

RESOLUTION NO. 1128

A RESOLUTION OF THE CITY OF OSAWATOMIE, KANSAS DIRECTING STAFF TO COMPLETE THE TRANSFER OF EVERGY ELECTRIC DISTRIBUTION ASSETS TO THE CITY OF OSAWATOMIE FOR THE OSAWATOMIE STATE HOSPITAL

WHEREAS, the City of Osawatomie through the powers granted by the State of Kansas may provide municipal utilities to those areas within their incorporated boundaries; and

WHEREAS, the city has finalized negotiations with Evergy Kansas Metro, Inc. (Evergy) for the purchase of depreciated assets that service the Osawatomie State Hospital and the cost of those assets are \$4,649; and

WHEREAS, the city has spent less than the estimated capital cost of \$200,000 to bring the State Hospital (Exhibit A) into its service territory and continues to estimate it will cost \$15,000 annually to maintain this service; and

WHEREAS, it is estimated that the revenues generated by the transfer will net \$500,000 annually to the City's Electric Utility; and

WHEREAS, it's in the city's best interest financially to complete this transfer.

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

SECTION ONE: The Governing Body authorizes city staff to execute the Letter of Assignment and Bill of Sale in order to complete the transfer of electric distribution assets in the area identified in Exhibit A from Evergy to the City of Osawatomie.

PASSED AND APPROVED by the Governing Body of the City of Osawatomie, Kansas this 13th day of April 2023, a majority being in favor thereof.

APPROVED AND SIGNED by the Mayor.

Nick Hampson, Mayor

(SEAL)

ATTEST:

Tammy Seamands, City Clerk

EXHIBIT A

