

**ORDINANCE NO. 1007**

**AN ORDINANCE AUTHORIZING THE CITY OF EDGERTON, KANSAS, TO ISSUE HOME RULE REVENUE BONDS (LOGISTICS PARK INFRASTRUCTURE PROJECTS) SERIES 2015A, IN AN AGGREGATE MAXIMUM PRINCIPAL AMOUNT NOT TO EXCEED \$10,155,000, FOR THE PURPOSE OF PROVIDING FUNDS TO PAY OR REIMBURSE THE COSTS OF PUBLIC INFRASTRUCTURE IMPROVEMENTS; AUTHORIZING THE CITY TO ENTER INTO A BOND PLACEMENT AGREEMENT IN CONNECTION WITH THE BONDS, AND AUTHORIZING AND APPROVING THE EXECUTION OF CERTAIN DOCUMENTS AND THE TAKING OF OTHER ACTIONS IN CONNECTION WITH THE ISSUANCE OF THE BONDS.**

**WHEREAS**, the City of Edgerton, Kansas (the “City”), desires to promote, stimulate and develop the general welfare and economic prosperity of the City and its inhabitants and thereby to further promote, stimulate and develop the general welfare and economic prosperity of the State of Kansas; and

**WHEREAS**, the City, Edgerton Land Holding Company, LLC, a Kansas limited liability company (“ELHC”), and BNSF Railway Company, a Delaware corporation, entered into an Amended and Restated Public Infrastructure Financing plan dated July 15, 2015 (the “Financing Plan”), to provide for the financing and construction of certain Public Infrastructure Improvements (as defined in the Financing Plan) located within the Logistics Park-Kansas City; and

**WHEREAS**, the Financing Plan requires the City to collect certain Sources of Funds (as defined in the Financing Plan) and deposit the Sources of Funds in a Public Infrastructure Fund (as defined in the Financing Plan); and

**WHEREAS**, the Financing Plan anticipates that the City will utilize certain Funding Mechanisms (as defined in the Financing Plan) to fund Public Infrastructure Improvements, one of which is the issuance of home rule revenue bonds pursuant to Article 12, Section of 5 of the Kansas Constitution (the “Act”); and

**WHEREAS**, the Financing Plan also anticipates that the Sources of Funds held by the City in the Public Infrastructure Fund will be transferred to a trustee to be held and administered pursuant to an indenture;

**WHEREAS**, the City intends to enter into a Master Trust Indenture dated as of December 1, 2015 (the “Master Indenture”) with Commerce Bank (the “Trustee”), pursuant to which the Sources of Funds will be held and distributed by the Trustee and which provides for the issuance of up to \$100 million in home rule revenue bonds; and

**WHEREAS**, pursuant to the Act, the City is authorized to determine its local affairs and government, and pursuant to and in furtherance of the purposes of the Act and the Financing Plan, the City proposes to issue its Home Rule Revenue Bonds (Logistics Park Infrastructure Projects), Series 2015A, in the aggregate principal amount not to exceed \$10,155,000 (the “Bonds”) for the purpose of providing funds

to pay the costs of acquiring and completing the Public Infrastructure Improvements described in the Supplemental Indenture (hereafter defined) (the "Projects"); and

**WHEREAS**, the governing body of the City further finds and determines that it is necessary and desirable in connection with the issuance of these Bonds that the City enter into certain agreements, and that the City take certain other actions and approve the execution of certain other documents as herein provided;

**NOW, THEREFORE, BE IT ORDAINED BY THE COUNCIL OF THE CITY OF EDGERTON, KANSAS, AS FOLLOWS:**

**Section 1. Authorization for the Acquisition and Completion of the Projects.** The City is hereby authorized to provide for the acquisition and completion of the Projects, all in the manner and as more particularly described in the Financing Plan, the Master Indenture and the Supplemental Indenture (hereafter defined).

**Section 2. Transfer of Sources of Funds.** The City is hereby authorized to transfer the Sources of Funds to the Trustee pursuant to and in the manner required by the Master Indenture and the Supplemental Indenture.

