

COMMITTEE SUBSTITUTE FOR RESOLUTION NO. 051180

Authorizing the development of a financial plan and initial financing for various improvements to the City's sanitary sewer system through the issuance of tax-exempt sanitary sewer system revenue bonds by the City; authorizing certain other actions pursuant thereto; delegating the City Council's authority to declare its intent to reimburse itself from bond proceeds to the Director of Finance; and directing the Director of Finance, in conjunction with the Bond Financial Advisory Committee, to determine the principal amount of the City's first issuance of sanitary sewer revenue bonds from the current authorization.

WHEREAS, a special election was held on August 2, 2005 at which a majority of the qualified voters voted in favor of issuing \$250,000,000.00 in wastewater revenue bonds (the "Voted Authority") for the purpose of paying the cost of extending and improving the sewerage system of the City; and

WHEREAS, it is now necessary that the City proceed with the development of financing of sanitary sewer system revenue bonds to finance improvements to the sanitary system of the City, being the first of the \$250,000,000.00 principal amount of the sanitary sewer system revenue bonds authorized by the voters of the City on August 2, 2005; and

WHEREAS, the City's Finance and Water Services Departments are charged with engaging any required feasibility and rate consultants to assist the City in developing a plan of finance for the Voted Authority including the approximate recommended principal amount of any sanitary sewer system revenue bonds to be issued and the effect of any bond issuance(s) on sewer ratepayers; and

WHEREAS, pursuant to Ordinance No. 050554, in connection with the bonds referred to in this resolution, the Council states that the Bond Financial Advisory Committee, established by Resolution No. 040143 and amended by Ordinance No. 050685, to advise the Mayor and Council on matters relating to the issuance of certain general obligation bonds, will be utilized to advise the Mayor and Council on matters relating to the timing of bond issuance, debt capacity, prevailing interest rates, budget considerations and compliance with bond authorization ballot language. NOW, THEREFORE,

BE IT ORDAINED BY THE COUNCIL OF KANSAS CITY:

Section 1. That the Council expresses its intention to provide for the financing of the sanitary sewer system improvement projects and to issue its first tranche under the current authorization of sanitary sewer system revenue bonds to provide funds to pay the cost of certain sanitary sewer system improvement projects.

Section 2. That the Council states that such improvements are for the benefit of the public safety and constitute a public purpose.

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Section 3. That the Council authorizes and directs that the financing arrangements referred to in this resolution and the negotiation of the financial terms and other provisions of such arrangements be developed by the Director of Finance for presentation to and approval by the Council.

Section 4. That the City Council hereby delegates to the Director of Finance the authority to declare the City's intent to reimburse itself for certain expenditures made within 60 days prior to or on and after the date of this resolution with respect to improvements made to the City's sanitary sewerage system (the Project) with the proceeds of bonds expected to be issued by the City such declaration to constitute the City's official intent under Treasury Regulation 1.150-2.

Section 5. That the Director of Finance, in conjunction with the Bond Financial Advisory Committee, is hereby directed to determine the principal amount of the City's first issuance of sanitary sewer revenue bonds from the current authorization.

Section 6. This Resolution shall take effect and be in full force and effect from and after its adoption.
