

## RESOLUTIONS 2001

- 01-01            **A RESOLUTION OF THE Governing Body of the City of Galena, Kansas (THE COOPERATING JURISDICTION) AUTHORIZING THE EXECUTION OF A COOPERATION AGREEMENT PURSUANT TO THE KANSAS LOCAL RESIDENTIAL HOUSING FINANCE LAW, K.S.A. 12-5219 ET SEQ., AS AMENDED BETWEEN THE COOPERATING JURISDICTION AND SEDGWICK COUNTY, KANSAS (THE ISSUER) AUTHORIZING THE ISSUER TO EXERCISE, ON BEHALF OF THE COOPERATING JURISDICTION, THE AUTHORITY AND POWERS CONFERRED BY THE KANSAS LOCAL RESIDENTIAL HOUSING FINANCE LAW IN CONNECTION WITH THE ISSUANCE OF SINGLE FAMILY MORTGAGE REVENUE BONDS.**
- 01-02            **CONDEMNATION HEARING 1212 SHORT STREET**
- 01-03            **CONDEMNATION HEARING 2215 SHORT STREET**
- 01-04            **CONDEMNATION HEARING 1011 ELM STREET**
- 01-05            **CONDEMNATION HEARING 213 FOREST STREET**
- 01-06            **CONDEMNATION HEARING 1624 SHORT STREET**
- 01-07            **CONDEMNATION HEARING 1706 DEWEY STREET**
- 01-08            **CONDEMNATION HEARING 209 S. MAIN STREET**
- 01-09            **CONDEMNATION HEARING 205 E. FRONT STREET**
- 01-10            **A RESOLUTION ESTABLISHING THE POSITION OF ADMINISTRATIVE ASSISTANT WITHIN THE GALENA POLICE DEPARTMENT AND SETTING THE COMPENSATION FOR SAID POSITION.**
- 01-11            **A RESOLUTION DIRECTING THE ISSUANCE OF REVENUE BONDS, SERIES 2001, OF THE CITY OF GALENA KANSAS, IN THE PRINCIPAL SUM OF \$317,500 FOR THE PURPOSE OF PROVIDING FUNDS TO PAY PART OF THE COST OF IMPROVING THE CITY'S SEWER UTILITY SYSTEM AND DOING ALL THINGS NECESSARY AND INCIDENTAL THERETO; PRESCRIBING THE FORM AND DETAILS OF SAID BONDS; PROVIDING FOR THE COLLECTION, SEGREGATION AND APPLICATION OF REVENUES OF THE SYSTEM FOR THE PURPOSES AUTHORIZED BY LAW, INCLUDING PAYING THE COST OF OPERATION AND MAINTENANCE OF SAID SYSTEM; AND PAYING THE PRINCIPAL OF AND INTEREST ON SAID BONDS, UNDER THE AUTHORITY OF K.S.A. 10-1201 ET SEQ., AS AMENDED AND SUPPLEMENTED.**
- 01-12            **A RESOLUTION AMENDING RESOLUTION NUMBER 00-30 TO REINSTATE THE POSITION OF WATER MANAGER**

01-12

*Amended  
00-30*

01-13

01-14

**A RESOLUTION APPROVING WATER PURCHASE CONTRACT BETWEEN THE CITY OF GALENA, KANSAS, A MUNICIPAL CORPORATION, AND SPRING RIVER PUBLIC WHOLESALE WATER SUPPLY DISTRICT NO. 19, STATE OF KANSAS.**

01-15

**BE IT RESOLVED, BY THE CITY COMMISSION OF THE CITY OF GALENA, KANSAS, THAT THE EMPLOYEE HANDBOOK AND PERSONNEL POLICY FOR THE CITY OF GALENA, KANSAS, AS SET FORTH IN THE DOCUMENT OF THE SAME NAME IS HEREBY ADOPTED AND APPROVED AS THE CITY'S OFFICIAL PERSONNEL RULES AND REGULATIONS.**

01-16

**A RESOLUTION AUTHORIZING THE EXECUTION AND DELIVERY OF A MASTER EQUIPMENT LEASE/PURCHASE AGREEMENT, AND RELATED INSTRUMENTS, AND DETERMINING OTHER MATTERS IN CONNECTION THEREWITH.**

01-17

*Amended  
00-30 + 01-12*

**A RESOLUTION AMENDING RESOLUTIONS NUMBER 00-30 AND 01-12 TO CHANGE THE POSITION OF WATER MANAGER TO LEADMAN-WATER AND OF WASTE WATER MANAGER TO LEADMAN-WASTE WATER; TO ELIMINATE THE POSITION OF LABORER/ELECTRICIAN; AND TO ESTABLISH THE POSITIONS OF WATER AND WASTE WATER MANAGER AND CODE ENFORCEMENT OFFICER/CEMETERY MANAGER.**

01-18

*Amended  
01-15*

**BE IT RESOLVED BY THE CITY COMMISSION OF THE CITY OF GALENA, KANSAS, THAT THE EMPLOYEE HANDBOOK AND PERSONNEL POLICY FOR THE CITY OF GALENA, KANSAS, AS SET FORTH IN THE DOCUMENT OF THE SAME NAME AND ADOPTED BY RESOLUTION NO. 01-15 IS HEREBY AMENDED AS FOLLOWS:**

01-19

**A RESOLUTION TO MEET THE CIVIL RIGHTS OBLIGATIONS OF THE KANSAS DEPARTMENT OF COMMERCE & HOUSING (KDOC&H), COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG) PROGRAM WHICH WILL FURTHER FAIR HOUSING OPPORTUNITIES IN GALENA, KANSAS.**

01-20

**A RESOLUTION AUTHORIZING THE EXECUTION AND DELIVERY OF A LEASE PURCHASE AGREEMENT, AND RELATED INSTRUMENTS, AND DETERMINING OTHER MATTERS IN CONNECTION THEREWITH.**

RESOLUTION 01- 01

A RESOLUTION OF THE GOVERNING BODY OF THE CITY OF GALENA, KANSAS (THE "COOPERATING JURISDICTION") AUTHORIZING THE EXECUTION OF A COOPERATION AGREEMENT PURSUANT TO THE KANSAS LOCAL RESIDENTIAL HOUSING FINANCE LAW, K.S.A. 12-5219 ET SEQ., AS AMENDED, BETWEEN THE COOPERATING JURISDICTION AND SEDGWICK COUNTY, KANSAS (THE "ISSUER"), AUTHORIZING THE ISSUER TO EXERCISE, ON BEHALF OF THE COOPERATING JURISDICTION, THE AUTHORITY AND POWERS CONFERRED BY THE KANSAS LOCAL RESIDENTIAL HOUSING FINANCE LAW IN CONNECTION WITH THE ISSUANCE OF SINGLE FAMILY MORTGAGE REVENUE BONDS.

WHEREAS, the Governing Body of the Issuer, in cooperation with one or more counties and cities of the State of Kansas (the "State"), desires to undertake a program to provide decent, safe and sanitary housing for persons of low and moderate income and to issue bonds or other obligations and to provide security therefor, all in accordance with the Kansas Residential Housing Finance Law, K.S.A. 12-5219 et seq., as amended (the "Act"); and

WHEREAS, the Governing Body of the City of Galena, Kansas (the "Cooperating Jurisdiction"), in cooperation with the Issuer, also desires to undertake a program to provide decent, safe and sanitary housing for persons of low and moderate income and to issue bonds and other obligations and to provide security therefor, all in accordance with the Act; and

WHEREAS, the Act provides that one or more cities and counties may join together and cooperate with one and another in the exercise of any powers conferred under the Act, either jointly or otherwise, in accordance with and pursuant to a written agreement between or among such cooperating cities and counties; and

WHEREAS, the Cooperating Jurisdiction has not engaged in any act or executed any power authorized by the Act, or comparable acts or powers authorized or contemplated under the Constitution of the State, the Act or any law of the State, which impair the authority of the Cooperating Jurisdiction to enter into the Cooperation Agreement; and

WHEREAS, the adoption of this Resolution by the Cooperating Jurisdiction authorizing the execution of the Cooperation Agreement and the exercise thereof will not conflict with or constitute on the part of the Cooperating Jurisdiction a breach of or default under the laws of the State, including the Act, or any other agreement, indenture or instrument to which the Cooperating Jurisdiction is a party or by which the Cooperating Jurisdiction is bound.

NOW, THEREFORE, BE IT RESOLVED BY THE GOVERNING BODY OF THE CITY OF GALENA, KANSAS:

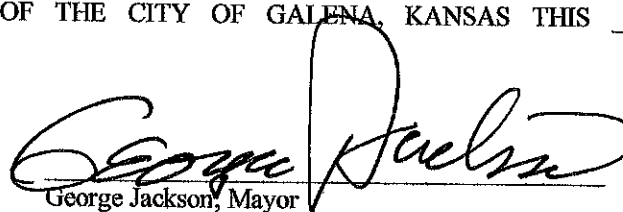
Section 1. The Cooperating Jurisdiction hereby agrees to join and cooperate with the Issuer in implementing and carrying out a residential housing finance plan pursuant to and in accordance with the Act and a Cooperation Agreement between the Cooperating Jurisdiction and the Issuer (the "Cooperation Agreement").

Section 2. The Mayor and the City Clerk are hereby authorized to execute the Cooperation Agreement in substantially the form attached hereto as Exhibit A.

Section 3. The Mayor and the City Clerk are hereby authorized to take such other actions, and execute such other documents, certificates and instruments as may be necessary or desirable to carry out and comply with the provisions of this Resolution and to carry out, comply with and perform the duties of the Cooperating Jurisdiction with respect to the Cooperation Agreement, all as necessary to carry out and give effect to the transactions contemplated by the Resolution.

PASSED BY THE GOVERNING BODY OF THE CITY OF GALENA, KANSAS THIS 15<sup>th</sup> DAY OF JANUARY, 2001

(Seal)

  
George Jackson, Mayor

ATTEST:

  
Deborah Kitch, City Clerk

SEDGWICK COUNTY, KANSAS  
AND  
CITY OF GALENA, KANSAS  
COOPERATION AGREEMENT

COOPERATION AGREEMENT PURSUANT TO THE KANSAS LOCAL RESIDENTIAL HOUSING FINANCE LAW, K.S.A. 12-5219 ET SEQ., AS AMENDED, BETWEEN SEDGWICK COUNTY, KANSAS (THE "ISSUER") AND THE CITY OF GALENA, KANSAS (THE "COOPERATING JURISDICTION"), AUTHORIZING THE ISSUER TO EXERCISE, ON BEHALF OF THE COOPERATING JURISDICTION, THE AUTHORITY AND POWERS CONFERRED BY THE KANSAS LOCAL RESIDENTIAL HOUSING FINANCE LAW IN CONNECTION WITH THE ISSUANCE OF SINGLE FAMILY MORTGAGE REVENUE BONDS.

WHEREAS, the Governing Body of the Issuer, in cooperation with one or more counties and cities of the State of Kansas (the "State"), desires to undertake a program to provide decent, safe and sanitary housing for persons of low and moderate income and to issue bonds and other obligations and to provide security therefor, all in accordance with the Kansas Local Housing Finance Law, K.S.A. 12-5219 et seq., as amended (the "Act"); and

WHEREAS, the Governing Body of the City of Galena, Kansas (the "Cooperating Jurisdiction"), in cooperation with the Issuer, also desires to undertake a program to provide decent, safe and sanitary housing for persons of low and moderate income and to issue bonds and other obligations and to provide security therefor, all in accordance with the Act; and

WHEREAS, the Act provides that one or more cities and counties may join together and cooperate with one another in the exercise of any powers conferred under the Act, either jointly or otherwise, in accordance with and pursuant to a written agreement between or among such cooperating cities and counties; and

WHEREAS, Neither the Issuer nor the Cooperating Jurisdiction have engaged in any act or executed any power authorized by the Act, or comparable acts or powers authorized or contemplated under the Act or any other law of the State, which would impair the authority of either to perform this Cooperation Agreement; and

WHEREAS, the adoption of the resolution by the Issuer and the resolution by the Cooperating Jurisdiction authorizing the execution of this Cooperation Agreement and the exercise thereof will not conflict with or constitute on the part of said jurisdictions a breach of or default under the laws of the State, including the Act, or any other agreement, indenture or instrument to which either is a party or by which either is bound; and

WHEREAS, the execution and delivery of this Cooperation Agreement by the Issuer and the Cooperating Jurisdiction have been authorized by resolutions duly adopted by the Governing Bodies of the Issuer and the Cooperating Jurisdiction.