**Section 3. Authorization of and Security for the Bonds.** The City is hereby authorized to issue and sell the Bonds for the purpose of providing funds to pay the cost of acquiring and completing the Projects. The Bonds shall be issued and secured pursuant to the Master Indenture and Supplemental Indenture, and shall bear such date, shall mature at such time, shall be in such denominations, shall bear interest at such rates, shall be in such form, shall be subject to redemption and other terms and conditions, and shall be issued in such manner, subject to such provisions, covenants and agreements, as are set forth in the Master Indenture and Supplemental Indenture. The Bonds shall be payable solely out of the funds provided for in the Master Indenture and Supplemental Indenture, which shall be pledged and assigned to the Trustee as security for payment of the Bonds as provided in the Master Indenture and Supplemental Indenture.

**Section 4. Authorization of Documents.** The City is hereby authorized to enter into the following documents, in substantially the forms presented to and reviewed by the Council of the City (copies of which documents, upon execution thereof, shall be filed in the office of the City Clerk), with such changes therein as shall be approved by the officers of the City executing such documents, such officers' signatures thereon being conclusive evidence of their approval thereof:

- (a) Master Indenture;
- (b) Supplemental Master Trust Indenture No. 1 dated the date set forth therein (the "Supplemental Indenture"), which supplements the Master Indenture and describes the terms of the Bonds, the sources and uses of funds, and other matters;
- (c) Bond Placement Agreement dated the date set forth therein (the "Placement Agreement"), among the City, Commerce Bank, as Placement Agent, and ELHC, as Purchaser, pursuant to which the Bonds will be placed to ELHC;
- (d) Tax Certificate dated the date set forth therein (the "Tax Certificate"), between the City and the Trustee, containing certain covenants and restrictions relating to the Bonds and the Projects and the use of proceeds of the Bonds; and


(e) Reimbursement Termination Agreement dated the date set forth therein (the "Reimbursement Termination Agreement"), between the City and ELHC, which describes the status of certain reimbursement obligations owing by the City to ELHC pursuant to the Financing Plan and various reimbursement agreements entered into between the parties.

**Section 5. Execution of Bond and Documents.** The Mayor of the City is hereby authorized and directed to execute the Bonds and to deliver the Bonds to the Trustee for authentication for and on behalf of and as the act and deed of the City in the manner provided in the Master Indenture and Supplemental Indenture. The Mayor of the City is hereby authorized and directed to execute the Master Indenture, the Supplemental Indenture, the Placement Agreement, the Tax Agreement, the Reimbursement Termination Agreement and such other documents, certificates and instruments as may be necessary or desirable to carry out and comply with the intent of this Ordinance, for and on behalf of and as the act and deed of the City. The City Clerk of the City is hereby authorized and directed to attest to and affix the seal of the City to the Bonds, the Master Indenture, the Supplemental Indenture, the Placement Agreement, the Tax Agreement, the Reimbursement Termination Agreement and such other documents, certificates and instruments as may be necessary.

**Section 6. Further Authority.** The City shall, and the officers, employees and agents of the City are hereby authorized and directed to, take such action, expend such funds and execute such other documents, certificates and instruments as may be necessary or desirable to carry out and comply with the intent of this Ordinance and to carry out, comply with and perform the duties of the City with respect to the Bonds, the Master Indenture, the Supplemental Indenture, the Placement Agreement, the Tax Agreement and the Reimbursement Termination Agreement.

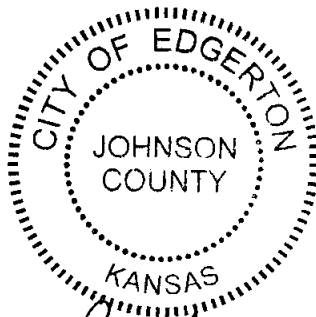
**Section 7. Effective Date.** This Ordinance shall take effect and be in force from and after its passage, approval and publication in summary form in the official City newspaper.

**PASSED** by the Council of the City of Edgerton, Kansas, this 10<sup>th</sup> day of December, 2015.

  
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Donald Roberts, Mayor


[SEAL]

ATTEST:



  
\_\_\_\_\_  
Janice Rawles, City Clerk

Approved as to form:

  
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Scott W. Anderson, Bond Counsel