RESOLUTION NO. R-15-12

RESOLUTION AUTHORIZING THE OFFERING FOR SALE OF ELECTRIC UTILITY SYSTEM REVENUE BONDS OF THE CITY OF COFFEYVILLE, KANSAS.

WHEREAS, the City of Coffeyville, Kansas (the "Issuer"), owns and operates an Electric Utility System (the "System"); and

WHEREAS, the Issuer is authorized under the provisions of K.S.A. 10-1201 *et seq*. (the "Act") to issue and sell revenue bonds for the purpose of paying all or part of the cost of the acquisition, construction, reconstruction, alteration, repair, improvement, extension or enlargement of the System, provided that the principal of and interest on such revenue bonds shall be payable solely from the Net Revenues derived from the operation of the System; and

WHEREAS, the governing body of the Issuer has pursuant to Resolution No. R-15-01 declared its intention under the Act to acquire, construct, reconstruct, alter, repair, improve, extend or enlarge the System (the "Project") at an estimated cost of $62,425,400 and to issue System revenue bonds in an amount of not to exceed $71,810,000; notice of such intention was published one time in the official newspaper of the Issuer and no sufficient written protest thereto was filed with the Clerk within fifteen (15) days after said publication date all as set forth in the Act; and

WHEREAS, none of such revenue bonds so authorized have previously been issued and the Issuer proposes to issue not to exceed $10,000,000 of the revenue bonds so authorized to pay a portion of the costs of the Project; and

WHEREAS, the governing body of the Issuer has caused plans and specifications for the Project and an estimate of the cost thereof to be made by the Consulting Engineer which have previously been accepted and approved and shall be placed on file in the office of the Clerk; and

WHEREAS, the Issuer has selected the firm of Springsted Incorporated, as municipal advisor ("Municipal Advisor"), Gilmore & Bell, P.C., as bond counsel ("Bond Counsel"), and JP Morgan Chase Bank, N.A., as private placement purchaser (the "Purchaser"), relating to the issuance of such System revenue bonds; and

WHEREAS, due to the volatile nature of the municipal bond market and the desire of the Issuer to achieve maximum benefit of timing of the sale of the Series 2015-A Bonds, the governing body desires to authorize the Mayor to enter into an agreement for the sale of such revenue bonds, if necessary, prior to the next meeting of the governing body to adopt the necessary ordinance and resolution providing for the issuance thereof.

NOW, THEREFORE, BE IT RESOLVED BY THE GOVERNING BODY OF THE CITY OF COFFEYVILLE, KANSAS, AS FOLLOWS:

Section 1. The Municipal Advisor is hereby authorized to negotiate with the Purchaser for the sale of the Issuer's Taxable Electric Utility System Revenue Bonds, Series 2015-A (the "Series 2015-A Bonds") in accordance with the presentation made by the Municipal Advisor this date. The sale negotiations shall be accomplished in consultation with the Director of Finance, the City Attorney and Bond Counsel. The final pricing and repayment terms thereof shall be determined by the Director of Finance. The confirmation of the sale of the Series 2015-A Bonds shall be subject to the execution of an

agreement between the Purchaser and the Issuer, the passage of an ordinance and adoption of a resolution by the governing body of the Issuer authorizing the issuance of the Series 2015-A Bonds and the execution of various documents necessary to deliver the Series 2015-A Bonds. The Mayor is hereby authorized to execute an agreement (the "Purchase Agreement") in a form approved by the City Attorney and Bond Counsel, provided that the sale and placement of the Series 2015-A Bonds is subject to the following parameters: (a) aggregate principal amount not to exceed $10,000,000; and (b) the aggregate interest cost shall not exceed $125,000.

Section 2. The Mayor, Director of Finance, Clerk and the other officers and representatives of the Issuer, the Municipal Advisor and Bond Counsel are hereby authorized and directed to take such other action as may be necessary to carry out the sale and placement of the Series 2015-A Bonds.

Section 3. This Resolution shall be in full force and effect from and after its adoption.

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ADOPTED by the governing body on February 10, 2015.

(SEAL)

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James Falkner, Mayor

ATTEST:

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Cindy Price, City Clerk