

**A RESOLUTION OF THE CITY OF ELSBERRY, MISSOURI
TO CONDUCT A PUBLIC HEARING
AND TO SET THE CITY SEWER RATES TO MEET THE VOTER APPROVED
BOND DEBT SERVICE REQUIREMENTS
FOR THE CITY’S WASTE WATER IMPROVEMENT PROJECT
IN THE MANNER DETERMINED AT THE PUBLIC HEARING
AFTER INPUT FROM THE PUBLIC**

WHEREAS, the City of Elsberry, Missouri (the “City”), is a fourth-class city and political subdivision duly organized and existing under the laws of the State of Missouri, and pursuant to Chapter 250, RSMo, as amended (the “Act”), now owns and operates a revenue producing combined waterworks and sewerage system (the “System,” as hereinafter defined) serving the City and its inhabitants and others within its service area; and

WHEREAS, the City is authorized under the provisions of the Act to issue and sell revenue bonds for the purpose of providing funds to acquire, construct, improve and extend the System, including acquiring real estate and easements related thereto (collectively, the “Project”), provided that the principal of and interest on such revenue bonds shall be payable solely from the income and revenues derived from the ownership and operation of the System; and

WHEREAS, a special bond election was duly held in the City on April 5, 2016, on the following question:

QUESTION

Shall the City of Elsberry, Missouri, issue its combined waterworks and sewerage system revenue bonds in the amount of up to Seven Million Dollars (\$7,000,000) for the purpose of acquiring, constructing, improving, and extending the City’s combined waterworks and sewerage system, including the acquisition of real estate and easements related thereto, the cost of operation and maintenance of said system and the principal of and interest on said revenue bonds to be payable solely from the revenues derived by the City from the operation of its combined waterworks and sewerage system, including all future extensions and improvements thereto?

and it was found and determined that a simple majority of the qualified electors of the City voting on the question had voted in favor of the issuance of said revenue bonds for the purpose aforesaid, the vote on said question having been 154 votes for said question to 84 votes against said question; and

WHEREAS, none of the bonds so authorized have heretofore been issued, and the City proposes to issue \$3,210,100 of the bonds so authorized to provide funds for the Project (“the Bonds”); and

WHEREAS, plans and specifications for the Project and an estimate of the cost thereof

have been prepared and made by the City's engineers and the same are hereby accepted and approved and are on file in the office of the City Clerk; and

WHEREAS, it is hereby found and determined that it is necessary and advisable and in the best interest of the City and of its inhabitants at this time to authorize the issuance and delivery of the Bonds pursuant to the Act to provide funds for the Project; and

WHEREAS, the City must pay for the debt service of such Bonds through the City's sewer rates, but the City's current sewer rates are insufficient to meet those debt service requirements; and

WHEREAS, RSMo. §250.233 provides that the City may not increase sewer rates without a public hearing, with thirty days advanced notice; and

WHEREAS the City of Elsberry, Missouri, will conduct a public hearing before the Board of Aldermen on December 6, 2016, at 6:30 p.m. at the Elsberry City Hall, 201 Broadway, Elsberry, MO 63343, to consider a sewer rate increase for operations, maintenance, and improvements of the City's waste water system between \$11.00 to \$16.00, or an amount sufficient to raise an additional \$151,133.00 per year to meet the debt service requirements for the Project Bonds.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF ALDERMEN OF THE CITY OF ELSBERRY, MISSOURI that the Board of Alderman intends to set the City sewer rates to meet the Bond debt service requirements for the waste water improvement project in the manner determined after input from the public at the Public Hearing.

PASSED AND RESOLVED BY THE BOARD OF ALDERMEN OF THE CITY OF ELSBERRY, MISSOURI ON THE _____ DAY OF OCTOBER 2016.

MAYOR

Attest: _____
City Clerk

City Seal