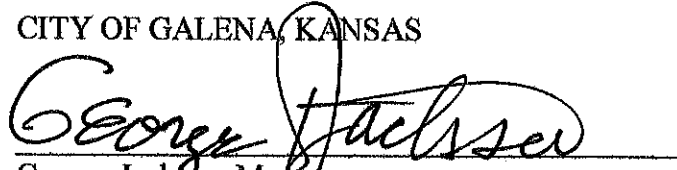
NOW, THEREFOR, IT IS HEREBY AGREED BY AND BETWEEN THE ISSUER AND THE COOPERATING JURISDICTION AS FOLLOWS:

Section 1. The Cooperating Jurisdiction hereby agrees to join and cooperate with the Issuer in implementing and carrying out a residential housing finance plan (the "Program") pursuant to and in accordance with the Act and this Cooperation Agreement, including the issuance by the Issuer, either by itself or jointly with other issuing jurisdictions, of one or more series of single family mortgage revenue bonds (the "Bonds") and the making of mortgage loans from the proceeds of such Bonds within the corporate limits of the Cooperating Jurisdiction.

Section 2. The Issuer and the Cooperating Jurisdiction hereby jointly declare that all cooperation agreements by and between the Issuer and other cooperating cities and counties of the State and all cooperation agreements by and between the Cooperating Jurisdiction and other cooperating cities and counties of the State in connection with the Program and the Bonds are hereby ratified and confirmed in all respects, and that such other cooperating cities and counties which enter into such cooperation agreements with the Issuer (or with other issuing jurisdictions which issue Bonds jointly with the Issuer) shall be part of the Program.

EXECUTED AND DELIVERED THIS 15<sup>th</sup> DAY OF JANUARY, 2001

CITY OF GALENA, KANSAS

  
George Jackson, Mayor

(Seal)

ATTEST:

  
Deborah Kitch, City Clerk

SEDGWICK COUNTY, KANSAS

By: *Carolyn Medina*  
Chairman, Board of County Commissioners

(Seal)

ATTEST:

By: *Don Beane*  
County Clerk



**RESOLUTION 01-02**

BE IT RESOLVED, That a hearing held on the 5<sup>th</sup> day of February, 2001, the governing body of the City of Galena, Kansas, pursuant to K. S. A. 12-1753, after hearing all evidence presented at said hearing, find the structure located at:

1212 Short Street—Lot 64 Galena Lead & Zinc Co. 1<sup>st</sup> Addition

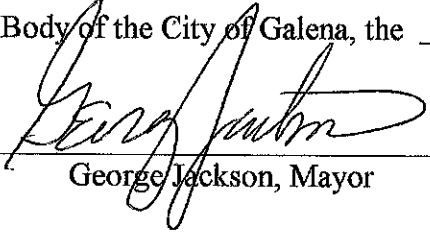
Is unsafe and dangerous for the following reasons:

Galena City Code Chapter 4 Article 6 (a) (b) (d) (e) (l)  
Galena City Code Chapter 4-702 (b) & (e)

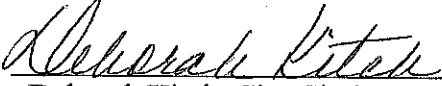
And hereby and herein directs the owner to commence to repair or remove said structure within 30 days of this date, and make the premises safe and secure.

BE IT FURTHER RESOLVED: That if the owner fails to commence to repair or remove the structure within the time specified or fails to diligently prosecute the repair or removal once started, then the governing body directs the Code Enforcement Officer to remove said structure and make the premises safe and secure.

Passed and approved by the Governing Body of the City of Galena, the 5<sup>th</sup> day of February, 2001.

  
George Jackson, Mayor

ATTEST:

  
Deborah Kitch, City Clerk

(SEAL)

**RESOLUTION 01-03**

BE IT RESOLVED, That a hearing held on the 5<sup>th</sup> day of February, 2001, the governing body of the City of Galena, Kansas, pursuant to K. S. A. 12-1753, after hearing all evidence presented at said hearing, find the structure located at:

2215 Short Street – Lots 153 & 154 Woodlawn Addition

Is unsafe and dangerous for the following reasons:

Galena City Code Chapter 4 Article 6 (a) (b) (c) (e) (h) (i) (j) (l)

And hereby and herein directs the owner to commence to repair or remove said structure within 60 days of this date, and make the premises safe and secure.

BE IT FURTHER RESOLVED: That if the owner fails to commence to repair or remove the structure within the time specified or fails to diligently prosecute the repair or removal once started, then the governing body directs the Code Enforcement Officer to remove said structure and make the premises safe and secure.

Passed and approved by the Governing Body of the City of Galena, the 5<sup>th</sup> day of February, 2001.

\_\_\_\_\_  
George Jackson, Mayor

ATTEST:

Deborah Kitch  
Deborah Kitch, City Clerk

(SEAL)

**RESOLUTION 01-04**

BE IT RESOLVED, That a hearing held on the 5<sup>th</sup> day of February, 2001, the governing body of the City of Galena, Kansas, pursuant to K. S. A. 12-1753, after hearing all evidence presented at said hearing, find the structure located at:

Lot 15 Galena Lead & Zinc Co. 4<sup>th</sup> Addition  
1011 Elm Street

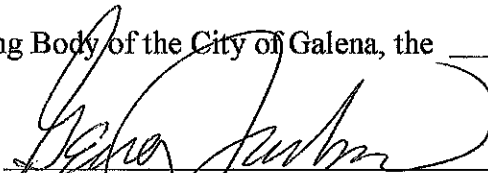
Is unsafe and dangerous for the following reasons:

Galena City Code Chapter 4 Article 6 (c) (d) (e) (f) (i) (j)  
Galena City Code Chapter 4-702


And hereby and herein directs the owner to commence to repair or remove said structure within 30 days of this date, and make the premises safe and secure.

BE IT FURTHER RESOLVED: That if the owner fails to commence to repair or remove the structure within the time specified or fails to diligently prosecute the repair or removal once started, then the governing body directs the Code Enforcement Officer to remove said structure and make the premises safe and secure.

Passed and approved by the Governing Body of the City of Galena, the 5<sup>th</sup> day of February, 2001.

  
George Jackson, Mayor

ATTEST:

  
Deborah Kitch, City Clerk

(SEAL)

**RESOLUTION 01-05**

BE IT RESOLVED, That a hearing held on the 5<sup>th</sup> day of February, 2001, the governing body of the City of Galena, Kansas, pursuant to K. S. A. 12-1753, after hearing all evidence presented at said hearing, find the structure located at:

Lots 17 & 18 Empire Town Co. 2<sup>nd</sup> Addition  
213 Forest St.

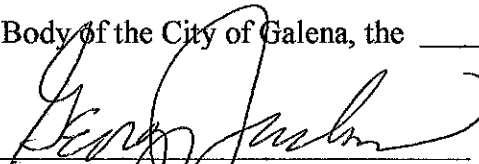
Is unsafe and dangerous for the following reasons:

Galena City Code Chapter 4 Article 6 (a) (b) (c) (e) (f) (h) (i) (j) (m)  
Galena City Code Chapter 4-701

And hereby and herein directs the owner to commence to repair or remove said structure within 30 days of this date, and make the premises safe and secure.

BE IT FURTHER RESOLVED: That if the owner fails to commence to repair or remove the structure within the time specified or fails to diligently prosecute the repair or removal once started, then the governing body directs the Code Enforcement Officer to remove said structure and make the premises safe and secure.

Passed and approved by the Governing Body of the City of Galena, the 5<sup>th</sup> day of February, 2001.

  
\_\_\_\_\_  
George Jackson, Mayor

ATTEST:

  
\_\_\_\_\_  
Deborah Kitch, City Clerk

(SEAL)

**RESOLUTION 01-06**

BE IT RESOLVED, That a hearing held on the 5<sup>th</sup> day of February, 2001, the governing body of the City of Galena, Kansas, pursuant to K. S. A. 12-1753, after hearing all evidence presented at said hearing, find the structure located at:

Lot 7 Block 6 Spring Grove Addition  
1624 Short St.

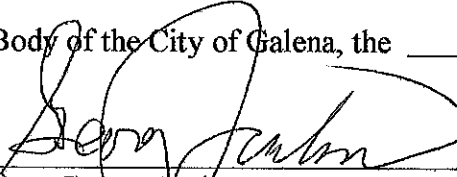
Is unsafe and dangerous for the following reasons:

Galena City Code Chapter 4 Article 6 (e) (f) (i) (j)


And hereby and herein directs the owner to commence to repair or remove said structure within 30 days of this date, and make the premises safe and secure.

BE IT FURTHER RESOLVED: That if the owner fails to commence to repair or remove the structure within the time specified or fails to diligently prosecute the repair or removal once started, then the governing body directs the Code Enforcement Officer to remove said structure and make the premises safe and secure.

Passed and approved by the Governing Body of the City of Galena, the 5<sup>th</sup> day of February, 2001.

  
\_\_\_\_\_  
George Jackson, Mayor

ATTEST:

  
\_\_\_\_\_  
Deborah Kitch, City Clerk

(SEAL)

**RESOLUTION 01-07**

BE IT RESOLVED, That a hearing held on the 5<sup>th</sup> day of February, 2001, the governing body of the City of Galena, Kansas, pursuant to K. S. A. 12-1753, after hearing all evidence presented at said hearing, find the structure located at:

Lot 11 Hillview 2<sup>nd</sup> Addition  
1706 Dewey St.

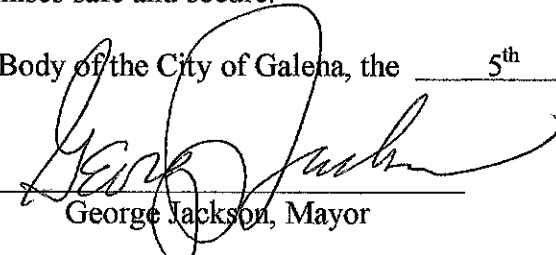
Is unsafe and dangerous for the following reasons:

Galena City Code Chapter 4 Article 6 (e) (f) (i) (j) (k) (l)

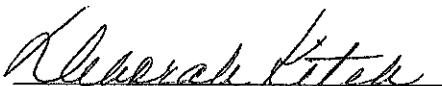
And hereby and herein directs the owner to commence to repair or remove said structure within 30 days of this date, and make the premises safe and secure.

BE IT FURTHER RESOLVED: That if the owner fails to commence to repair or remove the structure within the time specified or fails to diligently prosecute the repair or removal once started, then the governing body directs the Code Enforcement Officer to remove said structure and make the premises safe and secure.

Passed and approved by the Governing Body of the City of Galena, the 5<sup>th</sup> day of February, 2001.

  
George Jackson, Mayor

ATTEST:

  
Deborah Kitch, City Clerk

(SEAL)

**RESOLUTION 01-08**

BE IT RESOLVED, That a hearing held on the 5<sup>th</sup> day of February, 2001, the governing body of the City of Galena, Kansas, pursuant to K. S. A. 12-1753, after hearing all evidence presented at said hearing, find the structure located at:

Lots 205-207 Block 18 Original Plat of Galena  
209 S. Main St.

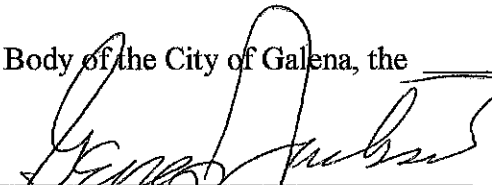
Is unsafe and dangerous for the following reasons:

Galena City Code Chapter 4 Article 6 (d) (e) (i) (j)


And hereby and herein directs the owner to commence to repair or remove said structure within 60 days of this date, and make the premises safe and secure.

BE IT FURTHER RESOLVED: That if the owner fails to commence to repair or remove the structure within the time specified or fails to diligently prosecute the repair or removal once started, then the governing body directs the Code Enforcement Officer to remove said structure and make the premises safe and secure.

Passed and approved by the Governing Body of the City of Galena, the 5<sup>th</sup> day of February, 2001.

