

ORDINANCE NO. 331

A ORDINANCE OF THE CITY COUNCIL OF THE CITY OF BAZINE, NESS COUNTY, KANSAS AUTHORIZING THE SALE, ISSUANCE AND DELIVERY OF THE CITY'S GENERAL OBLIGATION BOND, SERIES 2025, IN THE AGGREGATE PRINCIPAL AMOUNT OF \$900,000.00 AND THE EXECUTION AND DELIVERY OF SUCH CERTIFICATES AND DOCUMENTS RELATED THERETO, ALL UNDER THE AUTHORITY OF KSA §§10-101 et seq., K.S.A. §§10-620 et seq., KSA §§12-6a01 et seq., KSA §12-685 et seq., AND ALL AMENDMENTS AND SUPPLEMENTS THERETO.

WHEREAS, the City Council of the City of Bazine, Ness County, Kansas, (the "City") has in accordance with the requirements of *K.S.A. §§12-6a01 et seq.*, and *K.S.A. §12-685 et seq.*, (collectively the "Act") heretofore authorized certain street improvements to certain portions of the City's streets; and

WHEREAS, pursuant to Act, the improvement costs not otherwise paid from readily available and unencumbered funds are payable either in whole or in part with the proceeds of general obligation bonds of the City, and, those street improvements authorized by City Resolution No. 166 have unpaid improvement costs in the amount of \$70,820.00 and those street improvements authorized by City Resolution No. 168 and assessed by City Ordinance No. 330 have unpaid improvement costs in the amount of \$817,212.00 (collectively the unpaid street improvement costs are the "Improvement Costs"); and

WHEREAS, the Improvement Costs are ready for financing and the amount thereof is permitted by the Act; therefore, the City deems it necessary and advisable to issue its General Obligation Bond, Series 2025, in the aggregate principal amount of Nine Hundred Thousand and 00/100 Dollars (\$900,000.00), dated as of its date of delivery to the purchaser thereof, to mature on or before September 1, 2034, with mandatory redemptions, and, semiannual interest payable on unpaid principal or at redemption and be in such form as is required by law, and, the proceeds from which will be used to permanently finance the Improvement Costs and costs of issuance related to the Bond, not otherwise paid from legally available unencumbered funds.

NOW THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF BAZINE, NESS COUNTY, KANSAS, that for the purpose of providing funds to pay the Improvement Costs and costs related to the issuance of the Bond not otherwise payable from legally available and unencumbered funds of the City, the governing body of the City be and it is, pursuant to *K.S.A. §§10-101 et seq.* & *K.S.A. §§10-620 et seq.*, hereby authorized to issue its General Obligation Bond, Series 2025 in the aggregate principal amount and denomination of Nine Hundred Thousand and 00/100 Dollars (\$900,000.00), (the "Bond"), said Bond being dated as of its delivery date, bearing interest at the rate of four and ninety three hundredths percent (4.93%) per annum (based upon a 360 day 12 month year), maturing on September 1, 2034. Interest shall be paid semiannually each March 1 and September 1, commencing March 1, 2026. The Bond, at the option of the City, shall be redeemable and cancelable in whole or in part, at par, on September 1, 2027 and thereafter, upon the City giving the purchaser thereof not less than ten (10) days' notice (no further interest shall accrue on the principal amount of the redeemed Bond and paid subsequent to the date of such payment of principal), all as is set forth in the Bond.

BE IT FURTHER ORDAINED that the Bond is subject to mandatory redemption, in the principal amount of \$100,000.00 at par, on September 1, 2026 and each September 1 thereafter until the maturity date of September 1, 2034.

BE IT FURTHER ORDAINED that the Bond shall be signed by the manual or facsimile signature of the Mayor of the City and attested by of the Clerk of the City and registered in the offices of the Clerk of

the City and the Treasurer of the State of Kansas in the City of Topeka, Kansas. The Treasurer of the State of Kansas shall act as "Paying Agent" and "Bond Registrar" on the Bond and the Mayor is hereby authorized to execute and deliver the necessary documents therefore, including an "Issuer Agent Agreement" with the State Treasurer.

BE IT FURTHER ORDAINED, (a) that the City covenants and agrees that no part of the proceeds of the Bond or earnings thereon shall be used, at any time, directly or indirectly in a manner which if such use had been reasonably anticipated on the date of the issuance of the Bond would cause the Bond to be or become an "Arbitrage Bond" within the meaning of Section 148 of the Internal Revenue Code of 1986, as amended, and the Regulations of the Treasury Department thereunder proposed or in effect at the time of such use applicable to obligations issued on the date of issuance of the Bond; and

(b) that in accordance with Section 265(b)(3) of the Code the Bond is designated as a "qualified tax exempt obligation"; and

(c) that in accordance with Section 148(f)(4)(D) of the Code, the City covenants that it is a governmental unit with general taxing powers; that the Bond is a not private activity bond as defined in Section 141 of the Code; that ninety-five percent (95%) or more of the net proceeds (as defined in the Code) of the Bond are to be used for local governmental activities of the City (or of a governmental unit the jurisdiction of which is entirely within the jurisdiction of the City), and that the aggregate face amount of the all tax-exempt obligations (other than private activity bonds as defined in Section 141 of the Code) issued by the City, including all subordinate entities of the City, during the calendar year 2025 will not exceed \$5,000,000.00.

BE IT FURTHER ORDAINED the acquisition of the Improvements and the payment of the Improvement Costs, including costs of issuance, with the Bond proceeds are necessary in connection with the City's providing governmental related services to the general public.

BE IT FURTHER ORDAINED that the City hereby reaffirms its tax compliance policy as previously adopted.

BE IT FURTHER ORDAINED that the Bond shall be issued and sold to the Farmers Bank & Trust, Great Bend, Kansas, and if any portion or provision of this Ordinance of the City, or the Bond shall for any reason be held to be invalid or unenforceable, the invalidity or unenforceability of such portion or provisions shall not affect any of the remaining provisions of this Ordinance, or the Bond, but this Ordinance and said Bond shall be construed and enforced as if such illegal or invalid provision had not been contained herein.

BE IT FURTHER ORDAINED that all previous actions heretofore taken by the officers and representatives of the City relating to the acquisition of the Improvements, the term of the Bond and the assessments thereof being for nine (9) years, and the issuance of the Bond contemplated by this Ordinance are hereby approved in all respects. The Mayor of the City and the City Clerk and any other proper officials of the City be and each of them is hereby authorized and directed to execute and deliver any and all documents and instruments and to do and cause to be done any and all acts and things necessary or proper for carrying out the transactions contemplated herein.

BE IT FURTHER ORDAINED that this Ordinance shall take effect and be in force from and after its passage and approval and publication.

IT IS SO ORDAINED.

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PASSED and approved October 1, 2025.

City of Bazine,
Ness County, Kansas

Patricia Showalter
Patricia Showalter, Mayor

Attest:

Debbie Steckline
Debbie Steckline, City Clerk

