ORDINANCE NO. 19932

AN ORDINANCE INTRODUCED BY CITY MANAGER JIM COLSON
AUTHORIZING THE ISSUANCE OF $45,510,000 AGGREGATE
PRINCIPAL AMOUNT OF COMBINED UTILITY IMPROVEMENT AND
REFUNDING REVENUE BONDS, SERIES 2014-A, OF THE CITY OF
TOPEKA, KANSAS, UNDER THE AUTHORITY OF K.S.A. 10-116a AND
K.S.A. 10-1201 ET SEQ., AND ALL AMENDMENTS THERETO.

WHEREAS, pursuant to K.S.A. 10-1201 et seq., as amended (the "Act"), the governing
body of the City of Topeka, Shawnee County, Kansas, (the "City") by its Ordinances Nos.
19556, 19743, 19744, 19793 and 19807 all of which were adopted by two-thirds vote of the
members thereof, and published as required by law, expressed its intent to improve the City’s
stormwater, wastewater and water supply systems (collectively, the “System”) by making certain
stormwater collection, sanitary sewer and water distribution improvements together with all
things necessary and incidental thereto (the "Improvements") and authorizing that notice of the
City's intention to make the Improvements and finance the costs thereof be given in accordance
with the requirements of the Act; and

WHEREAS, pursuant to the Act, the City did cause to be published in its official
newspaper, a paper of general circulation in the City, its Notice(s) of Intention to complete the
Improvements and finance the cost thereof by issuing revenue bonds of the City, in the
maximum principal amount of $13,425,401.00, to pay all or part of the cost of the Improvements
incurred or to be incurred by the City in connection with the Improvements; and

WHEREAS, a sufficient protest against the making of the Improvements and the
issuance of revenue bonds of the City in the maximum principal amount of $13,425,401.00 to
pay the cost thereof was not received by the City Clerk within fifteen (15) days of the date of the
publication of the City's Notice(s) of Intention; and

WHEREAS, the governing body of the City has heretofore duly authorized, issued and
delivered its $14,875,000 principal amount of Combined Utility Improvement Revenue Bonds,
Series 2005-A, dated December 8, 2005, (the "Series 2005-A Bonds") pursuant to its Ordinance
No. 18531 (the “Series 2005-A Bond Ordinance”) and Resolution No. 7709 (the “Series 2005-A
Bond Resolution”) adopted November 8, 2005, in accordance with the requirements of K.S.A.
10-1201 et seq., all as amended; and

WHEREAS, as of December 1, 2014, there remains outstanding of the Series 2005-A
Bonds the principal amount of $12,465,000 bearing interest payable semiannually on February 1
and August 1 each year and maturing on August 1, as follows:
SERIAL BONDS

<table>
<thead>
<tr>
<th>MATURITY (August 1)</th>
<th>PRINCIPAL AMOUNT</th>
<th>INTEREST RATE</th>
</tr>
</thead>
<tbody>
<tr>
<td>2015</td>
<td>$315,000</td>
<td>7.50%</td>
</tr>
<tr>
<td>2016</td>
<td>335,000</td>
<td>7.50</td>
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<tr>
<td>2017</td>
<td>360,000</td>
<td>4.25</td>
</tr>
</tbody>
</table>

TERM BONDS

<table>
<thead>
<tr>
<th>YEAR</th>
<th>PRINCIPAL AMOUNT</th>
<th>INTEREST RATE</th>
</tr>
</thead>
<tbody>
<tr>
<td>2020</td>
<td>$1,200,000</td>
<td>6.00%</td>
</tr>
<tr>
<td>2023</td>
<td>1,430,000</td>
<td>6.00</td>
</tr>
<tr>
<td>2025</td>
<td>1,100,000</td>
<td>6.00</td>
</tr>
<tr>
<td>2027</td>
<td>1,235,000</td>
<td>6.00</td>
</tr>
<tr>
<td>2035</td>
<td>6,490,000</td>
<td>5.25</td>
</tr>
</tbody>
</table>

WHEREAS, pursuant to Section 203 of the Series 2005-A Bond Resolution, the State Treasurer of the State of Kansas, Topeka, Kansas, was designated as the City's Paying Agent and Bond Registrar for the payment of the principal of and interest on the Series 2005-A Bonds; and

