

ORDINANCE NO. 1615

OF

THE CITY OF COLBY, KANSAS

PASSED

SEPTEMBER 16, 2019

**GENERAL OBLIGATION BONDS
SERIES 2019**

ORDINANCE NO. 1615

AN ORDINANCE AUTHORIZING AND PROVIDING FOR THE ISSUANCE OF GENERAL OBLIGATION BONDS, SERIES 2019, OF THE CITY OF COLBY, KANSAS; PROVIDING FOR THE LEVY AND COLLECTION OF AN ANNUAL TAX FOR THE PURPOSE OF PAYING THE PRINCIPAL OF AND INTEREST ON SAID BONDS AS THEY BECOME DUE; AUTHORIZING CERTAIN OTHER DOCUMENTS AND ACTIONS IN CONNECTION THEREWITH; AND MAKING CERTAIN COVENANTS WITH RESPECT THERETO.

WHEREAS, the City of Colby, Kansas (the “City”) is a city of the second class, duly created, organized and existing under the Constitution and laws of the State; and

WHEREAS, the City held a special question election in the City on November 6, 2018 (the “Election”), and a majority of the qualified electors of the City voting at the Election approved the following proposition:

Shall the following be adopted?

Shall the City of Colby, Kansas be authorized to: (1) construct, furnish and equip a new community events center and improvements related thereto (the “Project”) at an estimated cost of \$15,667,967, and to issue the City’s general obligation bonds pursuant to K.S.A. 12-1736 *et seq.*, in an amount not to exceed \$12,000,000 (the “Bonds”) to provide for payment of a portion of the costs of the Project, with the balance of such costs to be paid from available City funds; and (2) impose a three-quarters percent (0.75%) city-wide retailers’ sales tax pursuant to K.S.A. 12-187 *et seq.* (the “Sales Tax”), the proceeds of which shall be used to: (a) finance all or a portion of the costs of the Project, including payment of debt service on the Bonds, and the operating and maintenance costs thereof; (b) finance all or a portion of the costs of improvements to City street and public parks, including related financing costs, if any; (c) finance the operation and maintenance of the City’s existing aquatic center; and (d) pay such other governmental purposes as may be in the best interests of the City; the collection of such Sales Tax to commence upon the expiration of the existing three-quarters percent (0.75%) city-wide retailers’ sales tax on April 1, 2020, or as soon thereafter as permitted by law and shall terminate on March 31, 2035?

WHEREAS, pursuant to the Election, the City is authorized to issue general obligation bonds in the aggregate principal amount of \$12,000,000 to pay a portion of the costs of the project authorized at the Election (the “Improvements”), and none of such general obligation bonds have been issued and the City proposes to issue \$12,000,000 of its general obligation bonds, together with bid premium thereon, to pay a portion of the costs of the Improvements; and

WHEREAS, the Governing Body has advertised the sale of the Bonds in accordance with the law and at a meeting held in the City on this date awarded the sale of such Bonds to the best bidder.

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF COLBY, KANSAS, AS FOLLOWS:

Section 1. Definitions of Words and Terms. In addition to words and terms defined elsewhere herein, the following words and terms in this Ordinance shall have the meanings hereinafter set

forth. Unless the context shall otherwise indicate, words importing the singular number shall include the plural and vice versa, and words importing persons shall include firms, associations and corporations, including public bodies, as well as natural persons.

“**Act**” means the Constitution and statutes of the State of Kansas including K.S.A. 10-101 to 10-125, inclusive, K.S.A. 10-620 *et seq.* and K.S.A. 12-1736 *et seq.*, as amended and supplemented.

“**Bond and Interest Fund**” means the Bond and Interest Fund of the City for its general obligation bonds.

“**Bond Resolution**” means the resolution to be adopted by the Governing Body prescribing the terms and details of the Bonds and making covenants with respect thereto.

“**Bonds**” means the City's General Obligation Bonds, Series 2019, dated October 1, 2019, authorized by this Ordinance.

“**City**” means the City of Colby, Kansas.

