

RESOLUTION NO. 92-3

A RESOLUTION DESIGNATING A SOURCE OF REVENUE FOR REPAYMENT OF A KANSAS PARTNERSHIP FUND LOAN TO THE CITY OF WATHENA, KANSAS.

WHEREAS, the City of Wathena, Kansas, has applied for and received tentative approval of a loan in an amount not to exceed \$388,000.00 from the Kansas Partnership Fund which loan will be repaid with interest at a rate of 4.4% over a period of fifteen (15) years; and

WHEREAS, the loan proceeds will be used to extend the existing City sewer line to an area used for commercial and industrial purposes and to install aerators in the existing City lagoon system; and

WHEREAS, it is contemplated said development will result in additional jobs and construction; and

WHEREAS, the City has passed Ordinance No. 448 which increases the City's water rates for commercial users outside the city limits by 50% and other water customers by 16%, said water increase will also result in a proportionate increase in sewer rates. It is contemplated the increase in utility rates will result in increased revenue to the City in the approximate amount of \$1,813.00 per month all of which will be utilized to repay the Kansas Partnership Fund Loan; and,

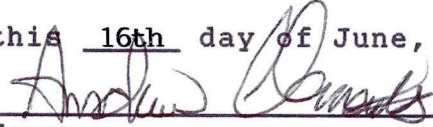
WHEREAS, the City has also transferred electrical reserve funds in the amount of \$56,216.00 to the general fund to be utilized to repay the Kansas Partnership Fund Loan.; and,

WHEREAS, the approved payment of principal and interest on the Kansas Partnership Fund Loan, amortized over fifteen years, is not expected to exceed \$21,000.00 per year;

NOW, THEREFORE, BE IT RESOLVED by the Governing Body of the City of Wathena, Kansas, that the additional utility revenue generated from the rate increase by Ordinance No. 448 and the electrical reserve funds in the amount of \$56,216.00 transferred to the general fund are hereby designated as the source of repayment for the Kansas Partnership Fund Loan above described.

PASSED AND APPROVED this 16th day of June, 1992.

(CITY SEAL)

  
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Mayor

Attest:

  
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City Clerk