WHEREAS, pursuant to Section 301 of the Series 2005-A Bond Resolution, the Series 2005-A Bonds maturing on August 1, 2016, and thereafter, are subject to redemption and payment at the option of the City on August 1, 2015, and thereafter in whole or in part on any date, at the redemption price equal to the principal amount thereof with a redemption premium of one percent of the principal amount redeemed, such redemption premium to decline one-quarter of one percent (1/4 of 1%) each August 1 thereafter, plus accrued interest thereon to the date fixed for redemption and payment; and

WHEREAS, the City has heretofore duly authorized, issued and delivered its $22,600,000 principal amount of Combined Utility Refunding Revenue Bonds, Series 2006-B, dated October 18, 2006, (the "Series 2006-B Bonds") pursuant to the Ordinance No. 18717 (the Series 2006-B Bond Ordinance”) and Resolution No. 7866 (the “Series 2006-B Bond Resolution”) adopted on September 26, 2006, in accordance with the requirements of K.S.A. 10-116a and K.S.A. 10-1201 et seq., all as amended; and

WHEREAS, as of December 1, 2014, there remains outstanding of the Series 2006-B Bonds the principal amount of $16,445,000 bearing interest payable semiannually on February 1 and August 1 each year and maturing on August 1, as follows:
WHEREAS, pursuant to Section 203 of the Series 2006-B Bond Resolution, the State Treasurer of the State of Kansas, Topeka, Kansas, was designated as the City's Paying Agent and Bond Registrar for the payment of the principal of and interest on the Series 2006-B Bonds; and

WHEREAS, pursuant to Section 301 of the Series 2006-B Bond Resolution, the Series 2006-B Bonds maturing on August 1, 2015, and thereafter, are subject to redemption and payment at the option of the City on August 1, 2014, and thereafter in whole or in part on any date, at the redemption price equal to the principal amount thereof with a redemption premium of one percent of the principal amount redeemed, such redemption premium to decline one-quarter of one percent (1/4 of 1%) each Interest Payment Date thereafter, plus accrued interest thereon to the date fixed for redemption and payment; and

WHEREAS, the governing body of the City has heretofore duly authorized, issued and delivered its $5,210,000 principal amount of Combined Utility Improvement and Refunding Revenue Bonds, Series 2007-B, dated July 17, 2007, (the "Series 2007-B Bonds") pursuant to its Ordinance No. 18906 (the "Series 2007-B Bond Ordinance") and Resolution No. 7963 (the "Series 2007-B Bond Resolution") adopted June 19, 2007, in accordance with the requirements of K.S.A. 10-116a and K.S.A. 10-1201 et seq., all as amended; and

WHEREAS, as of December 1, 2014, there remains outstanding of the Series 2007-B Bonds the principal amount of $5,210,000 bearing interest payable semiannually on February 1 and August 1 each year and maturing on August 1, as follows:

TERM BONDS

2027 $1,770,000 4.625%
2029 1,065,000 4.750
2037 2,375,000 4.750

WHEREAS, the Series 2007-B Bonds are a multipurpose issue issued to (1) finance construction of new projects in the City and (2) currently refund certain then outstanding current refunding and construction issues of the City including the City’s Combined Utility Improvement and Refunding Revenue Bonds, Series 2004-A (the “Series 2004-A Bonds”) and Combined Utility Refunding Revenue Bonds, Series 2006-B (the “Series 2006-B Bonds”). The Series 2004-A Bonds were a multipurpose issue issued to (1) finance construction of new
projects in the City and (2) currently refund an outstanding current refunding of the City, a portion of which advance refunded certain prior issues of the City. The Series 2006-B Bonds advance refunded the City’s Water and Water Pollution Control Utility Revenue Bonds, Series 2001-A and, as such, the pro-rata portion of the Series 2007-B Bonds attributable to the prior advance refunding portions of the Series 2004-A Bonds and the Series 2006-B Bonds cannot and will not be advance refunded by the Series 2014-A Bonds; and

WHEREAS, pursuant to Section 203 of the Series 2007-B Bond Resolution, the State Treasurer of the State of Kansas, Topeka, Kansas, was designated as the City's Paying Agent and Bond Registrar for the payment of the principal of and interest on the Series 2007-B Bonds; and

WHEREAS, pursuant to Section 301 of the Series 2007-B Bond Resolution, the Series 2007-B Bonds maturing on August 1, 2016, and thereafter, are subject to redemption and payment at the option of the City on August 1, 2015, and thereafter in whole or in part on any date, at the redemption price equal to 100% of the principal amount thereof, plus accrued interest thereon to the date fixed for redemption and payment; and