  
\_\_\_\_\_  
George Jackson, Mayor

ATTEST:

  
\_\_\_\_\_  
Deborah Kitch, City Clerk

(SEAL)

**RESOLUTION 01-09**

BE IT RESOLVED, That a hearing held on the 5<sup>th</sup> day of February, 2001, the governing body of the City of Galena, Kansas, pursuant to K. S. A. 12-1753, after hearing all evidence presented at said hearing, find the structure located at:

205 E. Front St.

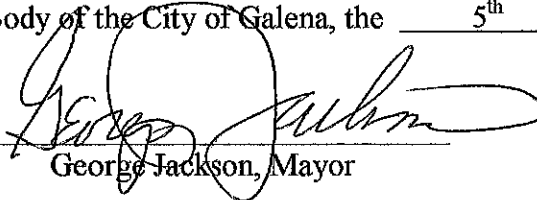
Is unsafe and dangerous for the following reasons:

Galena City Code Chapter 4 Article 6 (d) (e) (i) (j)


And hereby and herein directs the owner to commence to repair or remove said structure within 60 days of this date, and make the premises safe and secure.

BE IT FURTHER RESOLVED: That if the owner fails to commence to repair or remove the structure within the time specified or fails to diligently prosecute the repair or removal once started, then the governing body directs the Code Enforcement Officer to remove said structure and make the premises safe and secure.

Passed and approved by the Governing Body of the City of Galena, the 5<sup>th</sup> day of February, 2001.

  
George Jackson, Mayor

ATTEST:

  
Deborah Kitch, City Clerk

(SEAL)

**RESOLUTION NUMBER 01-10**

A resolution establishing the position of Administrative Assistant within the Galena Police Department and setting the compensation for said position.

Be it resolved by the City Commission of the City of Galena that the following shall prevail:

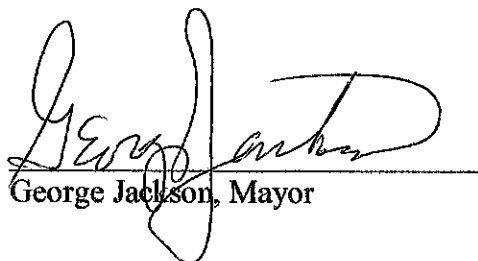
Section 1: There is hereby created the position of Administrative Assistant within the Galena Police Department. The duties of this position will include all duties of dispatcher, scheduling of dispatchers, billing for prisoner housing, billing for impound fees and other accounts, the handling of worthless checks, training of new dispatchers, time keeping and payroll, and other duties as determined by the Chief of Police.

Section 2: Base Compensation for this position shall be at the rate of \$8.50 per hour.

Section 3: Nothing in this Resolution shall Prevent the City Manager from submitting any changes in the rate of compensation to the City Commission for their ratification.

Section 4: This Resolution shall take effect and be in full force from and after its adoption by the Governing Body.

PASSED BY THE GOVERNING BODY OF THE CITY OF GALENA THIS FIFTH DAY OF MARCH, 2001.

  
George Jackson, Mayor

ATTEST:

  
Deborah Kitch, City Clerk

RESOLUTION NO. 01-11

A RESOLUTION DIRECTING THE ISSUANCE OF REVENUE BONDS, SERIES 2001, OF THE CITY OF GALENA, KANSAS, IN THE PRINCIPAL SUM OF \$317,500 FOR THE PURPOSE OF PROVIDING FUNDS TO PAY PART OF THE COST OF IMPROVING THE CITY'S SEWER UTILITY SYSTEM AND DOING ALL THINGS NECESSARY AND INCIDENTAL THERETO; PRESCRIBING THE FORM AND DETAILS OF SAID BONDS; PROVIDING FOR THE COLLECTION, SEGREGATION AND APPLICATION OF REVENUES OF THE SYSTEM FOR THE PURPOSES AUTHORIZED BY LAW, INCLUDING PAYING THE COST OF OPERATION AND MAINTENANCE OF SAID SYSTEM; AND PAYING THE PRINCIPAL OF AND INTEREST ON SAID BONDS, UNDER THE AUTHORITY OF K.S.A. 10-1201 ET SEQ., AS AMENDED AND SUPPLEMENTED.

WHEREAS, the City of Galena, Cherokee County, Kansas, (the "City") has heretofore duly authorized, pursuant to Ordinance No. \_\_\_\_\_, Three Hundred Seventeen Thousand Five Hundred Dollars (\$317,500) principal amount of Sewer Utility System Revenue Bonds, Series 2001, dated April 25, 2001; and

WHEREAS, pursuant to K.S.A. 10-1201 et seq., as amended (the "Act"), the governing body of the City did on December 6, 1999, by two-thirds vote of the members thereof, pass and approve Resolution No. 99-15, both approving the estimates of the costs of making various improvements to the City's sewer utility system (the "System") including, but not limited to, the desludging of the lagoon cells, rip-raping dikes and installing a low pressure aeration system, and doing 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 of Intention to complete the Improvements and finance part of the costs thereof by issuing revenue bonds of the City, in the maximum principal amount of \$355,000, to pay all or part of the costs 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 \$355,000 to pay part of 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 of Intention; and

WHEREAS, the proceeds derived from the sale of the Sewer Utility System Improvement Revenue Bonds herein authorized and other lawfully available funds of the City shall be placed in the Project Fund to be established as herein authorized for the purpose of paying the costs of making the Improvements.

NOW, THEREFORE, BE IT RESOLVED BY THE GOVERNING BODY OF THE CITY OF GALENA, CHEROKEE COUNTY, KANSAS:

Section 1. Authorization of and Security for the Bonds. That for the purpose of providing funds in the principal amount of Three Hundred Seventeen Thousand Five Hundred Dollars (\$317,500) to pay a portion of the costs of making the Improvements as aforesaid, all of

which is hereby authorized and ordered to be done, the issuance of Sewer Utility System Improvement Revenue Bonds, Series 2001, of the City of Galena, Cherokee County, Kansas, in the aggregate principal amount of Three Hundred Seventeen Thousand Five Hundred Dollars (\$317,500) (the "Bonds") is hereby authorized and ordered done pursuant to and in accordance with K.S.A. 10-1201 et seq., and all amendments thereto. The principal of and interest on the Bonds shall be payable solely from the revenues derived by the City from the rates, fees or charges collected by the City from the operation of the Sewer Utility System of the City together with all other 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. The Bonds and the interest thereon shall not be a debt or general obligation of the City, Cherokee County, Kansas, or the State of Kansas, or any municipal corporation thereof, and neither the Bonds, the interest thereon, nor any judgment thereon or with respect thereto, are payable in any manner from tax revenues of any kind or character. The Bonds shall not constitute an indebtedness or a pledge of the faith and credit of the City, Cherokee County, Kansas, the State of Kansas or any municipal corporation thereof within the meaning of any constitutional or statutory limitation or restriction.

Section 2. Description of the Bonds. That the Bond shall be issued in the total principal amount of Three Hundred Seventeen

Thousand Five Hundred Dollars (\$317,500) and shall be designated "City of Galena, Kansas, Sewer Utility System Improvement Revenue Bond, Series 2001". The Bond shall be a single certificated registered Bond without coupons in the denomination of \$317,500 or the aggregate declining unpaid principal balance payable to the registered holder thereof and registered as to principal and interest in the name of such registered holder and be dated April 25, 2001, bearing interest at the rate of four and seventy-five one hundredths percent (4.75%) per annum, computed on the basis of a 365-day calendar year, payable annually on April 25 (the "Interest Payment Date") of each year commencing April 25, 2002, until the principal of the Bond has been paid, with installments of principal payable as follows:

**Series 2001 Bond  
Maturity Schedule**

<u>Principal Payment Date</u>	<u>Interest Rate</u>	<u>Amount of Principal Payment</u>	<u>Interest</u>	<u>Total</u>
4/25/02	4.75%	\$ 2,500.00	\$15,081.25	\$17,581.25
4/25/03	4.75%	\$ 3,000.00	\$14,962.50	\$17,962.50
4/25/04	4.75%	\$ 3,000.00	\$14,820.00	\$17,820.00
4/25/05	4.75%	\$ 3,000.00	\$14,677.50	\$17,677.50
4/25/06	4.75%	\$ 3,000.00	\$14,535.00	\$17,535.00
4/25/07	4.75%	\$ 3,000.00	\$14,392.50	\$17,392.50
4/25/08	4.75%	\$ 4,000.00	\$14,250.00	\$18,250.00
4/25/09	4.75%	\$ 4,000.00	\$14,060.00	\$18,060.00
4/25/10	4.75%	\$ 4,000.00	\$13,870.00	\$17,870.00
4/25/11	4.75%	\$ 4,000.00	\$13,680.00	\$17,680.00
4/25/12	4.75%	\$ 4,000.00	\$13,490.00	\$17,490.00
4/25/13	4.75%	\$ 4,000.00	\$13,300.00	\$17,300.00

4/25/14	4.75%	\$ 5,000.00	\$13,110.00	\$18,110.00
4/25/15	4.75%	\$ 5,000.00	\$12,872.50	\$17,872.50
4/25/16	4.75%	\$ 5,000.00	\$12,635.00	\$17,635.00
4/25/17	4.75%	\$ 5,000.00	\$12,397.50	\$17,397.50
4/25/18	4.75%	\$ 6,000.00	\$12,160.00	\$18,160.00
4/25/19	4.75%	\$ 6,000.00	\$11,875.00	\$17,875.00
4/25/20	4.75%	\$ 6,000.00	\$11,590.00	\$17,590.00
4/25/21	4.75%	\$ 7,000.00	\$11,305.00	\$18,305.00
4/25/22	4.75%	\$ 7,000.00	\$10,972.50	\$17,972.50
4/25/23	4.75%	\$ 7,000.00	\$10,640.00	\$17,640.00
4/25/24	4.75%	\$ 8,000.00	\$10,307.50	\$18,307.50
4/25/25	4.75%	\$ 8,000.00	\$ 9,927.50	\$17,927.50
4/25/26	4.75%	\$ 8,000.00	\$ 9,547.50	\$17,547.50
4/25/27	4.75%	\$ 9,000.00	\$ 9,167.50	\$18,167.50
4/25/28	4.75%	\$ 9,000.00	\$ 8,740.00	\$17,740.00
4/25/29	4.75%	\$10,000.00	\$ 8,312.50	\$18,312.50
4/25/30	4.75%	\$10,000.00	\$ 7,837.50	\$17,837.50
4/25/31	4.75%	\$11,000.00	\$ 7,362.50	\$18,362.50
4/25/32	4.75%	\$11,000.00	\$ 6,840.00	\$17,840.00
4/25/33	4.75%	\$12,000.00	\$ 6,317.50	\$18,317.50
4/25/34	4.75%	\$13,000.00	\$ 5,747.50	\$18,747.50
4/25/35	4.75%	\$13,000.00	\$ 5,130.00	\$18,130.00
4/25/36	4.75%	\$14,000.00	\$ 4,512.50	\$18,512.50
4/25/37	4.75%	\$15,000.00	\$ 3,847.50	\$18,847.50
4/25/38	4.75%	\$15,000.00	\$ 3,135.00	\$18,135.00
4/25/39	4.75%	\$16,000.00	\$ 2,422.50	\$18,422.50
4/25/40	4.75%	\$17,000.00	\$ 1,662.50	\$18,662.50
4/25/41	4.75%	\$18,000.00	\$ 855.00	\$18,855.00

The City reserves the right and option to call and redeem, in whole or in part, the Bond and the installments payable thereunder on any date thereof at par and with accrued interest, without premium, and, if in part, in inverse numerical order of maturity of the installments of principal of the Bond. The Bond and the installments payable thereunder, or part thereof, so called shall cease to bear interest after the date fixed for the redemption thereof.

Payments of principal and interest, whether upon redemption or otherwise, made in respect of the Bond, shall be made to the registered owner of the Bond appearing on the registration books of the City maintained by the Bond Registrar or at such other address as is furnished in writing by such registered owner to the Bond Registrar by the close of business on the 15th day preceding the applicable Interest Payment Date (the "Record Dates"). Such payments by check or draft of the Paying Agent shall fully discharge the obligation of said City in respect of the Bond, to the extent of the payment made. The final installment payable toward the principal balance of the Bond shall be payable at the office of the Treasurer of the State of Kansas in the City of Topeka, Kansas (the "Paying Agent", "Bond Registrar", and "Fiscal Agent").

The Bond shall bear interest from the Interest Payment Date immediately preceding their effective Date of Authentication unless such effective Date of Authentication shall be prior to the first Interest Payment Date in which case the Bond shall bear interest from the Dated Date.

