

ORDINANCE NO. 2020-02

AN ORDINANCE OF THE CITY OF LIEBENTHAL, KANSAS, AUTHORIZING THE CITY TO MAKE CERTAIN SEWER SYSTEM IMPROVEMENTS; AUTHORIZING THE CITY TO ISSUE GENERAL OBLIGATION BONDS IN AN ESTIMATED PRINCIPAL AMOUNT OF \$97,000 TO PAY A PORTION OF COSTS OF THE IMPROVEMENTS.

WHEREAS, K.S.A. 12-617 to 12-618 (the "Act") authorizes any city having a population of less than 80,000 which has not divided the city into more than one district for sewer purposes to build and construct sewers and sewer systems and to issue general obligation bonds of the city to finance the costs of such improvements; and

WHEREAS, the City of Liebenthal, Kansas (the "City") has a population of less than 80,000 and has not divided the City into more than one district for sewer purposes; and

WHEREAS, the governing body of the City has determined it necessary to make improvements and repairs to the lagoons, control structures and valves and install a new lift station for the City's sewer system (the "System"), at an estimated cost of \$441,850 (the "Project"); and

WHEREAS, the governing body finds that the Project is necessary and integral part of the City's sewer system; and

WHEREAS, it is necessary and desirable to pay all or a portion of the costs of the Project authorized by this resolution through the issuance of general obligations bonds of the City.

NOW, THEREFORE, BE IT ORDAINED BY THE GOVERNING BODY OF THE CITY OF LIEBENTHAL, KANSAS:

Section 1. Authorization of Project. The Project (as defined above) is authorized and directed to be completed pursuant to the Act (as defined above) in accordance with estimates, plans and specifications approved by the governing body of the City.

Section 2. Payment of Sewer Improvement Costs. It is hereby further authorized, ordered and directed that the costs of acquiring, constructing and installing the Project shall be paid from the proceeds of a Community Development Block Grant in the amount of \$220,850, a grant made through Rural Development United States Department of Agriculture, in the amount of \$124,000 and the balance of the costs of the Project shall be payable by the city-at-large and paid through the issuance of general obligation bonds of the City which shall not exceed \$97,000. The City shall continue to seek and review the best possible methods of permanent financing as it proceeds with the Project.

Section 3. Temporary Notes. It is hereby further authorized, ordered and directed that in order to temporarily finance the estimated costs of the Project until the issuance of the Bonds as hereinbefore provided, there may be issued temporary improvement notes (the "Notes"), such Notes to be issued from time to time upon subsequent resolution or resolutions of the City which shall provide and set forth the details of the Notes, including the fixing of the dates, terms, denominations, interest rates and maturity dates. Such Notes may be issued and provision may be made therefor as funds are needed and required for the orderly acquisition, construction and installation of the Project; and the Mayor and City Administrator/City Clerk are hereby authorized, ordered and directed to prepare and execute each of such Notes in accordance with the terms of this Ordinance and the terms of the subsequent resolution or resolutions providing for same; and shall deliver the Notes to persons having claims against the City in connection with the Project, or may sell the Notes at private or public sale and apply the proceeds therefrom to the payment of the actual costs and expenses of the Project. Any Notes issued under the authority of this Section shall be issued under and will contain a recital that they are issued under the authority of the Act, and shall contain all other usual and required recitals and covenants and be in the form required therefor by said K.S.A. 10-123; and said Notes may be issued in combinations with any other temporary notes being issued by the City as shall be determined by the governing body at the time of such issuance to be in the City's best interest.

Section 4. Reimbursement. The obligations authorized by this Ordinance are authorized to reimburse expenditures made by the City 60 days before the date of this Ordinance and thereafter, as provided in United States Treasury Regulation § 1.150-2.

Section 5. Effective Date. This Ordinance shall be in force and take effect from and after its adoption and approval by the governing body and publication one time in the official City newspaper.

*[Remainder of Page Intentionally Left Blank]*

PASSED, ADOPTED AND APPROVED by the governing body of the City of Liebenthal, Kansas on November 9, 2020.



CITY OF LIEBENTHAL, KANSAS

By *Thomas W. McElroy*  
Thomas W. McElroy, Mayor

By *Beverly A. Stark*  
Beverly A. Stark, City Clerk