Improvements**” means collectively certain sanitary sewer, street and water line improvements, including all things necessary and incidental thereto, provided for and serving certain City of St. George Sanitary Sewer, Street and Water Line Improvement Districts created for Lots 61, 62, 63, 64, 65, 70, 71, 72, 73, 75, 76, 77, 78, 130, 131, 132, 133, 134, 135, 136, 137, 138, 139, 140 and 141, Riverview Hills, Unit Three, an addition to the City of St. George, Pottawatomie County, Kansas, and Lots 55, 56, 57, 58, 59, Riverview Hills, Unit Four, and addition to the City of St. George, Pottawatomie County, Kansas and described in Resolutions Nos. 2017-05, 2017-06 and 2017-07 of the City dated August 3, 2017.

“**Series 2019A Bonds**” means the City's General Obligation Bonds, Series 2019A, in the aggregate principal amount of \$1,285,000, dated September 26, 2019.

Section 2. Authorization of and Security for the Bonds. There shall be issued and hereby are authorized and directed to be issued Series 2019A, City of St. George, Kansas, General Obligation Bonds, in the principal amount of \$1,285,000, dated September 26, 2019, which Bonds shall be issued for the purpose of providing funds to pay a portion of the costs of the Improvements and to redeem and retire the City's

outstanding Refunded Notes.

The Bonds shall be general obligations of the City payable from special assessments levied upon the property benefited by the construction of the Improvements, and, if not so paid, from ad valorem property taxes which may be levied without limitation as to rate or amount upon all the taxable tangible property, real and personal, within the territorial limits of the City. The full faith, credit and resources of the City are hereby irrevocably pledged for the prompt payment of the principal of and interest on the Bonds as the same severally become due.

Section 3. Terms, Details and Conditions of the Bonds. The Bonds shall be dated and bear interest, shall mature and be payable at such times, shall be in such form and shall be issued and delivered in the manner prescribed and subject to the provisions, covenants and agreements set forth in the Bond Resolution appertaining thereto and which shall be hereafter adopted by the governing body of the City under authority of this Ordinance and the Act.

Section 4. Levy and Collection of Annual Tax. The Governing Body of the City shall annually make provision for the payment of principal of, premium, if any, and interest on the Bonds as the same become due by levying and collecting the necessary special assessment taxes upon the properties liable therefor, and/or by levying and collecting the necessary ad valorem taxes upon all of the taxable tangible property located within the territorial limits of the City in such amounts as are necessary to provide for such payment all in the manner provided by law.

The taxes and/or assessments referred to above shall be extended upon the tax rolls in each of the several years, respectively, and shall be levied and collected at the same time and in the same manner as the other ad valorem taxes of the City are levied and collected. The proceeds derived from said taxes and/or assessments shall be deposited in the Principal and Interest Account specifically established pursuant to **Section 3** of this Ordinance, shall be kept separate and apart from all other funds of the City and shall be used solely for the payment of the principal of and interest on the Bonds as and when the same become due, taking into account any scheduled mandatory redemptions, and the fees and expenses of the Bond Registrar and Paying Agent.

If at any time said taxes and/or assessments are not collected in time to pay the principal of or interest on the Bonds when due, the City Treasurer is hereby authorized and directed to pay said principal or interest out of the general funds of the City and to reimburse said general funds for money so expended when said taxes and/or assessments are collected.

Section 5. Tax Covenants. The City covenants and agrees that (a) it will comply with all applicable provisions of the Code, including Sections 103 and 141 through 150, necessary to maintain the exclusion from gross income for federal income tax purposes of the interest on the Bonds; (b) it will comply with all requirements of Section 148 of the Code to the extent applicable to the Bonds; (c) it will use the proceeds of the Bonds as soon as practicable and with all reasonable dispatch for the purposes for which the Bonds are issued; (d) it will not invest or directly or indirectly use or permit the use of any proceeds of the Bonds or any other funds of the City in any manner, or take or omit to take any action, that would cause the Bonds to be "arbitrage bonds" within the meaning of Section 148(a) of the Code; and (e) it will not use or permit the use of any proceeds of Bonds or any other funds of the City nor take or permit any other action, or fail to take any action, if any such action or failure to take action would adversely affect the exclusion from gross income of the interest on the Bonds. The City will, in addition, adopt such other ordinances or resolutions and take such other actions as may be necessary to comply with the Code and with all other applicable future laws, regulations, published rulings and judicial decisions, in order to ensure that the interest on the Bonds will remain excluded from federal gross income, to the extent any such actions can be taken by the City.

The City covenants and agrees that it will not use any portion of the proceeds of the Bonds, including any investment income earned on such proceeds, directly or indirectly, in a manner that would cause any Bond to be a "private activity bond" within the meaning of Section 141(a) of the Code.

Section 6. Further Authority.

(a) The Mayor, Clerk and other City officials are hereby further authorized and directed to execute any and all documents and take such actions as they may deem necessary or advisable in order to carry out and perform the purposes of this Ordinance to make alterations, changes or additions in the foregoing agreements, statements, instruments and other documents herein approved, authorized and confirmed which they may approve and the execution or taking of such action shall be conclusive evidence of such necessity or advisability.

(b) The Mayor and the City Clerk are hereby authorized to deliver the Bonds to the Original Purchaser in accordance with the terms of this Ordinance of the City and the offer to purchase the Bonds by the Original Purchaser as presented to and accepted by the City Governing Body on the date of this Ordinance, with such changes thereto as shall be approved by the Mayor and the City Clerk, and said officers are accordingly further hereby authorized to execute such documents as will effect the proper delivery of the Bonds to the Original Purchaser.

Section 7. Governing Law. This Ordinance and the Bonds shall be governed exclusively by and construed in accordance with the applicable laws of the State of Kansas.

Section 8. Effective Date. This Ordinance shall take effect and be in full force from and after its passage by the governing body of the City and publication in the official City newspaper.

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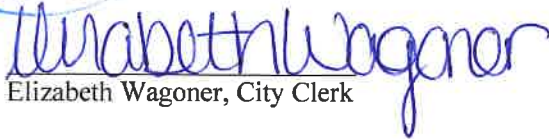
PASSED by the Governing Body of the City of St. George, Kansas, on September 12, 2019.



CITY OF ST. GEORGE, KANSAS



Tim Pralle, Mayor



Elizabeth Wagoner, City Clerk

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EXTRACT FROM MINUTES

THE Governing Body of the City of St. George, Pottawatomie County, Kansas, met in regular session at the Lighthouse Baptist Church, 308 North Lincoln Street, St. George, Kansas on September 12, 2019.

PRESENT were Mayor Tim Halle and Looney Hoover
Debbi Worth, Kris Holbush, Steve Zimmerman

THE following being absent: Chris Collins

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was introduced by Debbi Worth who moved its passage, which motion was seconded by Steve Zimmerman.

AFTER a full discussion the Mayor called for a vote on said motion, the vote being as follows:

AYES: 4

NAYS: 0

THE Mayor then declared the motion duly carried.

CERTIFICATE OF CITY CLERK

I, the undersigned, City Clerk of the City of St. George, Kansas, hereby certify that the above and foregoing is a true and correct copy of portions of the minutes of the meeting of the Governing Body held on September 12, 2019, as recorded in the official minutes of the City.

WITNESS my hand and official seal of said City.



Elizabeth Wagoner
Elizabeth Wagoner
City Clerk