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**ORDINANCE NO. 2187**

**OF**

**THE CITY OF AUGUSTA, KANSAS**

**PASSED**

**APRIL 18, 2022**

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**GENERAL OBLIGATION SALES TAX BONDS**  
**SERIES 2022-B**

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**ORDINANCE NO. 2187**

**AN ORDINANCE AUTHORIZING AND PROVIDING FOR THE ISSUANCE OF GENERAL OBLIGATION SALES TAX BONDS, SERIES 2022-B, OF THE CITY OF AUGUSTA, 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.**

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**WHEREAS**, the City of Augusta, 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**, pursuant to K.S.A. 12-187 *et seq.*, as amended, and other provisions of the laws of the State of Kansas applicable thereto, by proceedings duly had, the Governing Body of the City (the “Governing Body”) has authorized the following improvements (the “Improvements”) to be made in the City, to-wit:

<u>Project Description</u>	<u>Ord./Res. No.</u>	<u>Authority (K.S.A.)</u>	<u>Amount</u>
Street capital improvement and electric system meter improvements ; and	2022-05	K.S.A. 12-187 <i>et seq.</i>	\$2,325,000

**WHEREAS**, all legal requirements pertaining to the Improvements have been complied with, and the Governing Body now finds and determines that the total cost of the Improvements and related expenses are at least \$2,325,000, to be paid for by the issuance of general obligation sales tax bonds; and

**WHEREAS**, the Governing Body is authorized by law to issue general obligation bonds of the City to pay costs of the Improvements; and

**WHEREAS**, none of such general obligation bonds heretofore authorized have been issued and the City proposes to issue \$2,325,000 of its general obligation sales tax bonds, together with bid premium thereon, to pay 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 OF AUGUSTA OF THE CITY OF AUGUSTA, 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 including K.S.A. 10-101 to 10-125, inclusive, K.S.A. 10-620 *et seq.*, and K.S.A. 12-187 *et seq.*, all as amended and supplemented from time to time.

**“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 Sales Tax Bonds, Series 2022-B, dated May 5, 2022, authorized by this Ordinance.

**“City”** means the City of Augusta, 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.

**“Debt Service Requirements”** means the aggregate principal payments (whether at maturity or pursuant to scheduled mandatory sinking fund redemption requirements) and interest payments on the Bonds for the period of time for which calculated; provided, however, that for purposes of calculating such amount, principal and interest shall be excluded from the determination of Debt Service Requirements to the extent that such principal or interest is payable from amounts deposited in trust, escrowed or otherwise set aside for the payment thereof with the paying agent for the Bonds or other commercial bank or trust company located in the State and having full trust powers.

**“Governing Body”** means the Governing Body 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.

**“Revenue Fund”** means the Sales Tax Revenue Fund referred to in the Bond Resolution.

**“Sales Tax”** means 50% of the Sales Tax 2016, which is to be applied to pay the costs of maintenance, repair and improvements to streets in the City, and 20% of the Sales Tax 2016, which is to be applied to pay the costs of other capital improvement projects in the City.

**“Sales Tax Revenues”** all sales tax revenues received by the Issuer from the collection of the Sales Tax.

**“Sales Tax 2016”** means the special one percent (1%) retailers' sales tax within the Issuer, which commenced October 1, 2016 and is to end on September 30, 2026.

**“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 Sales Tax Bonds, Series 2022-B, of the City in the principal amount of \$2,325,000, for the purpose of providing funds to: (a) pay 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 a pledge of the Sales Tax Revenues and, if not so paid and to the extent necessary, 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 of the Issuer shall annually make provision for the payment of Debt Service Requirements on the Bonds as the same become due, if the Sales Tax Revenues are not sufficient for such purpose, by levying and collecting the necessary taxes upon all of the taxable tangible property within the Issuer in the manner provided by law.

The taxes referred to above 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 other ad valorem taxes of the Issuer are levied and collected. The proceeds derived from said taxes shall be deposited in the Bond and Interest Fund, shall be kept separate and apart from all other funds of the Issuer shall thereafter be deposited in the Debt Service Account and shall be used solely for the payment of the principal of and interest on the Bonds as and when the same become due, taking into account any scheduled mandatory redemptions, and the fees and expenses of the Paying Agent.

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

**Section 6. Further Authority.** The Mayor, City Manager, 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 Governing Body on April 18, 2022 and APPROVED AND SIGNED by the Mayor.

(SEAL)

  
Mayor

ATTEST:

  
Clerk

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**CERTIFICATE**

I hereby certify that the foregoing is a true and correct copy of the original ordinance; that said Ordinance was passed on April 18, 2022; that the record of the final vote on its passage is found on page \_\_\_\_ of journal \_\_\_\_; and that the Ordinance or a summary thereof was published in the *Butler County Times-Gazette* on April [18], 2022.

DATED: April 18, 2022.

  
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Clerk

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(PUBLISHED IN THE *BUTLER COUNTY TIMES-GAZETTE* ON APRIL [26], 2022)

**SUMMARY OF ORDINANCE NO. [291]**

On April 18, 2022, the governing body of the City of Augusta, Kansas passed an ordinance entitled:

**AN ORDINANCE AUTHORIZING AND PROVIDING FOR THE ISSUANCE OF GENERAL OBLIGATION SALES TAX BONDS, SERIES 2022-B, OF THE CITY OF AUGUSTA, 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.**

The Series 2022-B Bonds approved by the Ordinance are being issued in the principal amount set forth therein to finance certain improvements in the City, and constitute general obligations of the City payable as to both principal and interest, from a pledge of certain sales tax revenues, and if not so paid, to the extent necessary, 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. A complete text of the Ordinance may be obtained or viewed free of charge at the office of the City Clerk, 113 E. 6th, Augusta, Kansas 67010. A reproduction of the Ordinance is available for not less than 7 days following the publication date of this Summary at [www.augustaks.org](http://www.augustaks.org).

This Summary is hereby certified to be legally accurate and sufficient pursuant to the laws of the State of Kansas.

DATED: April 18, 2022.



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City Attorney