**Section 3. Notice of Redemption.** That in the event of any such redemption, the City will give written notice of its intention to redeem and pay the Bonds, or any of them, by United States certified mail addressed to the Paying Agent at which the Bonds are payable not less than forty-five (45) days prior to the date fixed for redemption. Upon its receipt of notice of the call for any redemption, the Paying Agent shall thereafter give notice of the call for any

redemption identifying the Bonds or portions thereof to be redeemed, notice shall be given by the Paying Agent, by mailing a copy of the redemption notice to the Owner of each Bond to be redeemed at the address shown on the registration books maintained by the Paying Agent; provided, however, that failure to give such notice by mailing as aforesaid, or any defect therein, shall not affect the validity of any proceedings for the redemption of the Bonds. Any notice of redemption shall state the date of redemption, the place or places at which such Bonds shall be presented for payment, the series, maturities and numbers of the Bonds or portions of Bonds to be redeemed (and in the case of the redemption of a portion of any Bond the principal amount thereof being redeemed), the redemption price and shall state that interest on the Bonds described in such notice will cease to accrue from and after the redemption date.

Section 4. Defeasance. That the principal of, redemption premium, if any, and interest on the Bonds shall be deemed to have been paid and discharged within the meaning of this resolution when there shall have been deposited with the Paying Agent or an escrow trustee to be designated by the City at or prior to the maturity or redemption date of said Bonds, in trust for and irrevocably appropriated thereto, monies or investments which together with earnings thereon which will be sufficient to pay the principal thereof and interest accrued to the date of maturity or redemption.

Section 5. Refunding. That when the Bonds and interest thereon shall have been paid and discharged, then the requirements contained

in this resolution and the pledge of revenues made hereunder and all other rights granted hereby shall terminate. The Bonds and interest thereon shall be deemed to have been paid and discharged within the meaning of this resolution if there shall have been a refunding of the Bonds in accordance with the applicable law and any amendment thereto, subject to the provisions of Sections 20(g) and 20(j) of this Resolution.

Section 6. Method of Execution of the Bonds. That the Bonds shall be signed by the manual or facsimile signature of the Mayor and attested by the manual or facsimile signature of the City Clerk, and shall have the seal of the City imprinted thereon. The Bonds shall be authenticated with the manual signature of the State Treasurer.

Section 7. (a) Notice. That if the City shall elect to call any Bond for redemption and payment prior to the maturity thereof, the City shall give written notice of its intention to redeem and pay said Bonds on a specified date, the same being described by number and maturity, said notice to be mailed by United States certified mail addressed to the Paying Agent and Bond Registrar, and to the registered owner of the Bonds, of said notices to be mailed at least 45 days prior to the redemption date. Thereafter, the Paying Agent and Bond Registrar will notify the registered owners of the Bonds of the City's redemption call by first class regular mail, postage prepaid. If any Bond be called for redemption and payment as aforesaid, all interest on such Bond shall cease from and after the date for which such call is made, provided funds are available for

its payment at the price hereinbefore specified. Failure to give such notice by mailing to the registered owner of any Bond, or any defect therein, shall not affect the validity of any proceedings for the redemption of other Bonds. Any notice mailed as provided herein shall be conclusively presumed to have been duly given, whether or not the owner of such Bonds received the notice.

(b) Redemption Upon Graduation. The City hereby acknowledges the provisions of 7 U.S.C. 1983(3) and the right and ability of the Government to require redemption of the entire Outstanding Principal Amount of the Bond in accordance therewith.

Section 8. Form of Certificated Bonds. That the Bonds shall be in substantially the following form and shall contain the information as may be required by the Attorney General pursuant to the Kansas Bond Registration Law, K.S.A. ~~10-620~~ to ~~10-632~~, inclusive:

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]

UNITED STATES OF AMERICA  
STATE OF KANSAS  
COUNTY OF CHEROKEE  
CITY OF GALENA  
SEWER UTILITY SYSTEM IMPROVEMENT REVENUE BOND  
SERIES 2001

No. R-1

\$317,500

Rate of Interest: 4.75%      Maturity Date: April 25, 2041      Dated Date: April 25, 2001      CUSIP \_\_\_\_\_

Registered Owner: United States of America  
Acting through the United States Department  
of Agriculture, Rural Development  
1520 Market Street  
St. Louis, MO 63103

PRINCIPAL AMOUNT: \*\*\*THREE HUNDRED SEVENTEEN THOUSAND FIVE HUNDRED DOLLARS\*\*\*

The City of Galena, County of Cherokee, State of Kansas (the "City") for value received acknowledges itself to be indebted to and promises to pay, but solely from the sources hereinafter pledged, to the registered owner identified above, or registered assigns as hereinafter provided, as of the Record Dates as hereinafter provided, on the maturity date identified above, the principal amount identified above, and in like manner to pay interest on such principal amount from the date of this Bond or from the most recent interest payment date to which interest has been paid prior to the registration date set forth below at the rate of interest per annum set forth above annually on April 25 of each year (the "Interest Payment Date") commencing April 25, 2002, until said principal amount is paid.

The principal of and premium, if any, on this Bond shall be payable in lawful money of the United States of America at the principal office of the Treasurer of the State of Kansas, Topeka, Kansas (the "Paying Agent" and "Bond Registrar") upon presentation of this Bond for authentication and cancellation. The interest on this Bond shall be payable in lawful money of the United States of America by check or draft of the Paying Agent by mailing to the registered owner thereof at the address appearing on the registration books of the City maintained by the Bond Registrar or at such other address as is furnished in writing by such registered owner to the Bond Registrar at the close of business on the fifteenth day (whether or not a business day) of the calendar month next preceding the applicable interest payment date (the "Record Dates"). The principal of and interest on this Bond shall be payable in accordance with Schedule 1 attached hereto and incorporated by reference herein.

This Bond and the series of which it is a part are issued pursuant to K.S.A. 10-1201 et seq., as amended, and are special limited obligations of the City payable only and solely from the sources set forth in Ordinance No. \_\_\_\_\_ and Resolution No. \_\_\_\_\_. In no event shall this Bond or the series of which it is a part constitute an indebtedness of the City, Cherokee County, Kansas, the State of Kansas or any political instrumentality, agency or municipality thereof or an indebtedness for which the taxing powers of the City, Cherokee County, Kansas, or the State of Kansas or any political instrumentality, agency or municipality thereof are pledged.

THE TERMS AND PROVISIONS OF THIS BOND ARE CONTINUED ON THE REVERSE HEREOF AND SHALL FOR ALL PURPOSES HAVE THE SAME EFFECT AS THOUGH FULLY SET FORTH AT THIS PLACE.

It is hereby certified and declared that all acts, conditions, and things required to be done and to exist precedent to and in the issuance of this Bond have been properly done and performed and do exist in due and regular form and manner as required by the Constitution and Laws of the State of Kansas, and that the total indebtedness of said City, including this series of bonds, does not exceed any constitutional or statutory limitation.

This Bond shall not be valid or become obligatory for any purpose until the Certificate of Authentication and Registration hereon shall have been lawfully executed by the Bond Registrar.

IN WITNESS WHEREOF, the City of Galena in the State of Kansas, by its governing body has caused this Bond to be executed by its Mayor and attested by its City Clerk by their facsimile signatures and a facsimile of its corporate seal to be imprinted hereon, all as of April 25, 2001.

\_\_\_\_\_  
Mayor of the City of Galena,  
Cherokee County, Kansas

ATTEST:

\_\_\_\_\_  
City Clerk

(SEAL)

\*\*\*\*\*

CERTIFICATE OF AUTHENTICATION AND REGISTRATION

This Bond is one of the City of Galena, Kansas Sewer Utility System Revenue Bond, Series 2001 described in the within mentioned Ordinance and Resolution.

Registration Date: \_\_\_\_\_

OFFICE OF THE STATE TREASURER  
Topeka, Kansas,  
as Bond Registrar and Paying Agent

By \_\_\_\_\_

I.D.#: 4434-011-042501-924

\*\*\*\*\*

FURTHER TERMS AND PROVISIONS

This Bond is one of a duly authorized Series of Bonds of the City aggregating the principal amount of \$317,500 (the "Bond") issued for the purposes set forth in Ordinance No. \_\_\_\_\_ and Resolution No. \_\_\_\_\_ of the City (the "Ordinance and Resolution"). This Bond and the Series of Bonds of which it is a part are issued by the authority of and in full compliance with the provisions, restrictions and limitations of the Constitution and Laws of the State of Kansas, including K.S.A. 10-101 et seq., K.S.A. 10-620 to 10-632, inclusive, and K.S.A. 10-1201 et seq., and all amendments thereof, acts supplemental thereto, the Ordinance, and all other provisions of the laws of the State of Kansas applicable thereto.

The Bond is issued in fully registered form. This Bond may be exchanged at the principal office of the Bond Registrar for a like aggregate principal amount of Bonds of the same maturity or other authorized denominations upon the terms set forth in the authorizing Ordinance.

The City reserves the right and option to call and redeem, in whole or in part, the Bond and the installments payable thereunder on any date thereafter at par and with accrued interest, without premium, and, if in part, in inverse numerical order of maturity of the installments of principal of the Bond. The Bond and the installments payable thereunder, or part thereof, so called shall cease to bear interest after the date fixed for the redemption thereof.

In the event of such redemption, the City will give written notice of its intention to redeem and pay the Bonds, or any of them,

by United States certified mail addressed to the Paying Agent at which the Bonds are payable not less than forty-five (45) days prior to the date fixed for redemption. Upon its receipt of notice of the call for any redemption identifying the Bonds or portions thereof to be redeemed, notice shall be given by the Paying Agent, by mailing a copy of the redemption notice to the Owner of each Bond to be redeemed at the address shown on the registration books maintained by the Paying Agent; provided, however, that failure to give such notice by mailing as aforesaid, or any defect therein, shall not affect the validity of any proceedings for the redemption of the Bonds. Any notice of redemption shall state the date of redemption, the place or places at which such Bonds shall be presented for payment, the series, maturities and numbers of the Bonds or portions of Bonds to be redeemed (and in the case of the redemption of a portion of any Bond the principal amount thereof being redeemed), the redemption price and shall state that interest on the Bonds described in such notice will cease to accrue from and after the redemption date.

The principal and interest of this Bond are hereby made a lien upon the revenues derived from the Sewer Utility System of the City and said principal and interest are to be paid solely and only from a special fund into which there shall be paid, from the revenues derived from the rates, fees or charges collected by said City from the operation of said Sewer Utility System sums sufficient to make said payments when due, after deducting only reasonable operation and maintenance expenses. Said City shall not be obligated to pay said Bond with the interest thereon except from said special fund and neither this Bond nor the issue of which it forms a part is guaranteed or secured by any property of the City other than the revenues from said Sewer Utility System, nor does this Bond constitute any indebtedness of said City and limit in any way the power of the City to issue bonds for any other purpose.

The City and the Bond Registrar may deem and treat the person in whose name this Bond is registered as the absolute owner hereof for the purpose of receiving payment of, or on account of, the principal hereof, or redemption price hereof and interest due hereon and for all other purposes.

This Bond is transferable by the registered owner hereof in person or by his attorney duly authorized in writing at the principal office of the Bond Registrar, but only in the manner, subject to the limitations and upon payment of the charges provided in the Ordinance and Resolution, and upon surrender and cancellation of this Bond. The City shall pay out of the proceeds of the Bonds or from other funds all costs incurred in connection with the issuance, transfer, exchange, registration, redemption or payment of the Bonds except (a) the reasonable fees and expenses in connection with the replacement of a Bond or Bonds mutilated, stolen, lost or destroyed or (b) any

tax or other governmental charge imposed in relation to the transfer, exchange, registration, redemption or payment of the Bonds. Upon such transfer a replacement Bond or Bonds of authorized denominations of the same maturity and for the same aggregate principal amount will be issued to the transferee in exchange therefor.

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BOND ASSIGNMENT

FOR VALUE RECEIVED, the undersigned does (do) hereby sell, assign and transfer to

\_\_\_\_\_  
(Name and Address)

\_\_\_\_\_  
(Social Security or Taxpayer Identifying No.)

the Bond to which this assignment is affixed in the outstanding principal amount of \$\_\_\_\_\_ standing in the name of the undersigned on the books of the Treasurer of the State of Kansas (the "Bond Registrar"). The undersigned does (do) hereby irrevocably constitute and appoint \_\_\_\_\_ as attorney to transfer said Bond on the books of said Bond Registrar with full power of substitution in the premises.