WHEREAS, the City has determined and hereby determines that it is in the best interest of the City and the patrons and taxpayers thereof that (i) the Series 2005-A Bonds maturing on and after August 1, 2016, (i.e., $12,150,000) (the “Series 2005-A Refunded Bonds”) be advanced refunded on August 1, 2015; (ii) all of the outstanding Series 2006-B Bonds maturing on and after August 1, 2015, (i.e., $16,445,000) be currently refunded on December 24, 2014; and (iii) that portion of the Series 2007-B Bonds allocable on a pro-rata basis to construction and current refunding purposes maturing on August 1, 2027, August 1, 2029 and August 1, 2037, (i.e., $4,730,000) (the “Series 2007-B Refunded Bonds”) be advanced refunded on August 1, 2015, and that refunding revenue bonds of the City payable from the revenues derived from the operation of its combined water, water pollution control and stormwater utility system (the “System”) of the City be issued in the aggregate principal amount of $32,885,000 to be utilized for such purpose; and

WHEREAS, such refunding would provide a more orderly plan of financing for the City and result in a general restructuring of the debt service obligation of the City with respect to its combined utility, as hereinafter defined; and

WHEREAS, it is necessary at this time that the City proceed forthwith to sell and deliver its Combined Utility Improvement and Refunding Revenue Bonds, Series 2014-A, in the principal sum of $45,510,000 (the “Bonds”), for the purpose of providing funds to (1) permanently finance the costs of making the Improvements (i.e., $12,625,000), (2) advance refund the Series 2005-A Refunded Bonds, (3) currently refund the Series 2006-B Bonds, (4) advance refund the Series 2007-B Refunded Bonds, and (5) pay the costs of issuing the Bonds, under the authority of K.S.A. 10-116a, K.S.A. 10-1201 et seq. and Article 1 of Chapter 10, Kansas Statutes Annotated, all as amended; and

WHEREAS, a portion of the proceeds derived from the sale of the Combined Utility Improvement and Refunding Revenue Bonds, Series 2014-A, herein authorized shall, subject to the provisions of an escrow trust agreement authorized herein, be placed in an escrow trust
account to be established as herein authorized for the purpose of paying and redeeming the Series 2005-A Refunded Bonds and Series 2007-B Refunded Bonds as to both principal and interest as the same become subject to redemption and payment on August 1, 2015, all as more particularly described herein; and

WHEREAS, as previously herein recited, the City on December 8, 2005, issued its Combined Utility Improvement Revenue Bonds, Series 2005-A in the amount of $14,875,000 (the “Series 2005-A Bonds”); and

WHEREAS, as previously herein recited, the City on October 18, 2006, issued its Combined Utility Refunding Revenue Bonds, Series 2006-B Bonds in the amount of $22,600,000 (the “Series 2006-B Bonds”) which advanced refunded the City’s outstanding Series 2001-A Water and Water Pollution Control Utility Revenue Bonds maturing in the years 2009 through and including 2031; and


WHEREAS, the City on July 17, 2007, issued its Taxable Combined Utility Improvement Revenue Bonds, Series 2007-C in the amount of $2,140,000 (the “Series 2007-C Bonds”); and

WHEREAS, the City on September 22, 2010, issued its (1) Taxable Combined Utility Improvement Revenue Bonds (Build America Bonds – Direct Payment to Issuer) Series 2010-A in the amount of $985,000, (the “Series 2010-A Bonds”) (2) Taxable Combined Utility Improvement Revenue Bonds (Recovery Zone Economic Development Bonds) Series 2010-B in the amount of $9,155,000, (the “Series 2010-B Bonds”) and (3) Taxable Combined Utility Improvement Revenue Bonds, Series 2010-C in the amount of $85,000 (the “Series 2010-C Bonds”); and

WHEREAS, the City on September 29, 2011, issued its Combined Utility Improvement and Refunding Revenue Bonds, Series 2011-A in the amount of $18,900,000 (the “Series 2011-A Bonds”) which, in part, currently refunded the Series 2004-A Bonds maturing on August 1, 2014, through and including, August 1, 2021, the August 1, 2023 term bond and $1,770,000 of the August 1, 2029 term bond subject to mandatory redemption and payment on August 1, 2024; and

