

RESOLUTION NO. 1113

A RESOLUTION OF THE CITY OF COLBY, KANSAS, AUTHORIZING THE EXECUTION OF THE BUCKEYE WIND FARM PROJECT AGREEMENT BETWEEN THE CITY OF COLBY, KANSAS, AND THE KANSAS MUNICIPAL ENERGY AGENCY; MAKING CERTAIN COVENANTS AND AGREEMENTS TO PROVIDE FOR THE PAYMENT AND SECURITY THEREOF AND AUTHORIZING CERTAIN OTHER DOCUMENTS AND ACTIONS IN CONNECTION THEREWITH.

WHEREAS, the Kansas Municipal Energy Agency ("**KMEA**") is a municipal energy agency organized and existing under the laws of the State of Kansas, including K.S.A. 12-885 *et seq.*; and

WHEREAS, the City of Colby, Kansas (the "**City**") owns or operates a utility furnishing electricity, and the City is a member in good standing of KMEA; and

WHEREAS, the City is authorized to enter into contracts for the supply of electricity from any person, firm, corporation or other municipality for a period not in excess of forty (40) years under K.S.A. 12-825j; and

WHEREAS, KMEA expects to enter into a Renewable Energy Purchase Agreement (the "Purchase Agreement") to purchase up to 35MW of electric energy, capacity benefits and environmental attributes related thereto (collectively, the "Energy") from the Buckeye Wind Farm in Ellis County, Kansas (the "Facility"); and

WHEREAS, KMEA and certain member cities, including the City, desire to form a project, through which member cities who wish to participate will purchase a portion of the Energy from KMEA; and

WHEREAS, City desires to participate in the Buckeye Wind Farm Project, pursuant to the terms and conditions set forth in the Buckeye Wind Farm Project Agreement (the "Buckeye Agreement"), in substantially the form presented to the governing body with this Resolution;

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

Section 1. Approval. The Buckeye Agreement is hereby approved in substantially the form presented to the governing body this date.

Section 2. Pledge of Revenues; Obligation to Make Payments. The governing body of the City hereby pledges the gross revenues (the "**Revenues**") of the City's electric utility system (the "**System**") to the City's payment obligations under the Buckeye Agreement. The payments by the City for electricity under the Buckeye Agreement shall constitute operating expenses of the System. The obligation of the City to make payments to KMEA under the Buckeye Agreement, whether or not reduced to judgment, shall not constitute general obligations of the City, and the City shall not be required to make such payments from any source other than the Revenues of the System.

Section 3. Rate Covenant. The City will fix, establish, maintain and collect such rates, fees and charges for the use and services furnished by or through the System, including all repairs, alterations, extensions, reconstructions, enlargements or improvements thereto hereafter constructed or acquired by the City, as will produce Revenues sufficient to (a) pay all operating expenses of the System, including the

obligation to make the payments required by the Buckeye Agreement; (b) pay the principal of and interest on all the bonds and any other indebtedness of the System (the "*System Indebtedness*") as and when the same become due; and (c) provide reasonable and adequate reserves to satisfy covenants in the resolutions authorizing System Indebtedness and for the general protection and benefit of the System.

Section 4. Execution of Buckeye Agreement. The Mayor and Clerk are hereby authorized to execute the Buckeye Agreement in substantially the form presented to the governing body this date, with such changes or additions as the Mayor and Clerk shall deem necessary and appropriate, such official's signature thereon being conclusive evidence of such official's and the City's approval thereof. The Mayor and Clerk are authorized and directed to execute any and all other documents or certificates necessary to effect the purposes set forth in this Resolution and the Buckeye Agreement.

Section 5. Effective Date. This Resolution shall take effect and be in full force from and after its adoption by the governing body of the City.

ADOPTED by the governing body of the City and signed by the Mayor this 21st day of November, 2017.

(SEAL)

Mayor

ATTEST:

City Clerk