“**Clerk**” means the duly appointed and acting Clerk of the City or, in the Clerk's absence, the duly appointed Deputy, Assistant or Acting Clerk.

“**Finance Director**” means the duly appointed and acting Finance Director of the City or, in the Finance Director 's absence, the duly appointed Deputy, Assistant or Acting Finance Director of the City.

“**Governing Body**” means the City Council of the City.

“**Mayor**” means the duly elected and acting Mayor of the City or, in the Mayor's absence, the duly appointed and/or elected Vice Mayor or Acting Mayor of the City.

“**Ordinance**” means this Ordinance authorizing the issuance of the Bonds.

“**State**” means the State of Kansas.

“**Substitute Improvements**” means the substitute or additional improvements of the City authorized in the manner set forth in the Bond Resolution.

Section 2. Authorization of the Bonds. There shall be issued and hereby are authorized and directed to be issued the General Obligation Bonds, Series 2019, of the City in the principal amount of \$12,000,000, for the purpose of providing funds to: (a) pay a portion of the costs of the Improvements; and (b) pay costs of issuance of the Bonds.

Section 3. Security for the Bonds. The Bonds shall be general obligations of the City payable as to both principal and interest from ad valorem taxes which may be levied without limitation as to rate or amount upon all the taxable tangible property, real and personal, within the territorial limits of the City. The full faith, credit and resources of the City are hereby irrevocably pledged for the prompt payment of the principal of and interest on the Bonds as the same become due.

Section 4. Terms, Details and Conditions of the Bonds. The Bonds shall be dated and bear interest, shall mature and be payable at such times, shall be in such forms, shall be subject to redemption and payment prior to the maturity thereof, and shall be issued and delivered in the manner prescribed and

subject to the provisions, covenants and agreements set forth in the Bond Resolution hereafter adopted by the Governing Body.

Section 5. Levy and Collection of Annual Tax. The Governing Body shall annually make provision for the payment of principal of, premium, if any, and interest on the Bonds as the same become due by levying and collecting the necessary taxes upon all of the taxable tangible property within the City in the manner provided by law.

The taxes above referred to shall be extended upon the tax rolls in each of the several years, respectively, and shall be levied and collected at the same time and in the same manner as the general ad valorem taxes of the City are levied and collected, shall be used solely for the payment of the principal of and interest on the Bonds as and when the same become due and the fees and expenses of the paying agent for the Bonds. The proceeds derived from said taxes shall be deposited in the Bond and Interest Fund.

If at any time said taxes are not collected in time to pay the principal of or interest on the Bonds when due, the City Treasurer is hereby authorized and directed to pay said principal or interest out of the general funds of the City and to reimburse said general funds for money so expended when said taxes are collected.

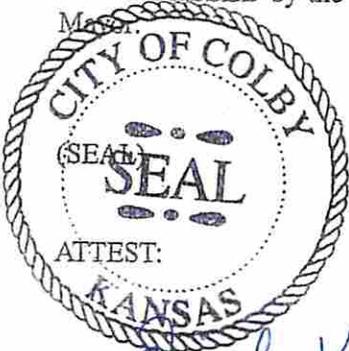
Section 6. Further Authority. The Mayor, Finance Director, Clerk and other City officials are hereby further authorized and directed to execute any and all documents and take such actions as they may deem necessary or advisable in order to carry out and perform the purposes of the Ordinance, and to make alterations, changes or additions in the foregoing agreements, statements, instruments and other documents herein approved, authorized and confirmed which they may approve, and the execution or taking of such action shall be conclusive evidence of such necessity or advisability.

Section 7. Governing Law. This Ordinance and the Bonds shall be governed exclusively by and construed in accordance with the applicable laws of the State.

Section 8. Effective Date. This Ordinance shall take effect and be in full force from and after its passage by the Governing Body, approval by the Mayor and publication of the Ordinance or a summary thereof in the official City newspaper.

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PASSED by the City Council on September 16, 2019 and APPROVED AND SIGNED by the



Gary L. Adams
Mayor

Jim L. Ketchum
Clerk

APPROVED AS TO FORM ONLY.

John A. Matz
City Attorney

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