

This Resolution prepared by Jeena Lynch, City Clerk/Treasurer of the City of Independence, 331 1st Street East, Independence, Iowa 50644, 319-334-2780.

RESOLUTION NO. 2019-90

A RESOLUTION TO FIX A DATE FOR PUBLIC HEARING ON PROPOSAL TO ENTER INTO A SEWER REVENUE LOAN AND DISBURSEMENT AGREEMENT AND TO BORROW MONEY THEREUNDER IN A PRINCIPAL AMOUNT NOT TO EXCEED \$101,000.00; WITHIN THE CITY OF INDEPENDENCE, BUCHANAN COUNTY, IOWA.

WHEREAS, the City of Independence (the “City”), in Buchanan County, State of Iowa, did heretofore establish a Municipal Sanitary Sewer System (the “Utility”) in and for the City which has continuously supplied sanitary sewer service in and to the City and its inhabitants since its establishment; and

WHEREAS, the management and control of the Utility are vested in the City Council (the “Council”) and no board of trustees exists for this purpose; and

WHEREAS, pursuant to a prior resolution of the Council (the “Series 2018 Bond Resolution”), the City has heretofore issued its \$2,010,000 Sewer Revenue Refunding Bonds, Series 2018, dated February 15, 2018 (the “Series 2018 Bonds”), a portion of which remain outstanding; and

WHEREAS, pursuant to a prior resolution of the Council (the “Series 2018A Bond Resolution”), the City has heretofore issued its \$1,565,000 Sewer Revenue Bond, SRF Series 2018A, dated December 21, 2018 (the “Series 2018A Bond”), a portion of which remain outstanding; and

WHEREAS, pursuant to the Series 2018 Bond Resolution and the Series 2018A Bond Resolution (together, the “Outstanding Bond Resolutions”) authorizing the issuance of the Series 2018 Bonds and the Series 2018A Bond (together, the “Outstanding Bonds”), the City reserved the right to issue additional obligations payable from the net revenues of the Utility and ranking on a parity with the Outstanding Bonds under the terms and conditions set forth in the Outstanding Bond Resolutions; and

WHEREAS, the City now proposes to enter into a Sewer Revenue Loan and Disbursement Agreement (the “Agreement”) and to borrow money thereunder in a principal amount not to exceed \$101,000, pursuant to the provisions of Section 384.24A of the Code of Iowa, for the purpose of paying the cost, to that extent, of planning, designing and constructing improvements and extensions to the Utility (the “Project”), and it is necessary to fix a date of meeting of the City Council at which it is proposed to take action to enter into the Agreement and to give notice thereof as required by such law;

NOW, THEREFORE, Be It Resolved by the City Council of the City of Independence, Iowa, as follows:

Section 1. This City Council shall meet on December 16, 2019, at the Council Chambers, in the City, at 6:30 p.m., at which time and place a hearing will be held and proceedings will be instituted and action taken to enter into the Agreement.

Section 2. The City Clerk is hereby directed to give notice of the proposed action on the Agreement setting forth the amount and purpose thereof, the time when and place where the said meeting will be held, by publication at least once, not less than four (4) and not more than twenty (20) days before the meeting, in a legal newspaper which has a general circulation in the City. The notice shall be in substantially the following form:

**NOTICE OF PROPOSED ACTION TO INSTITUTE
PROCEEDINGS TO ENTER INTO A LOAN AND DISBURSEMENT AGREEMENT
IN A PRINCIPAL AMOUNT NOT TO EXCEED \$101,000**

(SEWER REVENUE)

The City Council of the City of Independence, Iowa, will meet on December 16, 2019, at the Council Chambers, in the City, at 6:30 p.m., for the purpose of instituting proceedings and taking action to enter into a loan and disbursement agreement (the “Agreement”) and to borrow money thereunder in a principal amount not to exceed \$101,000, for the purpose of paying the cost, to that extent, of planning, designing and constructing improvements and extensions to the City’s Municipal Sanitary Sewer System.

The Agreement will not constitute a general obligation of the City, nor will it be payable in any manner by taxation but, together with the City's outstanding Sewer Revenue Refunding Bonds, Series 2018, dated February 15, 2018; Sewer Revenue Bond, SRF Series 2018A, dated December 21, 2018; and any additional obligations of the City as may be hereafter issued and outstanding from time to time ranking on a parity therewith, will be payable solely and only from the Net Revenues of the Municipal Sanitary Sewer System of the City.

At the aforementioned time and place, oral or written objections may be filed or made to the proposal to enter into the Agreement. After receiving objections, the City may determine to enter into the Agreement, in which case, the decision will be final unless appealed to the District Court within fifteen (15) days thereafter.

By order of the City Council of the City of Independence, Iowa.

Jeena Lynch
City Clerk/Treasurer

Section 3. Pursuant to Section 1.150-2 of the Income Tax Regulations (the "Regulations") of the Internal Revenue Service, the City declares (a) that it intends to undertake the Project which is reasonably estimated to cost approximately \$101,000, (b) that other than (i) expenditures to be paid or reimbursed from sources other than the issuance of bonds, notes or other obligations (the "Bonds"), or (ii) expenditures made not earlier than 60 days prior to the date of this Resolution or a previous intent resolution of the City, or (iii) expenditures amounting to the lesser of \$100,000 or 5% of the proceeds of the Bonds, or (iv) expenditures constituting preliminary expenditures as defined in Section 1.150-2(f)(2) of the Regulations, no expenditures for the Project have heretofore been made by the City and no expenditures will be made by the City until after the date of this Resolution or a prior intent resolution of the City, and (c) that the City reasonably expects to reimburse the expenditures made for costs of the City out of the proceeds of the Bonds. This declaration is a declaration of official intent adopted pursuant to Section 1.150-2 of the Regulations.

Section 4. All resolutions or parts of resolutions in conflict herewith are hereby repealed to the extent of such conflict.

Section 5. This resolution shall be in full force and effect immediately upon its adoption and approval, as provided by law.

RESOLUTION NO. 2019-90 was passed and approved by a majority vote of the City Council of Independence, Iowa, on the 25th day of November, 2019.

Record of Voting:

Ayes: Hill, Scharff, O'Loughlin, Hanna, Vaughn, Kurtz, and Hayward.

Nays:

Absent:

RESOLUTION NO. 2019-90 declared passed and adopted by the Mayor on this 25th day of November, 2019.



Bonita Davis, Mayor of the City of Independence, Iowa

ATTEST:



Jeena Lynch, IaCMC, City Clerk/Treasurer, City of Independence, Iowa