Dated \_\_\_\_\_

\_\_\_\_\_  
Name  
\_\_\_\_\_  
Social Security or Taxpayer  
Identifying No.  
\_\_\_\_\_  
Signature (Sign Here Exactly as  
Name(s) Appear on Face of Certifi-  
cate)  
Signature guaranty:  
By \_\_\_\_\_

\*\*\*\*\*

CERTIFICATE OF CITY CLERK

I, the undersigned, City Clerk of the City of Galena, Cherokee County, Kansas, do hereby certify that this Bond has been duly registered in my office according to law as of April 25, 2001.

WITNESS my hand and official seal.

\_\_\_\_\_  
City Clerk

(SEAL)

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CERTIFICATE OF STATE TREASURER

OFFICE OF THE TREASURER, STATE OF KANSAS

I, TIM SHALLENBURGER, Treasurer of the State of Kansas, do hereby certify that a full and complete transcript of the proceedings leading up to the issuance of this Bond has been filed in my office and that this Bond was registered in my office according to law this

\_\_\_\_\_  
WITNESS my hand and official seal.

\_\_\_\_\_  
Treasurer of the State of Kansas

By \_\_\_\_\_  
Assistant State Treasurer

(SEAL)

\*\*\*\*\*

LEGAL OPINION

I, the undersigned, City Clerk of the City of Galena, Cherokee County, Kansas, hereby certify that the following is a true and correct copy of the complete, final legal opinion of Cosgrove, Webb & Oman, Topeka, Kansas, on the within Bond and the series of which said Bond is a part, except that it omits the date of such opinion; that said legal opinion was legally executed and was dated and issued as of the date of delivery of and payment of such Bond and is on file in my office.

\_\_\_\_\_  
City Clerk

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SCHEDULE 1

\$317,500  
 THE CITY OF GALENA, KANSAS  
 CHEROKEE COUNTY, KANSAS  
 SEWER UTILITY SYSTEM REVENUE BOND  
 SERIES 2001

<u>Principal Payment Date</u>	<u>Interest Rate</u>	<u>Amount of Principal Payment</u>	<u>Interest</u>	<u>Total</u>
4/25/02	4.75%	\$ 2,500.00	\$15,081.25	\$17,581.25
4/25/03	4.75%	\$ 3,000.00	\$14,962.50	\$17,962.50
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4/25/06	4.75%	\$ 3,000.00	\$14,535.00	\$17,535.00
4/25/07	4.75%	\$ 3,000.00	\$14,392.50	\$17,392.50
4/25/08	4.75%	\$ 4,000.00	\$14,250.00	\$18,250.00
4/25/09	4.75%	\$ 4,000.00	\$14,060.00	\$18,060.00
4/25/10	4.75%	\$ 4,000.00	\$13,870.00	\$17,870.00
4/25/11	4.75%	\$ 4,000.00	\$13,680.00	\$17,680.00
4/25/12	4.75%	\$ 4,000.00	\$13,490.00	\$17,490.00
4/25/13	4.75%	\$ 4,000.00	\$13,300.00	\$17,300.00
4/25/14	4.75%	\$ 5,000.00	\$13,110.00	\$18,110.00
4/25/15	4.75%	\$ 5,000.00	\$12,872.50	\$17,872.50
4/25/16	4.75%	\$ 5,000.00	\$12,635.00	\$17,635.00
4/25/17	4.75%	\$ 5,000.00	\$12,397.50	\$17,397.50
4/25/18	4.75%	\$ 6,000.00	\$12,160.00	\$18,160.00
4/25/19	4.75%	\$ 6,000.00	\$11,875.00	\$17,875.00
4/25/20	4.75%	\$ 6,000.00	\$11,590.00	\$17,590.00
4/25/21	4.75%	\$ 7,000.00	\$11,305.00	\$18,305.00
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4/25/33	4.75%	\$12,000.00	\$ 6,317.50	\$18,317.50
4/25/34	4.75%	\$13,000.00	\$ 5,747.50	\$18,747.50
4/25/35	4.75%	\$13,000.00	\$ 5,130.00	\$18,130.00
4/25/36	4.75%	\$14,000.00	\$ 4,512.50	\$18,512.50
4/25/37	4.75%	\$15,000.00	\$ 3,847.50	\$18,847.50
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4/25/39	4.75%	\$16,000.00	\$ 2,422.50	\$18,422.50
4/25/40	4.75%	\$17,000.00	\$ 1,662.50	\$18,662.50
4/25/41	4.75%	\$18,000.00	\$ 855.00	\$18,855.00

Section 9. Execution and Delivery of the Bonds. That the Mayor and the City Clerk are hereby authorized and directed to prepare and execute the Bonds in the manner hereinbefore specified and to cause the Bonds to be registered as provided by law and when duly executed and registered to deliver the Bonds to the purchaser thereof upon payment of the purchase price of the Bonds.

Section 10. Bond Recitals; Agreement Between Issuer and Agent. That the Bonds shall contain recitals and be in the form and of the size as provided by the statutes of the State of Kansas. The Bonds shall, in addition to all other requirements, be subject to the terms and conditions of the agreement entitled "Agreement Between Issuer and Agent" by and between the City and the State Treasurer of Kansas.

Section 11. Surrender and Cancellation of Bonds. That whenever any outstanding certificated Bond shall be delivered to the Bond Registrar for cancellation pursuant to this resolution, upon payment of the principal amount thereof and interest thereon or for replace-

ment pursuant to this resolution, such Bond shall be canceled and destroyed by the Bond Registrar, and a Certificate of Destruction describing the Bond so destroyed evidencing such destruction shall be furnished by the Bond Registrar to the City.

Section 12. Mutilated, Lost, Stolen or Destroyed Bonds. That in the event any certificated Bond is mutilated, lost, stolen or destroyed, the City may execute and the Bond Registrar may authenticate a new Bond of like date, maturity, denomination and interest rate as that mutilated, lost, stolen or destroyed; provided, that in the case of any mutilated certificated Bond, such mutilated Bond shall first be surrendered to the City or the Bond Registrar, and, in the case of any lost, stolen or destroyed Bond there shall be first furnished to the Bond Registrar and the City evidence of such loss, theft or destruction and an indemnity satisfactory to them. In the event any such Bond shall have matured, instead of issuing a duplicate Bond, the City and Bond Registrar may pay the same without surrender thereof. The City and Bond Registrar may charge to the registered owner of such Bond their reasonable fees and expenses in connection with replacing such certificated Bond or Bonds mutilated, stolen, lost or destroyed.

Section 13. Disposition of Proceeds. The proceeds of the sale of the Bonds shall be paid over to and deposited with the City and shall be deposited and held in the "City of Galena, Cherokee County, Kansas, Project Fund for Sewer Utility System Improvement Revenue Bonds, Series 2001" (sometimes hereinafter referred to as the

"Project Fund"). Moneys in the Project Fund and earnings thereon shall be used and applied solely for the payment of making the Improvements.

Section 14. Sufficient Funds. That if for any reason, at any time, the funds on hand in the Project Fund shall be insufficient to meet the payments required as the same shall become due and payable, the City shall forthwith deposit in the Project Fund such additional funds as may be required to fully meet the amount due and payable.

Section 15. Disposition of Bond Proceeds. That the Bonds are to be sold and the proceeds therefrom are to be used as follows:

- (a) Accrued interest on the Bonds will be deposited into the Series 2001 Principal and Interest Account established and created in Section 16 of this Resolution;
- (b) \$ - 0 - of lawfully available funds of the City shall be deposited in the Series 2001 Bond Reserve Account established and created in Section 16 of this Resolution; and
- (c) \$11,000 of the proceeds of the Bonds will pay the costs of issuing the Bonds; and
- (d) \$306,500 of the proceeds of the Bonds shall be used to pay the costs of making the Improvements.

Section 16. Funds and Accounts. That the City hereby covenants and agrees that so long as the Bonds and the installments payable thereunder remain outstanding and unpaid all of the revenues derived by the City from the operation of the System, including all revenues from all improvements, extensions and enlargements of the System

hereinafter constructed or acquired by the City, shall be paid to the City and deposited in the City's "Sewer Utility System Fund", heretofore established in the treasury of the City, and said Fund shall only be used to pay the costs of operation and maintenance of the System and to pay the principal of and interest on the Bonds and any prior revenue bonds outstanding and unpaid, as provided by law.

The City is prohibited from transferring funds in any sewer system account to a non-sewer related account in the City at any time the Bonds authorized by this Resolution shall be outstanding. There are hereby created and ordered to be established in the treasury of the City three separate accounts to be known respectively as the (a) "Principal and Interest Account for Sewer Utility System Improvement Revenue Bonds, Series 2001", hereinafter called "Series 2001 Principal and Interest Account", (b) "Reserve Account for Sewer Utility System Improvement Revenue Bonds, Series 2001", hereinafter called "Series 2001 Bond Reserve Account", and (c) "Rebate Account for Sewer Utility System Improvement Revenue Bonds, Series 2001", hereinafter called "Series 2001 Rebate Account".

The accounts referred to in the preceding paragraph shall be maintained and administered by the City as herein provided as long as the Bonds and the installments payable thereunder remain outstanding.

Section 17. Application of Monies in Funds and Accounts. That the City shall pay from the Sewer Utility System Fund the reasonable and proper expenses of operating and maintaining the System and keeping the same in good repair and working order, including without

limiting the generality of the foregoing, salaries, wages, cost of materials, supplies and insurance. After paying and providing for the payment of the reasonable and proper expenses of operating and maintaining the System, the City further covenants and agrees that it will allocate, pay and credit the monies and revenue at the time in the Sewer Utility System Fund as follows in such amounts so at all times the City will have sufficient money to meet and pay the requirements of the Series 2001 Principal and Interest Account, the Series 2001 Bond Reserve Account and the Series 2001 Rebate Account.

(a) There shall first be paid and credited to the Series 2001 Principal and Interest Account, to the extent necessary to meet at the maturity thereof the interest on and the principal of the Bond the following amounts:

- (1) Beginning on or before April 25, 2001, and continuing on the 25th day of each month thereafter an amount not less than one-sixth ( $1/6$ ) of the amount that will be required to pay the interest that will become due on the Bonds on October 25, 2001; and beginning on October 25, 2001, and continuing on the 25th day of each month thereafter an amount not less than one-sixth ( $1/6$ ) of the interest that will become due on the Bonds on the next succeeding interest payment date.
- (2) Beginning on April 25, 2001, and continuing on the 25th day of each month thereafter an amount not less

than one-twelfth (1/12) the principal of the Bonds that will be due and payable on April 25, 2002; and beginning on April 25, 2002, and continuing on the 25th day of each month thereafter an amount not less than one-twelfth (1/12) of the principal amount of the Bonds that will become due on the next succeeding principal payment or mandatory redemption date of the Bonds.

All amounts paid and credited to the Series 2001 Principal and Interest Account shall be used and expended by the City for the sole purpose of paying the interest on and principal of the Bonds as and when the same become due.

- (b) The City shall make an initial deposit of \$ - 0 - (from legally available funds of the City) in the 2001 Bond Reserve Account on the date of and as one of the steps in the closing of the issuance of the Bonds. The City shall deposit the sum of Two Hundred Seventy-Five Dollars (\$275.00) per month beginning May 25, 2001, in the Series 2001 Bond Reserve Account until such time as said Reserve Account has attained the sum of Thirty-One Thousand Seven Hundred Fifty Dollars (\$31,750.00). Moneys held in the Series 2001 Bond Reserve Account shall be used solely to prevent any default in the payment of the principal of or interest on the Bonds if at any time the moneys in the Series 2001 Principal and Interest Account are insufficient

to pay the principal of and/or interest on the Bonds. Unless the City is effectuating a redemption of all of the Bonds outstanding, no part of the Series 2001 Bond Reserve Account shall ever be used or expended by the City to call and redeem, in whole or in part, said Bonds for payment prior to their ultimate maturity. So long as the moneys and investments in the Series 2001 Bond Reserve Account shall aggregate not less than \$31,750.00 no further payments into said account shall be required, but if at any time the City shall be compelled to use and expend any part of said Series 2001 Bond Reserve Account for the purpose of paying the interest on or principal of the Bonds and such use shall reduce the amount in said account below the sum of \$31,750.00, then the City after making all payments and credits at the time required to be made by it under the provisions of this Resolution, will make monthly payments or credits of \$275.00 a month to the Series 2001 Bond Reserve Account until it shall have accumulated in said account the sum of \$31,750.00.