WHEREAS, the City on June 12, 2012, issued its Combined Utility Refunding Revenue Bonds, Series 2012-A in the amount of $22,045,000 (the “Series 2012-A Bonds”) which currently refunded all of the remaining outstanding Series 2004-A Bonds on June 13, 2012; and
WHEREAS, the City on May 21, 2013, issued its Combined Utility Refunding Revenue Bonds, Series 2013-A in the amount of $35,985,000 (the “Series 2013-A Bonds”) which (1) currently refunded the August 1, 2013, maturity of the Series 2005-A Bonds, Series 2006-B Bonds, and Series 2012-A Bonds and (ii) advanced refunded all of the remaining outstanding Series 2006-A Bonds on August 1, 2014; and

WHEREAS, the Bonds are parity obligations of the City’s System and, as such shall have equal lien status with the outstanding the Series 2005-A Bonds, the Series 2006-B Bonds, the Series 2007-B Bonds, the Series 2007-C Bonds, the Series 2010-A Bonds, the Series 2010-B Bonds, the Series 2010-C Bonds, the Series 2011-A Bonds, the Series 2012-A Bonds, and the Series 2013-A Bonds; and

WHEREAS, the City has authorized certain loans in the outstanding amount of $58,529,809 from the Kansas Department of Health and Environment revolving fund loan program (the “Permitted Loans”) and pledged the revenues from the System to the payment of such Permitted Loans and any additional loans which would constitute Permitted Loans under the Resolution hereinafter provided for; and


NOW, THEREFORE, BE IT ORDAINED BY THE COUNCIL OF THE CITY OF TOPEKA, SHAWNEE COUNTY, KANSAS:

Section 1. That there is hereby authorized and directed to be issued Combined Utility Improvement and Refunding Revenue Bonds, Series 2014-A, of the City in the aggregate principal amount of $45,510,000 for the purposes of providing funds to (1) permanently finance the costs of making the Improvements, (2) advance refund the Series 2005-A Refunded Bonds on August 1, 2015, (3) currently refund the Series 2006-B Bonds, on December 24, 2014, (4) advance refund the Series 2007-B Refunded Bonds on August 1, 2015, and (5) pay the costs of issuing the Bonds, as provided by Article 1 of Chapter 10, Kansas Statutes Annotated, K.S.A. 10-116a and Article 12 of Chapter 10 of the Kansas Statutes Annotated, all as amended. The Bonds shall be dated and bear interest, shall mature and be payable at such times, shall be in such form, shall be subject to redemption and payment prior to the maturity thereof and shall be issued in the manner prescribed and subject to the provisions, covenants and agreements set forth in a resolution of the Governing Body of the City adopted the same date as the date of the passage and approval of this Ordinance (the "Resolution").

Section 2. That the Mayor and City Clerk are hereby authorized to prepare and execute the Bonds and when so executed, the Bonds shall be registered as required by law and the Governing Body shall annually make provisions for the payment of the principal of, redemption premium, if any, and interest on the Bonds as the same shall become due from the revenues derived by the City from the rates, fees or charges collected by the City from the operation of the
System, including all improvements, extensions and enlargements thereto hereafter constructed or acquired by the City and not from any other fund or source. The Bonds shall constitute a lien upon the revenues produced from the System of the City.

Section 3. That the City shall, and the officers, agents and employees of the City are hereby authorized and directed to, take such action and execute such other documents, certificates and instruments as may be necessary or desirable to carry out and comply with the provisions of this Ordinance and to carry out, comply with and perform the duties of the City with respect to the Bonds and the Resolution all as necessary to carry out and give effect to the transaction contemplated hereby and thereby.

Section 4. That if any portion or provision of this Ordinance or the Bonds 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 Bonds, but this Ordinance and said Bonds shall be construed and enforced as if such illegal or invalid provision had not been contained herein.

Section 5. That the Bonds shall be issued and sold to the purchaser thereof in accordance with both its bid for the purchase thereof and the terms and conditions of this Ordinance.

Section 6. That this Ordinance shall take effect and be in force from and after its passage and publication in the official City newspaper.

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Passed and approved by the governing body of the City of Topeka, Kansas, this 9th day of December, 2014.

CITY OF TOPEKA, KANSAS

ATTEST:  

/s/Larry E. Wolgast  
Larry E. Wolgast, Mayor

/s/ Brenda Younger  
Brenda Younger, City Clerk

(SEAL)

I, BRENDA YOUNGER, City Clerk of the City of Topeka, Shawnee County, Kansas, do hereby certify that the above and foregoing is a true and correct copy of Ordinance No. 19932 adopted and approved by the City Council on December 9, 2014.

/s/ Brenda Younger  
Brenda Younger, City Clerk