

## RESOLUTION NO. 2012-002

### **A RESOLUTION OF THE CITY OF PAOLA, KANSAS AUTHORIZING AND PROVIDING FOR THE UNDERWRITING AND OFFERING FOR SALE OF THE CITY'S GENERAL OBLIGATION REFUNDING AND IMPROVEMENT BONDS, SERIES 2012 IN THE APPROXIMATE AGGREGATE PRINCIPAL AMOUNT OF \$7,780,000.**

WHEREAS, the City of Paola, Kansas (the "City") has selected the firm of Piper Jaffray & Co., Leawood, Kansas (the "Underwriter") to underwrite approximately \$7,780,000 aggregate principal amount of the City's General Obligation Refunding and Improvement Bonds, Series 2012 (the "Bonds") to (1) provide for the partial refunding of the City's outstanding (a) General Obligation Bonds, Series A, 2005, (b) General Obligation Bonds, Series 2006-A and (c) General Obligation Bonds, Series 2006-B (collectively, the "Refunded Bonds") and (2) to pay the costs of certain improvements through prepayment of an outstanding loan agreement between the City and the Kansas Department of Health and Environment described herein (the "Loan"); and

WHEREAS, the City desires to authorize the Underwriter to offer the Bonds for sale and take such other actions as are necessary to offer the Bonds.

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

SECTION 1. Authorization of Offering. The Underwriter is authorized to proceed with offering for sale of the General Obligation Refunding and Improvement Bonds, Series 2012 in the approximate principal amount of \$7,780,000.

SECTION 2. Authorization Preliminary Official Statement and Official Statement. The Underwriter is authorized and directed to prepare or provide for the preparation of a Preliminary Official Statement for the Bonds. The Mayor is authorized to execute the Preliminary Official Statement on behalf of the City. The City hereby consents to and authorizes the Underwriter to use and publicly distribute the Preliminary Official Statement (but only in its entirety) to prospective purchasers of the Bonds. Upon a successful offering of the Bonds, the Underwriter is authorized to prepare or provide for the preparation of a final Official Statement by amending, supplementing and completing the Preliminary Official Statement and the City authorizes the execution of the final Official Statement by its Mayor or acting Mayor, with such changes and additions as such officer deems appropriate. The final Official Statement is authorized to be distributed to the public (in its entirety) in connection with the offering and sale of the Bonds.

SECTION 3. SEC Rule Compliance; Continuing Disclosure. To permit the Underwriter to comply with the requirements of Rule 15c2-12(b)(1) of the Securities and Exchange Commission (the "SEC Rule") the Mayor or the City Clerk are authorized, if requested to do so, to certify that the City deems the information in the Preliminary Official Statement "final" as of its date except for the omission of information as permitted by the SEC Rule and to take such other actions as such officers find necessary to permit the Underwriter to comply with the SEC Rule. The City agrees that, on or before the date the Bonds are delivered, it will enter into a

written undertaking to provide continuing disclosure about the City while the Bonds remain outstanding, if required by the applicable sections of the SEC Rule.

SECTION 4. Authorization of Additional Actions as Required. The Mayor, the City Clerk, the Underwriter and Triplett, Woolf & Garretson, LLC, as Bond Counsel, are each authorized and directed to take all such other actions as are necessary to complete the offering and issuance of the Bonds, including but not limited to, providing any necessary notice of the City's intent to redeem the Refunded Bonds on their first optional redemption date and prepay the Loan on May 1, 2012 or as soon thereafter as possible. The Loan is identified below:

| <u>Loan</u>   | <u>Original Loan Amount</u> | <u>Estimated Balance Outstanding for Prepayment</u> |
|---|-----------------------------|---|
| A. WPC Loan #C20 1652-01 (Waste Water Plant and Related Structures) | \$6,955,248.00              | \$6,267,397.45                                      |

SECTION 5. Effective Date. This Resolution shall be in force and take effect from and after its adoption and approval.

ADOPTED AND APPROVED by the governing body of the City of Paola, Kansas on March 13, 2012.

CITY OF PAOLA, KANSAS

[seal]

By \_\_\_\_\_  
Artie Stuteville, Mayor

ATTEST:

By \_\_\_\_\_  
Daniel G. Droste, City Clerk