

RESOLUTION NO. 2019-41

Resolution approving Bond Purchase Agreement for the sale of Bonds thereunder

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; and

WHEREAS, a Preliminary Official Statement (the “P.O.S.”) has been prepared to facilitate the sale of Electric Revenue Bonds, Series 2019 (the “Bonds”) in evidence of the obligation of the City under the Loan Agreement, and the City Council has made provision for the approval of the P.O.S. and has authorized its use by D.A. Davidson & Co. (the “Underwriter”); and

WHEREAS, a certain Bond Purchase Agreement (the “Bond Purchase Agreement”) has been prepared to set forth the terms of the Bonds and the understanding between the City and the Underwriter with respect to the purchase thereof and it is now necessary to make provision for the approval of the Bond Purchase Agreement and its execution and delivery;

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

Section 1. The City Council hereby approves the Bond Purchase Agreement in substantially the form as has been presented to the City Council. The Mayor and the City Clerk are hereby authorized to execute the Bond Purchase Agreement on behalf of the City and to deliver the same to the Underwriter.

Section 2. Further action with respect to the authorization of the Loan Agreement and the issuance of the Bonds is hereby adjourned to the City Council meeting on August 28, 2019.

Section 3. All resolutions and orders or parts thereof in conflict with the provisions of this resolution, to the extent of such conflict, are hereby repealed.

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

Passed and approved August 14, 2019.

RICARD R PORTER
Ricard R. Porter, Mayor

Attest:

Michael DeBruin
Michael DeBruin, City Administrator/Clerk

••••

At the conclusion of the meeting and upon motion and vote, the City Council adjourned.

RICARD R PORTER
Ricard R. Porter, Mayor

Attest:

Michael De Bruin
Michael DeBruin, City Administrator/Clerk