- (c) Monies shall be deposited in the Series 2001 Rebate Account to the extent any amounts are required to be rebated to the United States government under Section 148 of the Internal Revenue Code of 1986, as amended, and any regulations promulgated thereunder.

(d) After making all payments and credits from the Sewer Utility System Fund at the time required to be made under the provisions of paragraphs (a), (b) and (c) of this Section, all remaining monies in the Sewer Utility System Fund (except those subject to rebate as deposited or to be deposited in the Series 2001 Rebate Account) which shall not be required for the operation and maintenance of the System for the ensuing sixty (60) day period may be used by the City for any one or more of the following purposes as determined by the Governing Body of the City:

- (1) cost of operation and maintenance of the System;
- (2) preventing default in and anticipating or increasing payments into other accounts referred to in this Section;
- (3) replacing, enlarging, extending or improving the System of the City;
- (4) calling and redeeming prior to maturity, in whole or in part, said Bonds and the installments payable thereunder; or
- (5) any other lawful purpose as is deemed necessary by the governing body of the City.

**Section 18. Investment.** That monies held in the funds and accounts established pursuant to the requirements of Section 16 of this Resolution may be invested by the City as permitted by law in direct obligations of, or obligations the principal of or interest on

are guaranteed by, the United States, or in other obligations in which public funds are permitted to be invested under Kansas law. Notwithstanding such authority, no investment shall be made for a period extending longer than to the date when the monies invested may reasonably be needed for the purposes for which the account was created. Cash money in each fund or account shall be deposited in a bank or banks located in the State of Kansas as permitted by Kansas law which are members of the Federal Deposit Insurance Corporation, and all such bank deposits shall be adequately secured by the banks holding such deposits. All interest on any investment held in any fund or account shall accrue to and become a part of such fund or account. In determining the amount held in any account the obligations shall be valued at the principal amount or the market value thereof, whichever is lower. The excess of the amount either required by the provisions of this resolution or permitted by regulation or law to be deposited in any account shall be paid or credited by the City to the Sewer Utility System Fund.

Section 19. Particular Covenants of the City. That the City covenants with each of the purchasers and owners of the Bond that so long as the Bonds and the installments payable thereunder remain outstanding and unpaid:

- (a) The City will faithfully perform at all times any and all covenants, agreements, undertakings and provisions contained in the resolution, the Bonds and applicable local, state and federal regulations.

- (b) The City will operate and maintain the System in an efficient manner and at reasonable cost and will keep the same in good repair and working order.
- (c) The City will fix, establish, maintain and collect such rates, fees or charges for service furnished by and through the System including all extensions, improvements and enlargements thereto thereafter constructed or acquired by the City, which rates, fees or charges shall be sufficient to pay the cost of operation, maintenance and improvement of the System and to pay the principal of and interest on the Bonds and all other System revenue bonds of the City hereafter issued and standing on a parity with the Bonds as and when the same become due, and to create and maintain reasonable reserves as hereinbefore specified. The City further covenants and agrees that it will at all times maintain and collect rates, fees or charges for the use of or services rendered by the System which will be sufficient to enable the City to have in each fiscal year a net operating income (gross income less only operation, maintenance and repair expenses but before depreciation charges or any other charges or payments) from the System as an amount which will be not less than 110% of the amount required to be paid by the City in the next succeeding fiscal year on account of both principal of and interest on all System revenue bonds of the City at that time outstand-

ing. As soon as possible and not more than ninety (90) days after the end of each fiscal year, the annual audit and report made for such year by the City's auditors pursuant to provisions of this resolution shall be presented to and considered by the City's governing body and if it shall appear that an increase in existing rates, fees or charges for the services of the System is necessary in order to satisfy the obligations of the City under provisions of this resolution, the governing body shall promptly make such increase and shall cause the same to be effective within ninety (90) days thereafter. If prior to the end of this fiscal year, the monthly operating statements of the System shall indicate that an increase in the existing rates, fees or charges is necessary to satisfy the obligations of the City under provisions of this resolution, the governing body shall promptly make such increase and shall cause the same to be effective within ninety (90) days thereafter.

- (d) None of the facilities or services afforded by the System will be furnished to any user without a reasonable charge being made therefor.
- (e) The City will not mortgage, pledge or otherwise encumber the System or any part thereof, or any extension, improvement or betterment thereof nor will it sell, lease or otherwise dispose of the System or any material part

thereof. The City may however dispose of any property which has become obsolete and non-productive or otherwise unusable to the advantage of the City. Any cash proceeds derived from the City's sale of such property shall be used by the City to improve, extend or enlarge the System.

- (f) The City will carry and maintain a reasonable amount of all risk insurance upon the properties forming part of the System insofar as they are of an insurable nature, the amount of such insurance being the amount as would normally be insured by a private corporation engaged in a similar type of business. In the event of loss or damage, the City, with all reasonable dispatch, will use the proceeds of such insurance to reconstruct and replace the property damaged or destroyed or, if such reconstruction or replacement be unnecessary, then either to improve, extend or enlarge the System or to redeem or purchase in the open market outstanding Bonds. The City in operating the System will carry and maintain public liability and workmen's compensation insurance in such amounts as would normally be maintained by a private corporation engaged in a similar type of business and the proceeds derived from any of such policies shall be used in paying the claims on the account of which such proceeds were received. All employees of the City handling funds of the City shall be bonded at all times in an amount equal to the total funds in their

possession or custody at any one time. The cost of all insurance referred to in this paragraph shall be paid as an operating cost out of the revenues of the System.

- (g) The City will install and maintain proper books, records and accounts separate from all other records and accounts of the City in which complete and correct entries will be made of all dealings and transactions of or in relation to the properties, business and affairs of the System. Such accounts shall show the amount of revenue received from the System, the application of such revenue and all financial transactions in connection therewith. Said books shall be kept by the City according to the standard accounting practices as applicable to the operation of the System by municipalities. Annually, at the end of each fiscal year the City will cause an audit to be made by a competent firm of independent auditors of the operation of the City's sewer utility system in accordance with any agency regulations, including but not limited to United States Department of Agriculture, Rural Development, RUS Staff Instruction 1780-4.
- (h) Annually within ninety (90) days after the end of each fiscal year the City will cause an audit to be made by a competent firm of independent auditors of the operation of the System. Said audit shall include:

- (1) a classified statement of the gross revenues received, of expenditures for operation and maintenance, of expenditures for all other purposes, and the amount of any capital expenditures made from such revenues made during the fiscal year;
- (2) a balance sheet as of the end of each fiscal year, with an amount on hand at the end of such year in each of the accounts created or referred to in this resolution;
- (3) a statement showing profit or loss for such fiscal year;
- (4) a statement of the Bonds, and the installments payable thereunder, redeemed, purchased or paid during the preceding fiscal year, and a statement of all interest paid during such year on the Bonds;
- (5) a statement of the number of customers served by the System at the beginning and also at the end of such fiscal year;
- (6) a statement showing the amount and character of insurance carried by the City on the property constituting the System and showing the names of the insurers, expiration dates of the policies and the premium thereon;
- (7) the opinion of the auditors as to whether or not the City is meeting the requirements of paragraph (c) of

this Section by maintaining and collecting adequate rates, fees and charges for System services furnished by the City; and

- (8) such remarks and recommendations regarding the City's method of operation of the System and its accounting practice as such auditors may deem appropriate. Such audit shall be completed as soon as practicable and not more than ninety (90) days after the end of each fiscal year and a copy thereof filed with the office of the City Clerk of the City where it shall be open to public inspection. The City shall semiannually conduct an internal rate review for the purpose of determining the sufficiency of the sewer rates in view of the covenants herein and heretofore made.
- (i) The City will serve any applicant within the service area of the sewer utility system who desires the services of the System and who can feasibly and legally be served. The City will obtain the concurrence of the Government prior to refusing services to such applicant.
- (j) The City will refinance the unpaid balance, in whole or in part, of the outstanding principal amount of the Bond upon the request of Government if, at any time, it should appear to the Government that the City is able and authorized by law to refinance the Bond by obtaining a loan for such

purposes from responsible, cooperative, or private sources at reasonable rates and terms (7 U.S.C. Section 1983(3)).

- (k) To the extent permitted by law and so long as the United States is the owner or insurer of the Sewer Utility System Improvement Revenue Bond issued pursuant to this Resolution, said Bond shall be subject to the terms of the Loan Resolution or RUS Bulletin 1780-27, adopted on the same date as this Resolution, a copy of which is attached hereto and made a part hereof.

Section 20. Additional Bonds. That the City hereby covenants and agrees that so long as the Bonds remain outstanding and unpaid, it will not issue any additional revenue bonds or other obligations payable from the revenues of the System which are superior in lien, security or otherwise to the Bonds. The City hereby covenants and agrees that so long as the Bonds and the installments payable thereunder remain outstanding and unpaid it will not issue any additional bonds or other obligations payable out of the revenues of the System which stand on a parity or equality with the Bonds unless each of the following conditions are met:

- (a) The City shall not be in default in making any of the payments at the time required to be made by it into the respective funds or accounts created or referred to in this resolution, or in the performance of any covenant contained herein.

(b) The annual net income derived by the City from the operation of the System, such net income being defined as gross income less only reasonable expenses for operation, maintenance and repair of the System but before any other payments or charges for the fiscal year next preceding the issuance of additional bonds, shall have been equal to 110% of the average amount required to be paid out of said income in any succeeding fiscal year on account of both principal and interest becoming due with respect to the Bonds, including the additional revenue bonds proposed to be issued, provided, however, that if the City shall have made any increase in its charges for the use of the System and such increase in its charges shall not have been in effect during all of the fiscal year next preceding the issuance of additional bonds then the City may retain an independent public accountant to make a detailed investigation and report as to the amount of annual net income as hereinbefore defined that would have been received during the preceding fiscal year from the operation of the System if said rates had been in effect during all of said fiscal year, and said amount as defined and certified by said accountant shall govern in determining right of the City to issue additional parity bonds under provisions aforesaid.

Additional System revenue bonds of the City issued under the conditions hereinbefore in this Section set forth

shall be issued in accordance with Section 1780.94(i) of RUS Instruction 1780 and shall stand on a parity with the Bonds and shall enjoy complete equality of lien on and claim against the revenues of the System with said Bonds and the City may make equal provision for paying said additional bonds and the interest thereon out of the Sewer Utility System Fund and may likewise provide for the creation of a reasonable principal and interest account and a reasonable bond reserve account for the payment of such additional bonds and the interest thereon out of monies in said Sewer Utility System Fund.

Section 21. Arbitrage. That the City covenants and agrees that no part of the proceeds from the Bonds or other proceeds 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 Bonds would have caused the Bonds 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 Bonds.

Section 22. Qualified Tax-exempt Obligations. That the Bonds are designated as "qualified tax-exempt obligations" for the purposes of Section 265(b) (3) of the Code.

Section 23. Amendments. That the provisions of this resolution may be modified or altered by the City in any respect without the

consent of any Bondholder for the purpose of correcting any errors or mistakes or otherwise, except that no modification or alteration shall be permitted which would reduce the security of the Bondholder. It shall not be necessary to note on any Bond any reference to such amendment or modification.

Section 24. Remedies. That the provisions of this resolution including covenants and agreements hereinbefore contained shall constitute a contract between the City and the owners of the Bonds and the owners of the Bonds at the time outstanding shall have the right:

- (a) by mandamus or other suit, action or proceeding at law or in equity to enforce his or their rights against the City and its officers, agents and employees, and to require and compel the City and its officers, agents and employees to perform all duties and obligations required by the provisions of this resolution or by the Constitution and Laws of the State of Kansas;
- (b) by suit, action or other proceeding in equity or in law to require the City, its officers, agents and employees to account as if they were the trustees of an express trust; and
- (c) by suit, action or proceeding in equity or in law to enjoin any act or things which may be unlawful or in violation of the rights of the owners of the Bonds.

Nothing contained in this resolution however shall be construed as imposing on the City any duty or obligation to levy any taxes either to meet any obligations incurred herein or to pay the principal of or interest on the Bonds.

Section 25. Severability. That if any provision of this resolution or the Bonds shall, for any reason, be held, or be in fact, inoperative or unenforceable in any particular case, such circumstance shall not render the provision inoperative or unenforceable in any other case or circumstance or render any other provision herein contained inoperative or unenforceable. The invalidity of any one or more phrases, sentences, clauses, paragraphs or sections of this resolution, or in the Bonds shall not affect the remaining portions of this resolution or the Bond, or any part thereof.

