

RESOLUTION NO. 2019-36

Resolution taking additional action on proposal to enter into an Electric Revenue Loan Agreement

WHEREAS, the City of Hawarden (the "City"), in Sioux County, State of Iowa, did heretofore establish a Municipal Electric Utility System (the "Utility") in and for the City which has continuously supplied electric 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 City has heretofore issued its \$2,890,000 Electric Revenue Improvement Bonds, Series 2015, dated May 5, 2015 (the "Series 2015 Bonds"), a portion of which remain outstanding; and

WHEREAS, pursuant to a prior resolution of the Council, the City has heretofore issued its \$2,655,000 Electric Revenue Refunding Bonds, Series 2016, dated October 27, 2016 (the "Series 2016 Bonds"), a portion of which remain outstanding; and

WHEREAS, pursuant to the resolutions (the "Outstanding Bond Resolutions") authorizing the issuance of the Series 2015 Bonds and the Series 2016 Bonds (hereinafter together referred to as 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 Council has heretofore proposed to enter into an Electric Revenue Loan Agreement (the "Loan Agreement") and to borrow money thereunder in a principal amount not to exceed \$2,950,000, pursuant to the provisions of Section 384.24A of the Code of Iowa, for the purpose of paying the cost, to that extent, of constructing improvements and extensions to the Utility, and has published notice of the proposed action and has held a hearing thereon on July 10, 2019;

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

Section 1. The Council hereby determines to enter into the Loan Agreement in the future and orders that electric revenue bonds be issued at such time, in evidence thereof. The Council further declares that this resolution constitutes the "additional action" required by Section 384.24A of the Code of Iowa.

Section 2. Further action with respect to the Loan Agreement is hereby adjourned to the next Council meeting scheduled for July 24, 2019.

Section 3. All resolutions or parts thereof in conflict herewith are hereby repealed to the extent of such conflict.

Section 4. This resolution shall be in full force and effect immediately upon its adoption and approval, as provided by law.

Passed and approved July 10, 2019.

RICHARD R PORTER  
Mayor

Attest:

Michael DeBruin  
City Clerk