

RESOLUTION NO. 10-05

A RESOLUTION APPROVING COST ESTIMATES OF THE PROPOSED PROJECT IMPROVEMENTS TO THE MUNICIPALLY OWNED ELECTRIC UTILITY SYSTEM OF THE CITY OF WATHENA, DONIPHAN COUNTY, KANSAS, BY MAKING CERTAIN ELECTRIC SYSTEM IMPROVEMENTS AND DOING ALL OTHER THINGS NECESSARY AND INCIDENTAL THERETO, AND AUTHORIZING THE PUBLICATION OF THE NOTICE OF INTENTION OF THE GOVERNING BODY OF THE CITY OF WATHENA, KANSAS, TO MAKE SUCH IMPROVEMENTS AND TO ISSUE AND SELL REVENUE BONDS OF SAID CITY TO PAY PART OF THE COST THEREOF.

WHEREAS, the City of Wathena, Doniphan County, Kansas, (the "City") is a municipality as defined by K.S.A. 10-101 and 10-1201 *et seq.* and all amendments thereto; and

WHEREAS, the City is authorized by the laws of the State of Kansas to issue and sell Revenue Bonds of the City for the improvement of its electric utility system pursuant to K.S.A. 10-1201 *et seq.* and all amendments thereto; and

WHEREAS, it is deemed by the Governing Body of the City to be necessary and advisable that the City improve its electric utility system by making certain Project improvements, including but not limited to improvements to the City-owned electric distribution system, including, but not limited to acquiring, constructing and equipping electrical transmission equipment, switches, control units, transformers, arresters, insulators, cutouts and replacing poles, and doing all things necessary and incidental thereto (the "Project"), and that the preliminary plans, specifications and estimates have been duly prepared and filed in the office of the City Clerk of said City, which estimates show a total cost of the Project to be approximately One Million Ten Thousand One Hundred Thirty Dollars (\$1,010,130). The costs of the Project shall be paid from the proceeds of a Kansas

Department of Commerce for Small Cities Community Development Block Grant Funds CDBG 2010 Special Round Application in the amount of Five Hundred Thousand Dollars (\$500,000) (the "Grant"), Electric Utility Revenue Bonds of the City in the amount of Four Hundred Sixty Thousand Dollars (\$460,000) (the "Revenue Bonds") and Fifty Thousand One Hundred Thirty Dollars (\$50,130) of lawfully available funds of the City; and

**WHEREAS**, it is found by the Governing Body that such Project will not cause a duplication of existing utility service furnished by a private utility.

**NOW, THEREFORE, BE IT RESOLVED BY THE GOVERNING BODY OF THE CITY OF WATHENA, KANSAS:**

**Section 1.** That the estimates of costs of making certain Project improvements including but not limited to improvements to the City-owned electric utility system, and doing all things necessary and incidental thereto, which estimates are now on file in the office of the City Clerk of said City, be and the same are hereby approved.

**Section 2.** That notice be given by the Governing Body of the City of its intention to improve its electric utility system Project in accordance with the plans, specifications and estimates of cost and to sell revenue bonds of the City in an amount not exceeding \$460,000 to pay part of the cost thereof, the balance of the costs of the Project to be paid by the Grant and lawfully available funds of the City in the amount of \$50,130. Such notice shall be signed by the Mayor and attested by the City Clerk and shall be published in the official City newspaper. Such notice shall describe the nature of the proposed improvements and shall state the amount of revenue bonds proposed to be issued for the payment of part of the cost of the Project and otherwise, the notice shall be in the form as provided by law.

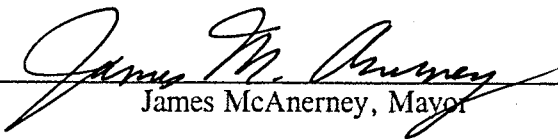
**Section 3.** That unless written protests against such proposed improvements signed by not less than twenty percent (20%) of the qualified electors of the City are filed with the City Clerk within fifteen (15) days after publication of the notice herein authorized the City both reasonably expects and intends to finance part of the costs as hereinbefore described from the proceeds of its revenue bonds payable from the rates, fees and charges of its electric utility system. The City does hereby express its official intent to reimburse any expenditures made or obligations incurred by it subsequent to the date of this Resolution from the proceeds of its revenue bonds as aforesaid in the maximum principal amount previously described. This Resolution, as the expression of the Governing Body's official intent regarding the matters described herein, will be available, for public inspection in the City Clerk's office at City Hall during regular business hours of the City.

Section 4. That this Resolution shall be in force and take effect from and after its passage and approval.

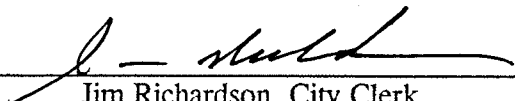
PASSED by the Governing Body and approved by the Mayor this 21st day of May, 2010.

CITY OF WATHENA, KANSAS

[Seal]

  
James McAnerney, Mayor

ATTEST:

  
Jim Richardson, City Clerk