Section 26. Approval of Previous Action, Authorization and Execution. That all previous actions heretofore taken by the officers and representatives of the City relating to the construction of the Improvements and the issuance of the Bonds are hereby approved in all respects. The Mayor of the City and the City Clerk and any other proper official 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 by this resolution.

Section 27. Effective Date. That this resolution shall take effect and be in full force from and after its adoption and approval by the governing body of the City.

ADOPTED AND APPROVED by the Governing Body of the City of Galena, Cherokee County, Kansas, this 2nd day of April, 2001.

CITY OF GALENA  
CHEROKEE COUNTY, KANSAS

---

George Jackson, Mayor

ATTEST:

---

Deborah Kitch, City Clerk

(SEAL)

**RESOLUTION NUMBER 01-12**

A resolution amending Resolution Number 00-30 to reinstate the position of Water Manager.

Be it resolved by the City Commission of the City of Galena that the following position and pay shall be reinstated:


Section 1: Position and salary computed by hourly, weekly and annual rate.

<u>POSITION</u>	<u>HOURLY</u>	<u>WEEKLY</u>	<u>ANNUALLY</u>
Water Manager	8.82	352.80	18,345.60

Section 2: Nothing in this Resolution shall prevent the City Manager, upon advise and consent of the City Commission, from adding, changing, or combining positions and job classifications. When such action is contemplated, the City Manager shall submit a recommendation to the City Commission for ratification.

Section 3: This Resolution shall take effect and be in full force from and after its adoption by the Governing Body.

*Passed by the City Commission of the City of Galena, Kansas and signed by the Mayor this 16th day of April, 2001.*

  
George Jackson, Mayor

ATTEST:

  
Deborah Kitch, City Clerk

RESOLUTION NUMBER 01-14

A RESOLUTION APPROVING WATER PURCHASE CONTRACT BETWEEN THE CITY OF GALENA, KANSAS, A MUNICIPAL CORPORATION, AND SPRING RIVER PUBLIC WHOLESALE WATER SUPPLY DISTRICT NO. 19, STATE OF KANSAS.

WHEREAS, the CITY OF GALENA, KANSAS, A MUNICIPAL CORPORATION, (hereinafter called "City") is a member of Spring River Public Wholesale Water Supply District No. 19, State of Kansas (hereinafter called "Public Wholesale"); and

WHEREAS, the City has decided to enter into a contract to purchase water from the Public Wholesale; and

WHEREAS, a proposed Water Purchase Contract has been submitted to the City for approval;


NOW, THEREFORE, the Mayor and Commissioners of the City hereby resolve as follows:

1. The Contract dated May 21, 2001, for sale of water by the Public Wholesale to the City is hereby approved and ratified in its entirety. A copy of the Contract is hereby attached and made a part hereof.

2. The Mayor and City Clerk are hereby authorized to sign the Water Purchase Contract.

3. This Resolution shall take effect and be in full force from and after its adoption by the Governing Body.

Passed by the City Commission of the City of Galena, Kansas and signed by the Mayor this 21<sup>st</sup> day of May, 2001.

  
Mark LaTurner, Mayor

ATTEST:

  
Deborah Kitch, City Clerk

(SEAL)

# City of Galena

211 W. 7th • Galena, Kansas 66739  
Phone (316) 783-5265 • Fax (316) 783-5111

May 21, 2001

Fred Weaver  
7294 SE 50<sup>th</sup> Street  
Baxter Springs, KS 66713

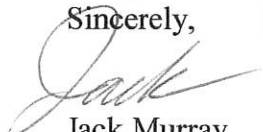
Dear Fred:

We got the Resolution Passed and the Contract for Purchase of water from Spring River Public Wholesale Water District Number 19 signed.

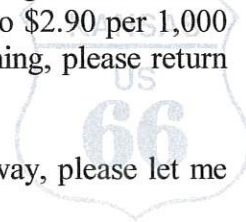
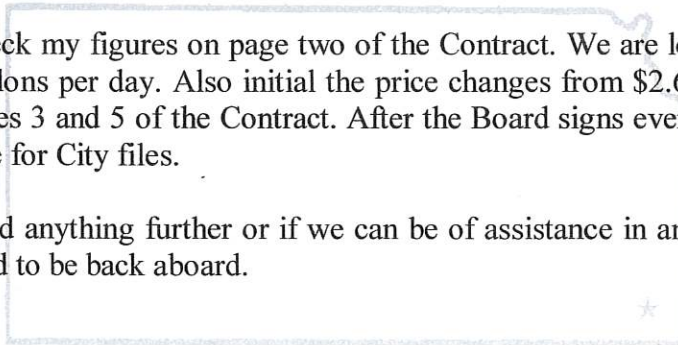
Please check my figures on page two of the Contract. We are looking at a minimum of 300,000 gallons per day. Also initial the price changes from \$2.65 to \$2.90 per 1,000 gallons on pages 3 and 5 of the Contract. After the Board signs everything, please return one copy to me for City files.

If you need anything further or if we can be of assistance in any way, please let me know. It's good to be back aboard.

Sincerely,

  
Jack Murray,  
City Manager

WELCOME TO  
GALENA



1877

THE OLDEST MINING TOWN  
IN SOUTHEAST KANSAS

RESOLUTION NUMBER 01-14

**A RESOLUTION APPROVING WATER PURCHASE CONTRACT BETWEEN THE CITY OF GALENA, KANSAS, A MUNICIPAL CORPORATION, AND SPRING RIVER PUBLIC WHOLESALE WATER SUPPLY DISTRICT NO. 19, STATE OF KANSAS.**

**WHEREAS**, the CITY OF GALENA, KANSAS, A MUNICIPAL CORPORATION, (hereinafter called "City") is a member of Spring River Public Wholesale Water Supply District No. 19, State of Kansas (hereinafter called "Public Wholesale"); and

**WHEREAS**, the City has decided to enter into a contract to purchase water from the Public Wholesale; and

**WHEREAS**, a proposed Water Purchase Contract has been submitted to the City for approval;

**NOW, THEREFORE**, the Mayor and Commissioners of the City hereby resolve as follows:

1. The Contract dated May 21, 2001, for sale of water by the Public Wholesale to the City is hereby approved and ratified in its entirety. A copy of the Contract is hereby attached and made a part hereof.

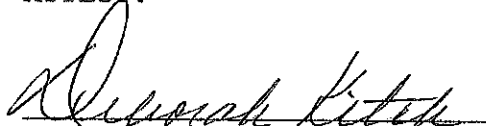
2. The Mayor and City Clerk are hereby authorized to sign the Water Purchase Contract.

3. This Resolution shall take effect and be in full force from and after its adoption by the Governing Body.

**Passed by the City Commission of the City of Galena, Kansas and signed by the Mayor this 21<sup>st</sup> day of May, 2001.**

  
\_\_\_\_\_  
Mark LaTurner, Mayor

ATTEST:

  
\_\_\_\_\_  
Deborah Kitch, City Clerk

(SEAL)

WATER SALE CONTRACT

THIS CONTRACT for the sale and purchase of water is entered into as of the 21<sup>st</sup> day of May, 2001, between SPRING RIVER PUBLIC WHOLESALE WATER SUPPLY DISTRICT #19, STATE OF KANSAS (hereinafter called SELLER), and CITY OF GALENA, KANSAS, a Municipal Corporation, Cherokee County, Kansas, (hereinafter called BUYER).

**WITNESSETH:**

**WHEREAS, SELLER** is organized and established under the provisions of K.S.A. 19-3545, et seq., for the purpose of constructing a water treatment plant and a water distribution system in order to sell water to public agencies; and

**WHEREAS, SELLER** is in the process of applying for necessary funding in order to build a water treatment plant and a water distribution system with a capacity of serving BUYER; and

**WHEREAS, BUYER** is a public agency as defined under the laws of the State of Kansas and desires to purchase water from SELLER; and

**WHEREAS, SELLER** has completed a water supply feasibility study which has determined that it is economically feasible to provide water to BUYER in the event adequate financial funding is obtained; and

WHEREAS, by resolution of the Board of Directors of SELLER enacted on the 21<sup>ST</sup> day of May, 2001, SELLER has agreed to sell to BUYER water under the terms of this contract provided adequate funding is obtained for the project; and

WHEREAS, by Resolution No. 01-14, BUYER has approved the purchase of water from SELLER in accordance with the provisions of this contract;

NOW, THEREFORE, in consideration of the foregoing and the mutual agreements hereinafter set forth, the parties agree as follows:

1. QUALITY AND QUANTITY; GUARANTEED MINIMUM

MONTHLY COMMITMENT. SELLER shall furnish to BUYER at a mutually agreed delivery point, potable treated water meeting applicable purity standards of the State of Kansas, State Department of Health and Environment, in such quantity as may be required by the BUYER not to exceed 18.25 M gallons per month.

2. GUARANTEED MINIMUM MONTHLY COMMITMENT.

Buyer shall purchase a minimum amount of 109.50M gallons of water per year from Seller provided Seller proceeds to build a water

plant and other facilities necessary to supply water to Buyer.

3. PURCHASE PRICE. Buyer shall pay SELLER the amount of \$2.<sup>90</sup>~~85~~ *Manual* per thousand gallons of water with payment to be made on a monthly basis and with payment to be made not later than thirty 30 days after SELLER has submitted to BUYER the monthly bill.

4. TERMS OF CONTRACT. This contract shall extend for term of forty (40) years from the date of initial delivery of any water as shown by the first bill submitted by SELLER to BUYER and thereafter this contract may be renewed or extended for such terms as may be agreed upon by BUYER and SELLER.

5. DELIVERY OF WATER. Thirty days prior to the estimated date of completion of construction of SELLER'S water reservoir, water plant, and water supply distribution system, SELLER will notify BUYER in writing of the date for the initial delivery of water.

6. FAILURE TO DELIVER. SELLER will, at all times, operate and maintain it's system in an

efficient manner and will take such action as may be necessary to furnish the BUYER with quantities of water required by BUYER. Temporary or partial failures to deliver water shall be remedied with all possible dispatch.

7. CONTRACT CONDITIONAL ON FUNDING AND PRICE OF WATER. The parties acknowledge that this contract is conditional on SELLER obtaining adequate public and private funding for construction of it's water plant and water distribution system. In the event that SELLER is unable to obtain adequate financial funding to submit bids for construction of the necessary water facilities within sixty (60) months of the signing of this Agreement, then this Agreement shall be null and void.

In the event that SELLER proceeds with submission of bids for construction of water facilities, the parties agree that subsequent to the opening of the bids for construction SELLER'S Engineer shall make a study to determine the initial cost of water if the facilities are built based upon the submitted

contractor's bids. SELLER'S Engineer shall send BUYER'S governing body a certified letter within 15 days of the opening of the construction bids indicating the estimated initial cost of water after the construction of the water facilities is complete. BUYER shall have the right to cancel this contract without any further liability or obligations whatsoever (except for all obligations agreed to prior to the signing of this agreement by BUYER for preconstruction expenses and costs) if SELLER'S engineer determines that the initial cost of water after construction will exceed \$2.65 <sup>90 Maway</sup> per thousand gallons.

8. MODIFICATION OF CONTRACT. The provisions of this contract pertaining to the schedule of rates to be paid by BUYER to SELLER for water delivered are subject to modification by SELLER'S Board of Directors. Any increase or decrease in rates shall be based on an increase or decrease in the cost of production or capitalization of SELLER'S system. In addition, SELLER shall have the right to add

an additional charge to accumulate 10% as a reserve for additional unforeseen expenditures and costs. Any increase or decrease in rates shall be uniform for all public agencies who are members of SELLER at the time SELLER'S water plant and water distribution lines are completed. As such, any increase or decrease in rates shall be exactly the same cents per thousand gallons for every public agency that is a member of SELLER at the time construction of SELLER'S water facilities is completed. SELLER agrees that the water rates cannot be increased for at least one year from the date of initial delivery of water to BUYER.

