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ORDINANCE NO. 2173

AN ORDINANCE APPROVING COST ESTIMATES AND AUTHORIZING THE PROPOSED PHASE 2 IMPROVEMENTS TO THE MUNICIPALLY OWNED SEWERAGE SYSTEM OF THE CITY OF BURLINGAME, OSAGE COUNTY, KANSAS, BY MAKING CERTAIN IMPROVEMENTS TO THE CITY'S SEWER SYSTEM AND DOING ALL OTHER THINGS NECESSARY AND INCIDENTAL THERETO, AUTHORIZING THE CITY TO ISSUE AND SELL THE CITY'S GENERAL OBLIGATION BONDS TO FINANCE PART OF THE COSTS THEREOF, PURSUANT TO K.S.A. 12-618 AND ALL AMENDMENTS THERETO.

WHEREAS, the City of Burlingame, Osage County, Kansas, (the "City") is a municipality as defined by K.S.A. 10-101 and K.S.A. 12-618 et seq., and all amendments thereto, and

WHEREAS, the City is authorized by the laws of the State of Kansas to issue and sell General Obligation Bonds of the City to finance costs incurred by the City for the improvement of its sewer system pursuant to K.S.A. 12-618 et seq., and all amendments thereto (the "Act"), and

WHEREAS, the Governing Body of the City has not divided the City into more than one sewer district, and as such the City constitutes one sewer district, and therefore the City is exempt from the provisions of the Act in so far as providing for the levying of a tax or assessment against specific lots and pieces of property in separate sewer districts of the City, and

WHEREAS, it is deemed by the Governing Body of the City to be necessary and advisable that the City improve its sanitary sewerage system by repairing and/or removing and replacing gravity-flow sewer collection lines and manholes through-out the City and doing all other things necessary and incidental thereto (the "Phase 2 Project"), and

WHEREAS, the preliminary plans, specifications and estimates for the Phase 2 Project have been duly prepared and filed in the office of the City Clerk of said City, which estimates shows a total cost of the Phase 2 Project to be Two Million Seven Hundred Thousand Dollars (\$2,700,000), and

WHEREAS, it is found by the Governing Body that such project will not cause a duplication of existing utility services furnished by a private utility, and

WHEREAS, the total estimated cost of the Phase 2 Project is to be paid in part from the proceeds of a \$500,000 Community Development Block Grant to the City, the proceeds of a \$550,000 USDA Rural Development Grant to the City with the balance to be paid from the proceeds of general obligation bonds to be issued by the City and sold to USDA Rural Development, all pursuant to the Act.

NOW, THEREFORE, BE IT ORDAINED BY THE GOVERNING BODY OF THE CITY OF BURLINGAME, KANSAS:

Section 1. That the estimates of costs of the Phase 2 Project, which estimates are now on file in the office of the City Clerk of said City, in the total estimated amount of \$2,700,000 be and the same are hereby approved.

Section 2. That it is necessary and desirable that the Phase 2 Project be completed and that general obligation bonds and temporary notes as required of the City to be issued and sold pursuant to the Act, in an amount not to exceed \$1,650,000 to pay part of the costs of the Phase 2 Project with the balance of the costs to be paid from proceeds of a \$500,000 Community Development Block Grant to the City and a \$550,000 USDA Rural Development Grant to the City.

Section 3. The City both reasonably expects and intends to finance \$1,650,000 of the costs of the Phase 2 Project from the proceeds of general obligation bonds of the City. The City does hereby express its official intent to reimburse any such capital expenditures made or obligations incurred by it on or after the date which is 60 days before the date of this Resolution from the proceeds of such bonds in the estimated maximum principal amount of \$1,650,000. The City will issue such bonds for such purposes and make the reimbursements within eighteen (18) months after the date the expenditure to be reimbursed was paid or, if later, eighteen (18) months after the date on which the property resulting from the expenditure was placed in service. Provided, that, in any event, the City must make the reimbursement allocation within three (3) years after the date the expenditure was paid. That this ordinance as the expression of the governing body's official intent regarding the matters described herein will be available from public inspection in the City Clerk's Office at City hall during regular business hours of the City.

Section 4. That this ordinance shall take effect and be in force from and after its adoption and publication in the official City newspaper.

Passed by the Governing Body and approved by the Mayor this 6th day of September, 2011.

(SEAL)

CITY OF BURLINGAME, KANSAS

ATTEST:

Mayor

City Clerk