

ORDINANCE NO. 587

**AN ORDINANCE AUTHORIZING THE ACQUIRING, CONSTRUCTION, RECONSTRUCTION, BUILDING AND REPAIR OF CERTAIN SEWER LINES TOGETHER WITH ALL THINGS NECESSARY AND INCIDENTAL THERETO IN THE CITY OF ARMA, CRAWFORD COUNTY, KANSAS, TO BE PAID FOR BY THE ISSUANCE OF GENERAL OBLIGATION BONDS IN AN AMOUNT NOT EXCEEDING \$245,000 UNDER THE AUTHORITY OF K.S.A. 12-617 AND 618 *ET SEQ.*, AS AMENDED, AND ARTICLE 1 OF CHAPTER 10, K.S.A.**

**WHEREAS**, the Governing Body of the City of Arma, Crawford County, Kansas, (the "City") has the authority to provide for one or more systems of sewerage or drainage or both for such City with main sewers or drains and sewer or drain outlets, and to acquire land and rights-of-way, build, construct or purchase pumping stations, sewers, sewer service lines and drains, together with all things necessary and incidental thereto, as the Governing Body may determine, all in accordance with K.S.A. 12-617 and 618 *et seq.*, as amended and supplemented; and

**WHEREAS**, the Governing Body of the City has not divided the City into more than one district for sewer purposes; and

**WHEREAS**, the Governing Body of the City deems it necessary to provide and pay for such sewage systems and to acquire land and rights-of-way, acquire, construct, reconstruct, build and repair certain sewer lines together with all things necessary and incidental thereto at an estimated cost of Two Hundred Forty-Five Thousand Dollars (\$245,000); and

**WHEREAS**, the Governing Body of the City intends to finance the cost of such improvements by the issuance of general obligation bonds of the City in accordance with K.S.A. 12-617 and 618 *et seq.*, as amended and supplemented, in an amount not to exceed Two Hundred Forty-Five Thousand Dollars (\$245,000).

**NOW, THEREFORE, BE IT ORDAINED BY THE GOVERNING BODY OF THE CITY OF ARMA, CRAWFORD COUNTY, KANSAS:**

**Section 1.** That the acquisition of land and rights-of-way, acquisition, construction, reconstruction, building and repair of certain sewer lines together with all things necessary and incidental thereto, at an estimated total cost of \$245,000, to serve the City is hereby authorized and ordered to be done in accordance with the plans and specifications therefor on file with the City Clerk of the City.

**Section 2.** That to provide funds to pay the total costs of constructing said public improvements (the "Project"), general obligation bonds of the City in an amount not exceeding \$245,000 under the authority of K.S.A. 12-617 and 618 *et seq.*, as amended and supplemented, is hereby authorized to be issued.

**Section 3.** That the City is hereby authorized to issue Temporary Notes pursuant to K.S.A. 10-123, as amended and supplemented, in an amount not to exceed \$245,000, to provide funds to pay part of the costs of the Project until bonds may be issued. That said Temporary Notes may be issued pursuant to a resolution duly adopted by the Governing Body of the City.

**Section 4.** That the Governing Body of the City is hereby authorized to receive bids and award a contract for the construction of said Project.

**Section 5.** The City reasonably expects to pay for the cost of the Project as follows: \$245,000 of the costs are expected to be paid with the proceeds of debt of the City, *i.e.*, notes, bonds or other evidences of indebtedness of the City, and any other costs are expected to be paid from other legally available funds of the City, such as federal or state grants or budgeted funds of the City.

**Section 6.** As of the date of this Ordinance, the City has not spent any funds more than sixty (60) days prior to the adoption of this statement of official intent on the Project for which it will be reimbursed from debt of the City (other than expenditures permitted to be reimbursed pursuant to Treasury Regulations such as certain preliminary expenditures for engineering, architectural, survey and costs of issuance).

**Section 7.** The City reasonably expects to reimburse expenditures made for the cost of the Project with the proceeds of debt of the City (*i.e.*, notes, bonds or other evidences of indebtedness of the City) which debt is expected to be incurred by the City after the date of payment of all or a portion of the costs of the Project. No funds of the City or any group controlled by the City are reasonably expected to be set aside on a long-term basis to pay the expenditure to be reimbursed with the proceeds of the City's debt.

**Section 8.** The maximum principal amount of debt of the City expected to be issued for the Project is \$245,000.

**Section 9.** All reimbursed expenditures will be "capital expenditures" as defined in Treasury Regulations Section 1.150-1(h). Capital expenditures include costs of issuance of the debt of the City.

**Section 10.** This declaration is a declaration of official intent under Treasury Regulation Section 26 CFR 1.150-2.

**Section 11.** That this Ordinance shall take effect and be in force from and after its passage and approval and publication in the official city paper.

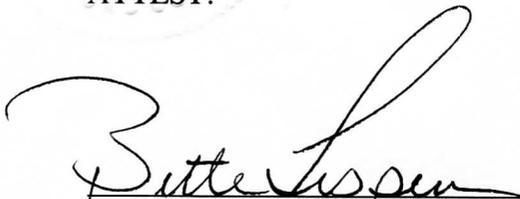
**PASSED** by the Governing Body and approved by the Mayor on this 15th day of August, 2011.

CITY OF ARMA, KANSAS

(SEAL)

  
Chris Pommier, Mayor

ATTEST:

  
Bette Lessen, City Clerk