9. METERING EQUIPMENT. SELLER shall furnish, install, operate, and maintain at it's own expense at point of delivery, the necessary metering equipment, including a meter house or pit, and required devices of standard type for properly measuring the quantity of water delivered to the BUYER and shall calibrate such metering equipment whenever requested by BUYER but not more frequently than once every

twelve (12) months. A meter registering not more than two per cent (2%) above or below the test result shall be deemed to be accurate. The previous readings of any meter disclosed by test to be inaccurate shall be corrected for the two months previous to such test in accordance with the percentage of inaccuracy found by such tests. If any meter fails to register for any period, the amount of water furnished during such periods shall be deemed to be the amount of water delivered in the corresponding period immediately prior to the failure, unless SELLER and BUYER shall agree upon a different amount. The metering equipment shall be read on the 25th day of each month. An appropriate official of the BUYER at all reasonable times shall have access to the meter for the purposes of verifying its readings.

10. REGULATORY AGENCIES. This contract is subject to such rules, regulations, or laws as may be applicable to similar agreements in this State and SELLER and BUYER will

collaborate in obtaining such permits and certificates that may be required to comply therewith.

SELLER:

SPRING RIVER PUBLIC WHOLESALE WATER  
SUPPLY DISTRICT NO. 19

BY: \_\_\_\_\_

TITLE: \_\_\_\_\_

ATTEST:

\_\_\_\_\_  
Secretary

BUYER:

CITY OF GALENA, KANSAS

BY: Mark G. LaFuerce

TITLE: MAYOR

ATTEST:

Richard Ketch  
City Clerk

RESOLUTION NO. 01-15

Be it resolved, by the City Commission of the City of Galena, Kansas, that the **Employee Handbook and Personnel Policy for the City of Galena, Kansas**, as set forth in the document of the same name is hereby adopted and approved as the City's official personnel rules and regulations.

The City Manager shall provide a copy of the official personnel rules and regulations to all city employees.

The City Clerk shall maintain on file no fewer than three copies, available to the public for inspection, and shall make copies available for purchase at a cost of twelve cents per printed page.

This resolution hereby negates the Personnel Policy, dated August 17, 1982, that was adopted by simple motion on the floor and majority vote of the Governing Body.


This resolution shall take effect and be in full force upon its passage by the City Commission.

PASSED BY THE CITY COMMISSION OF THE CITY OF GALENA THIS 4<sup>th</sup> DAY OF JUNE, 2001.



Mark LaTurner, Mayor

ATTEST:



Deborah Kitch, City Clerk

**RESOLUTION NUMBER 01-16**

**A RESOLUTION AUTHORIZING THE EXECUTION AND DELIVERY OF A MASTER EQUIPMENT LEASE/PURCHASE AGREEMENT, AND RELATED INSTRUMENTS, AND DETERMINING OTHER MATTERS IN CONNECTION THEREWITH.**

**WHEREAS**, the Governing Body of the City of Galena ("Lessee") has determined that a true and very real need exists for the equipment (the "Equipment") described in the Master Equipment Lease/Purchase Agreement (the "Agreement") presented to this meeting; and

**WHEREAS**, the Lessee has taken the necessary steps, including those relating to any applicable legal bidding requirements, to arrange for the acquisition of the Equipment; and

**WHEREAS**, Lessee proposes to enter into the Agreement substantially in the form presented in this meeting;

**NOW, THEREFORE**, the Mayor and Commissioners of the City of Galena hereby resolve as follows:

Section 1. BEST INTEREST OF LESSEE: It is hereby found and determined that the terms of the Agreement in the form presented to this meeting and incorporated in this resolution are in the best interest of the Lessee for the acquisition of the Equipment.

Section 2. AUTHORIZATION: The Agreement is hereby approved. The City Manager of the Lessee and other officers of the Lessee who shall power to execute contracts on behalf of the Lessee be, and each of them hereby is, authorized to execute, acknowledge and deliver the Agreement with any changes, insertions and omissions therein as may be approved by the officer(s) who execute the Agreement, such approval to be conclusively evidenced by such execution and delivery of the Agreement. The City Manager or clerk of the Lessee and any other officers of the Lessee who shall have power to do so be, and each of them hereby is, authorized to affix the official seal of the Lessee to the Agreement and attest the same.

Section 3. EXECUTION OF DOCUMENTS: The proper officer(s) of the Lessee be, and each of them hereby is, authorized and directed to execute and deliver any and all papers, instruments, opinions, certificates, affidavits and other documents and to do so or cause to be done any and all other acts and things necessary or proper for carrying out this resolution and the Agreement.

Section 4. DESIGNATION AS QUALIFIED TAX-EXEMPT OBLIGATION: The Lessee hereby designates the Agreement as a "qualified tax-exempt obligation" within the meaning of the Internal Revenue Code of 1986 as amended.

Section 5. EFFECTIVE DATE: This Resolution shall be in full force and take effect upon its adoption by the Governing Body.

*Passed by the City Commission of the City of Galena, Kansas and signed by the Mayor this 2<sup>nd</sup> day of July, 2001.*

ATTEST:

  
Mark LaTurner, Mayor

  
Deborah Kitch, City Clerk

(SEAL)

**RESOLUTION NUMBER 01-17**

A resolution amending Resolutions Number 00-30 and 01-12 to change the position of Water Manager to Leadman-Water and of Waste Water Manager to Leadman-Waste Water; to eliminate the position of Laborer/Electrician; and to establish the positions of Water and Waste Water Manager and Code Enforcement Officer/Cemetery Manager.

Be it resolved by the City Commission of the City of Galena that the following positions and pay shall prevail:

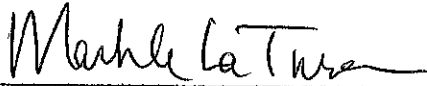
Section 1: Position and salary computed by hourly, weekly and annual rate.

<u>POSITION</u>	<u>HOURLY</u>	<u>WEEKLY</u>	<u>ANNUALLY</u>
Leadman-Water	8.82	352.80	18,345.60
Leadman-Waste Water	8.82	352.80	18,345.60
Water and Waste Water Manager	9.23	369.20	19,198.40
Code Enforcement Officer/ Cemetery Manager	---	350.00	18,200.00

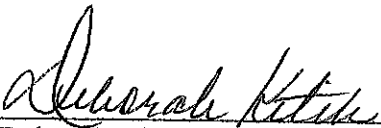
Section 2: Nothing in this Resolution shall prevent the City Manager, upon advise and consent of the City Commission, from adding, changing, or combining positions and job classifications. When such action is contemplated, the City Manager shall submit a recommendation to the City Commission for ratification.

Section 3: This Resolution shall take effect and be in full force from and after its adoption by the Governing Body.

*Passed by the City Commission of the City of Galena, Kansas and signed by the Mayor this 1<sup>st</sup> day of October, 2001.*

  
\_\_\_\_\_  
Mark G. LaTurner, Mayor

ATTEST:

  
\_\_\_\_\_  
Deborah Kitch, City Clerk

RESOLUTION NO. 01-18

Be it resolved, by the City Commission of the City of Galena, Kansas, that the **Employee Handbook and Personnel Policy for the City of Galena, Kansas**, as set forth in the document of the same name and adopted by Resolution No. 01-15 is hereby amended as follows:

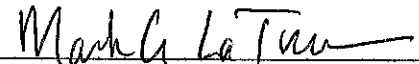
Page 4, Paragraph F, under Group Medical Insurance is hereby amended to read, "A part-time employee who becomes a full-time employee shall be eligible for group medical and hospital insurance on the 91<sup>st</sup> day after he/she becomes a full-time employee".

Page 9, under Paid Vacation Benefits is amended to read, "Paid vacation is earned by length of employment as follows:


One to two years .....1 week  
Two to six years .....2 weeks  
Six to fifteen years.....3 weeks  
Fifteen years or more.....4 weeks

This resolution shall take effect and be in full force upon its passage by the City Commission.

PASSED BY THE CITY COMMISSION OF THE CITY OF GALENA THIS 5<sup>th</sup> DAY OF NOVEMBER, 2001.

  
\_\_\_\_\_  
Mark LaTurner, Mayor

ATTEST:

  
\_\_\_\_\_  
Deborah Kitch, City Clerk

**CITY OF GALENA, KANSAS**  
**RESOLUTION NO. 01-19**

**A RESOLUTION TO MEET THE CIVIL RIGHTS OBLIGATIONS OF THE KANSAS DEPARTMENT OF COMMERCE & HOUSING (KDOC&H), COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG) PROGRAM WHICH WILL FURTHER FAIR HOUSING OPPORTUNITIES IN GALENA, KANSAS.**

**WHEREAS,** in order to comply with the Civil Rights requirements set forth by KDOC&H, CDBG Program, the City of Galena does hereby adopt and support the Kansas Act Against Discrimination and the Fair Housing Amendments Act of 1988; and

**WHEREAS,** the Kansas Act Against Discrimination (K.S.A. 44-1001 to 44-1121) was passed in 1953 which prohibits discriminatory employment practices and places or public accommodations because of race, religion, color, national origin or ancestry; and

**WHEREAS,** the Fair Housing Act as amended was enacted on October 13, 1988 by the United States of America to provide, within constitutional limitations, for fair housing throughout the United States. Any person regardless of race, color, religion, sex, handicap, familial status, or national origin is afforded the equal right to occupy, purchase, sale or rent a dwelling when such a dwelling is in fact so available.

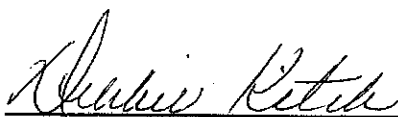
**NOW, THEREFORE, BE IT RESOLVED THAT:** The Governing Body of the City of Galena does hereby support the Kansas Act Against Discrimination and the Fair Housing Act and will provide copies of the acts to any interested citizen by contacting the Galena City Clerk.

**ADOPTED AND SIGNED THIS 17th DAY OF DECEMBER, 2001.**



**Mark LaTurner, Mayor**

**ATTEST:**



**Debbie Kitch, City Clerk**

RESOLUTION NUMBER 01-20

A RESOLUTION AUTHORIZING THE EXECUTION AND DELIVERY OF A LEASE PURCHASE AGREEMENT, AND RELATED INSTRUMENTS, AND DETERMINING OTHER MATTERS IN CONNECTION THEREWITH.

WHEREAS, the Governing Body of the City of Galena ("Lessee") has determined that a true and very real need exists for the pumper truck (the "Equipment") described in the Bid Specifications and Bid Proposals presented to the Governing Body; and

WHEREAS, the Lessee has taken the necessary steps, including those relating to any applicable legal bidding requirements, to arrange for the acquisition of the Equipment; and

WHEREAS, Lessee proposes to enter into an Agreement with the Baxter State Bank and Conrad Fire Equipment;

NOW, THEREFORE, the Mayor and Commissioners of the City of Galena hereby resolve as follows:

Section 1. BEST INTEREST OF LESSEE: It is hereby found and determined that the lease purchase arrangement is in the best interest of the Lessee for the acquisition of the Equipment.

Section 2. AUTHORIZATION: The City Manager of the Lessee and other officers of the Lessee who shall power to execute contracts on behalf of the Lessee be, and each of them hereby is, authorized to execute, acknowledge and deliver an Agreement to be prepared by the Baxter State Bank and reviewed by the City Attorney, such approval to be conclusively evidenced by such execution and delivery of the Agreement. The City Clerk of the Lessee hereby is, authorized to affix the official seal of the Lessee to the Agreement and attest the same.

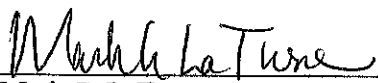
Section 3. EXECUTION OF DOCUMENTS: The proper officer(s) of the Lessee be, and each of them hereby is, authorized and directed to execute and deliver any and all papers, instruments, opinions, certificates, affidavits and other documents and to do so or cause to be done any and all other acts and things necessary or proper for carrying out this resolution and the Agreement.

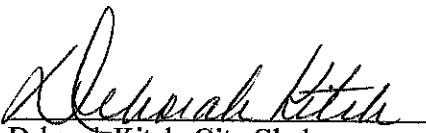
Section 4. DESIGNATION AS QUALIFIED TAX-EXEMPT OBLIGATION: The Lessee hereby designates the Agreement as a "qualified tax-exempt obligation" within the meaning of the Internal Revenue Code of 1986 as amended.

Section 5. EFFECTIVE DATE: This Resolution shall be in full force and take effect upon its adoption by the Governing Body.

*Passed by the City Commission of the City of Galena, Kansas and signed by the Mayor this 27<sup>th</sup> day of December 2001.*

ATTEST:

  
Mark G. LaTurner, Mayor

  
Deborah Kitch, City Clerk

(SEAL)